

**Western Cape Government
Provincial Treasury**

**Annual Performance Plan
2012/13 – 2014/15**

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Foreword

This year sees a number of revisions to the Provincial Treasury's Annual Performance Plan for 2012/13 and as anticipated, for the balance of the new MTEF.

These were derived from a series of introspective think-tanks as part of the inputs into the Provincial Government's PSO 12 ("best run regional government") that in the main posed two questions, i.e. whether we understood the true nature and cause of conformance and fiscal performance lapses in either the provincial or municipal sphere, and secondly, whether we were effective in turning such shortcomings around. By the same token, to identify and support strengths and good practices observed within departments and municipalities and further build on such successes or platforms.

The rationale behind this was to firstly identify what really needs to be tackled, their root causes and relevant risk implications, and only then to devise remedial steps. Doing it any other way is akin to flying blind and simply based on inner intuition.

This has necessitated a thorough review of all the strategic objectives and performance management indicators throughout the organisation. This initiative has also been a natural consequence of the annual assessment process that we've been subjecting the Provincial Treasury to over the past decade in the drive for continuous improvement, apart from having to take more heed of the criticisms levied at us from time to time. Inevitably, the latter reminded us of the necessity to be objective, agile, supportive, professional and responsive to the necessary improvements and interventions, apart from a willingness to intercede on behalf of our stakeholders where really required.

The outflow of the strategic directive diagnostics made it clear that we are on a journey, whose destination is ten years from today, with as ultimate goal the achievement of a level six financial management maturity by 2021 within the Province. This will only be feasible if we steadfastly hold on to the principles and ideals that underpins this revised performance plan and are able to give systematic effect to the operational elements that gives effect to each strategic objective and performance indicator. These are collectively quite daunting and will require the Provincial Treasury to not only step up the pace, but also firm up collegial and partnership relations with key players across all three spheres.

The Annual Performance Plan for 2012/13 to 2014/15 that I'm tabling therefore endeavours to give effect to these objectives and ultimate goals in a systematic and comprehensive manner.



ALAN WINDE
MINISTER OF FINANCE, ECONOMIC DEVELOPMENT AND TOURISM

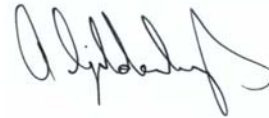
OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan

- Was developed by the management of the Western Cape Provincial Treasury under the guidance of Minister Alan Winde.
- Was prepared in line with the current Strategic Plan of the Western Cape Provincial Treasury.
- Accurately reflects the performance targets which the Western Cape Provincial Treasury will endeavour to achieve given the resources made available in the budget for 2012/13.

A Gildenhuys (Mr)
Chief Financial Officer

Signature



J C Stegmann (Dr)
Accounting Officer

Signature



Approved by
A Winde (Mr)
Executive Authority

Signature



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Abbreviations

AC	Audit Committee
ACFS	Annual Consolidated Financial Statements
ADP	Accelerated Development Programme
AFR	Asset Financing Reserve
AFS	Annual Financial Statements
AGSA	Auditor-General of South Africa
AO	Accounting Officer
APP	Annual Performance Plan
ASGISA	Accelerate and Shared Growth Initiative of SA
ASB	Accounting Standards Board
BAS	Basic Accounting System
BBBEE	Broad Based Black Economic Empowerment
BEE	Black Economic Empowerment
BER	Bureau for Economic Research
BI	Business Intelligence
BIF	Business Insight Folder
BPO	Business Process Outsourcing
BS	Budget Statement
BTO	Budget Treasury Office
C-AMP	Custodian-Asset Management Plans
CASIDRA	Cape Agency for Sustainable Development in Rural Areas
Ce-I	Centre for e-Innovation
CFO	Chief Financial Officer
CG	Conditional grant
CIDB	Construction Industry Development Programme
CPD	Corporation for Public Deposits
CRU	Corporate Relations Unit
CSC	Corporate Services Centre
DBAC	Departmental Bid and Adjudication Committee
DBSA	Development Bank of Southern Africa
DDG	Deputy Director General
DI	Departmental Instructions
DLG	Department of Local Government
DORA	Division of Revenue Act
DotP	Department of the Premier
DPWT	Department of Public Works and Transport

EA	Economic Analysis
EDU	Economic Development Unit
EEP	Employment Equity Plan
EOC	Employer of Choice
EPS	Electronic Purchasing System
EPWP	Expanded Public Works Programme
ERA	Enterprise Risk Assessor
ERM	Enterprise Risk Management
FAQs	Frequently ask questions
FARMCO	Fraud and Risk Management Committee
FET	Further Education and Training
FETC	Further Education and Training Certificate
FGRO	Financial Governance Review and Outlook
FMC	Financial Management Capability
FMCM	Financial Management Capability Model
FMIP	Financial Management Improvement Plan
FMS	Financial Management System
GAMAP	Generally Accepted Municipal Accounting Practice
GDPR	Gross Domestic Product per Region
GEPF	Government Employees Pension Fund
GIAMA	Government-wide Immoveable Asset Management Act
GMT	Government Motor Transport
GRAP	Generally Recognised Accounting Practice
HDI	Historically Disadvantaged Individual
HOD	Head of Department
HOT	Head Official Treasury
HR	Human Resource
HRD	Human Resource Development
HRDS	Human Resource Development Strategy
HRM	Human Resource Management
HSRC	Human Sciences Research Council
IA	Internal Audit
ICS	Improvement in Conditions of Service
ICT	Information Communication Technology
IDIP	Infrastructure Delivery Improvement Programme
IDMS	Infrastructure Development Management System
IDP	Infrastructure Delivery Plan
IDP	Integrated Development Plans
IDP	Individual Development Plans

IFMS	Integrated Financial Management System
IFS	Interim Financial Statements
IGCC	Intergovernmental Cash Co-ordination
IGR	Inter-Governmental Relations
IIA	Institute for Internal Auditors
IMFO	Institute of Municipal Finance Offices
IMLC	Institutional Management and Labour Committee
IPMU	Infrastructure Programme Management Unit
IT	Information Technology
IYM	In-Year Monitoring
LED	Local Economic Development
LG	Local Government
LG FGRO	Local Government Financial Government Review and Outlook
LG MTEC	Local Government – Medium Term Expenditure Committee
LOGIS	Logistical Information System
M&E	Monitoring and Evaluation
MAM	Moveable Asset Management
MEC	Member of Executive Council
MEDSAS	Medical Stores Administration System
MERO	Municipal Economic Review and Outlook
MFMA	Municipal Finance Management Act, 2003 (Act 56 of 2003)
MISS	Minimum Information Security Standards
ML	Management Letters
MLO	Media Liaison Officer
MPSA	Minister of Public Service and Administration
MSP	Master Systems Plan
MTBPS	Medium Term Budget Policy Statement
MTEC	Medium Term Expenditure Committee
MTEF	Medium Term Expenditure Framework
MTFF	Medium Term Fiscal Framework
MTREF	Medium Term Revenue and Expenditure Framework
MVL	Motor Vehicle Licence
NMIR	National Minimum Information Requirements
NT	National Treasury
NTI	National Treasury Instruction
NTR	National Treasury Regulation
OD	Organisational Development
OHAS	Occupational Health and Safety
PAIA	Promotion of Access to Information Act (No 2 of 2000)

PAJA	Promotion of Administrative Justice Act (No 3 of 2000)
PDC	Provincial Development Council
PERSAL	Personnel and Salary Administration System
PER&O	Provincial Economic Review and Outlook
PES	Provincial Equitable Share
PFMA	Public Finance Management Act, 1999 (Act 1 of 1999)
PG	Provincial Government
PGDS	Provincial Growth and Development Strategy
PI	Performance Indicator
PID	Project Initiation Documents
PMDS	Performance Management Development System
PMF	Performance Management Frameworks
PMI	Performance Measure Indicator
PMU	Programme Management Unit
PPP	Public Private Partnership
PPFA	Preferential Procurement Policy Framework Act
PPSC	Provincial Portfolio Steering Committee
PRF	Provincial Revenue Fund
PSCBC	Public Service Commission Bargaining Council
PSDF	Provincial Spatial Development Framework
PT	Provincial Treasury
PTI	Provincial Treasury Instruction
PTM	Provincial Treasury Management
PTRPA	Provincial Tax Regulation Process Act
QPR	Quarterly Performance Report
REAL	Revenue, Expenditure, Assets, and Liabilities
RFP	Request for Proposal
RFQ	Request for Price Quotations
SAIGA	Southern African Institute of Government Auditors
SAQA	South African Qualification Authority
SARS	South African Revenue Services
SCM	Supply Chain Management
SCoA	Standard Chart of Accounts
SCOF	Standing Committee on Finance
SCOPA	Standing Committee on Public Accounts
SDBIP	Service Delivery Budget Implementation Plan
SDR	Service Delivery Review
SEP	Socio-Economic Profile
SER	Socio-economic Review

SETA	Sector Education and Training Authority
SIP	Strategic Infrastructure Plan
SITA	State Information Technology Agency
SLA	Service Level Agreement
SME	Small and Medium Enterprises
SMME	Small Medium and Micro Enterprise
SMS	Senior Management Service
SP	Strategic Plan
SPMS	Staff Performance Management System
SOP	Standard Operating Procedure
TCF	Technical Committee on Finance
TCO	Total Cost of Ownership
TMM	Treasury Management Meeting
TQM	Total Quality Management
U-AMP	User-Asset Management Plans
URS	User Requirement Statement
WCED	Western Cape Education Department
WCG	Western Cape Government
WCGRB	Western Cape Gambling and Racing Board
WC-MTBPS	Western Cape Medium Term Budget Policy Statement
WCSD	Western Cape Supplier Database
WSP	Workplace Skills Plan

PART A: STRATEGIC OVERVIEW

For the sake of clarity and continuity, Treasury's Vision, Mission and professed Values are repeated below:

Vision

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

Mission

To obtain financial supportive means and foster the optimal utilisation of resources by means of sound governance practices.

Values

The Provincial Treasury cherishes the following values:

To give effect to the public service code of conduct.

To be of service, to empower people.

To be an employment equity employer.

To be aware of, and to cultivate respect for our country's heterogeneity.

To benefit all the people of the Western Cape.

1. Updated situational analysis

Provincial Cabinet has adopted 12 Provincial Strategic Objectives as a coherent strategy to drive the desired socio-economic change, aimed at improving the lives of the people living in the Province. The improvement in provincial financial management practices, which is a joint responsibility between the Provincial Treasury, departments, municipalities and entities, find resonance in one of the aspired six themes, Provincial Strategic Objective 12: Building the best-run regional government. The six themes within the latter include: Efficient and transparent institutional governance; Financial management; People management; E-Government; Citizen-centric service delivery; and Management for results.

Financial management is one of the most important themes for measuring good governance and includes financial governance, financial planning, management and budgeting. With these practices in place, it is expected that irregular expenditures be reduced, corruption practically eradicated, audits be unqualified and most importantly, value for money and results based spending. To achieve these ideals, the Treasury is committed to assist departments, municipalities and entities to

apply sound business practices, proper fiscal management and expenditure controls, all required to ensure clean and efficient governance. This theme will cover the steps the Provincial Treasury intends to take to achieve the highest financial management standard.

Despite the many building blocks already in place to achieve the objectives of PSO 12, it is acknowledged that building the best-run regional government in the world is an on-going and aspirational process and thus will not materialise overnight. The Provincial Government has set itself the task of achieving a financial management capability maturity level 3 by 2012/13 and reaching a financial management maturity capability level 6 by 2021.

2. Performance delivery environment

The Provincial Treasury, since the introduction of the Public Finance Management Act, the Municipal Finance Management Act, National Treasury Regulations and Instructions, have expanded telescopically. This has also brought about an increase in the scope of the Provincial Treasury function and therefore the necessity to extend its capacity to further improve financial management delivery in the Province.

The role played by the Western Cape Provincial Treasury has been quite successful in ensuring that departments maintain fiscal discipline, amidst the many contesting demands, particularly that of rising personnel expenditures and service loads within the context of a more strained fiscal envelope.

The Provincial Treasury also plays a pivotal role in ensuring that funds allocated for specific purposes are spent as intended and that the concept of value for money is enhanced. This has resulted in that the 12 Provincial Strategic Objectives are funded at funding levels relevant to their priorities as envisioned by the Provincial Cabinet.

The Provincial Treasury in ensuring accountability, monitors and reports on expenditure, revenue, cash flow and output or performance information to a number of oversight bodies.

The delivery targets set for the next three years collectively constitute a formidable challenge and the two delivery Branches within Treasury, *Fiscal and Economic Services* and the *Governance and Asset Management* will have to stay very focused on the strategic goals that were set out in the Strategic Plan (SP) for 2010/11-2014/15.

For the Branch *Fiscal and Economic Services* this implies the attainment of efficient and effective revenue generation, collection, allocation and utilization across both the local and provincial spheres. This is by no means an easy objective to achieve, irrespective of the measurement instruments used. Uppermost will be the objective of cultivating responsive departmental, municipal and entity budgets that will substantially contribute to improvements in a number of selected socio-economic outcomes.

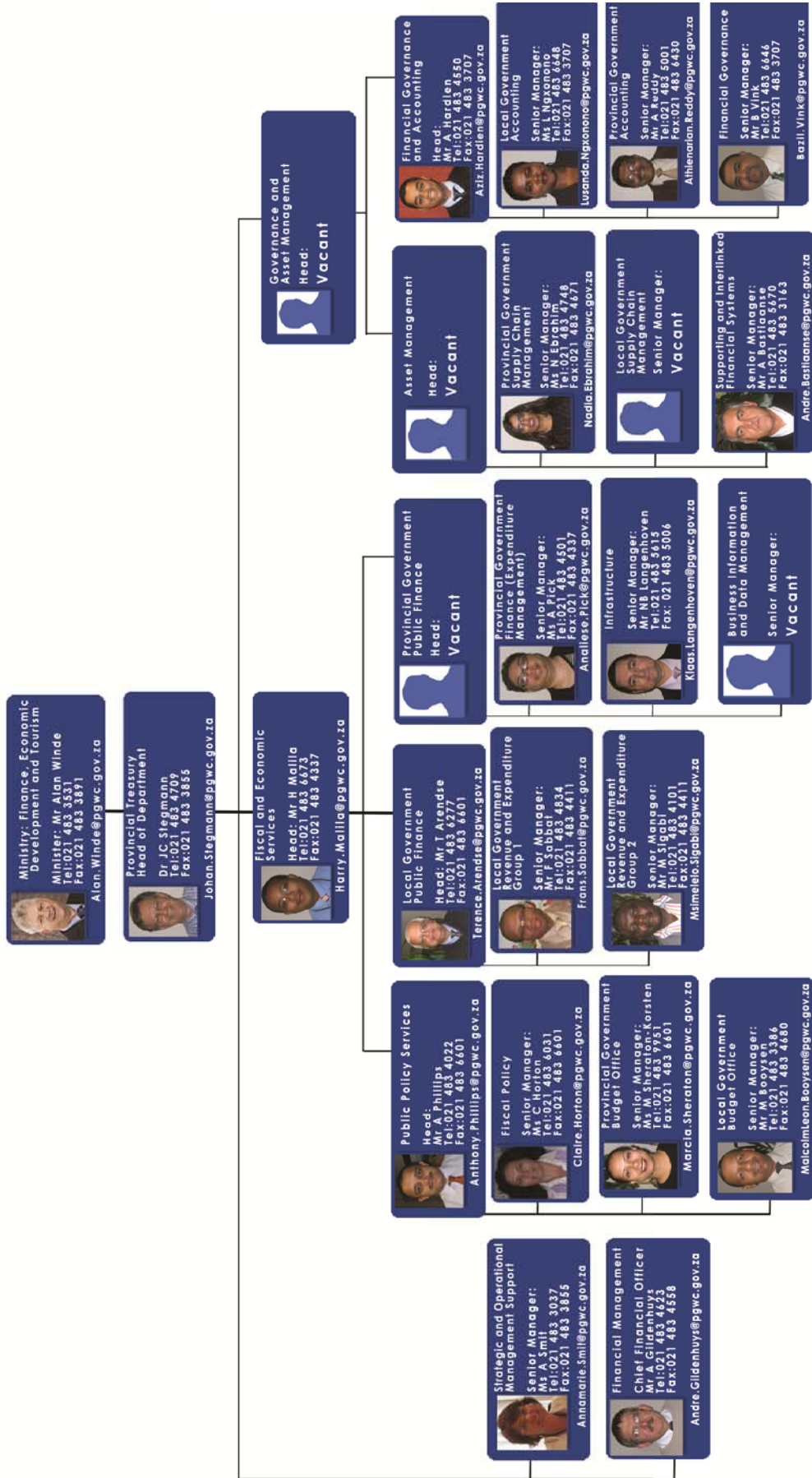
For the Branch *Governance and Asset Management* progressively raising the bar on accounting and financial governance standards and the introduction of purposeful steps that will result in full data integrity, close to complete reduction in irregularities and corruption and associated clean audits within departments, entities and municipalities. Key amongst these will be the development and introduction of the desired internal controls, self-testing and systematic building of skills amongst chief financial officers generally and more specifically, financial accountants, supply chain and asset management staff across both spheres.

3. **Organisational environment**

The Provincial Treasury in 2011/12, as with most of the other provincial departments (excluding Education and Health) has had to deal with changes brought about by the introduction of the Corporate Services Centre and agentisation of Human Resource Administration. This has also resulted in the establishment of a Corporate Relations Unit within the Treasury and its ability to deal with high administrative work volumes and processes related to amongst others the recruitment and selection of staff was continually tested.

The implementation of the third phase of the Provincial Treasury reconfiguration process (already started in July 2007) is aimed at achieving the objectives of the Provincial Treasury's 2010/11 to 2014/15 Strategic Plan and aimed at targets that are still to be met for the remaining tenure of the strategic plan. The reconfiguration process in the main has prompted, by the burgeoning responsibilities pertaining to the Municipal Finance Management Act; the necessity to burrow deeper into the Public Finance Management Act requirements and extracting real and sustainable improvements in financial management. The total establishment of the Provincial Treasury, subsequent to re-configuration, consists of 324 posts. As at 1 February 2012 241 posts were filled. The organogram below depicts the management structure of the Provincial Treasury.

Concomitant to achieving the objectives as aspired by PSO 12 has been a necessity to strengthen the Provincial Treasury establishment, ensuring a reasonable degree of consistency of work load intensity spread across the different units, but informed by critical outcomes to be attained and resources that might be available.



GOVERNANCE AND ASSET MANAGEMENT

FISCAL AND ECONOMIC SERVICES

ADMINISTRATION

4. Strategic goals of the department

The strategic goals of the Department were amended slightly and rearranged due to internal reconfiguration that was close to being finalised during 2010/11. For the sake of completeness the goals are listed below and will also be published on the Provincial Treasury's website <http://www.westerncape.gov.za>.

Programme 1

Strategic Goal 1	Assist the member of the Executive Council and the HoD with the delivery of the assigned functions to them.
Goal statement	Render effective strategic secretarial support, administrative support and communication services.
Justification	Ensure that the vision, mission, strategic goals and objectives of the Department are achieved.
Links	Links to the Provincial Strategic Objective 12 of building the best-run regional government in the world.

Strategic Goal 2	Effective financial management of the department up to a level 3+ financial capability rating.
Goal statement	Deliver financial management and associated advisory services; to make limited provision for accommodation requirements.
Justification	Reduce risk, ensure efficient and effective use of financial resources, and ensure clean audit reports and sustainability within the department.
Links	Links to the Provincial Strategic Objective 12 of building the best-run regional government in the world.

Programme 2

Strategic Goal 3	Revenue adequacy, optimisation and efficiency of revenue collection for departments and municipalities to achieve a level 3+ financial capability rating.
Goal statement	Efficient revenue sources and fiscal policy, which addresses financing requirements with no adverse economic effects.
Justification	The limited and constrained fiscal envelope requires provincial and local government to ensure the optimum and efficient collection of all potential revenue sources.
Links	Links to the Provincial Strategic Objective 12 of building the best-run regional government in the world.

Strategic Goal 4	Monitor and evaluate cash flow and investment management so that it is sustainable and credible and will enhance service delivery and improve liquidity in departments and municipalities.
Goal statement	Ensure sustainable, credible and effective cash flow and investment management in departments and municipalities.
Justification	By ensuring more effective and efficient cash flow and investment management it will improve service delivery and maintain liquidity in departments and municipalities.
Links	Links to the Provincial Strategic Objective 12 of building the best-run regional government in the world.

Strategic Goal 5	Responsive budgets for all provincial departments, municipalities and entities to achieve a level 3+ financial capability rating.
Goal statement	Promote the development of responsive departmental, municipal and entity budgets that contribute to improvements of selected socio-economic outcomes through economic analysis, budget policy formulation, budget allocations and monitoring of performance.
Justification	Provincial, municipal and entity budgets are meant to play key roles as policy instruments to address social and economic challenges. The achievements of socio-economic imperatives need to be supported with appropriate budget policy and budgetary allocations. Budgets that address selected socio economic outcomes and government priorities/goals as well as effective M&E processes to monitor performance of budget policy and plans are important to realise effective resource allocation.
Links	Links to the Provincial Strategic Objective 12 of building the best-run regional government in the world.

Strategic Goal 6	Credible budgets within departments, municipalities and entities to achieve a level 3+ financial capability rating.
Goal statement	Budgets that are sustainable, operationally efficient, purpose driven and implemented as planned.
Justification	Improve the sustainability and credibility of provincial, municipal and entity budgets, the monitoring of implementation to enhance x-efficiency, financial prudence and fiscal discipline in order to maximise the capacity of provincial departments and municipalities to deliver services.
Links	Links to the Provincial Strategic Objective 12 of building the best-run regional government in the world.

Strategic Goal 7	Increase the level of infrastructure delivery to achieve a level 3+ financial capability rating (departments of Education, Health, Transport and Public Works and municipalities) and the sound management of PPP projects.
Goal statement	Effective and efficient delivery of infrastructure and management of immovable assets, including PPP projects through institutionalising best practice, systems, tools and building capacity.
Justification	Departments and municipalities still lack the ability in terms of capacity, business processes, etc. to achieve optimal investment in infrastructure and sound management of immovable assets.
Links	Links to the Provincial Strategic Objective 12 of building the best-run regional government in the world.

Programme 3

Strategic Goal 8	Enhance departmental and municipal capacity and performance to achieve a level 3+ financial capability rating for SCM and moveable asset management.
Goal statement	Assist departments and municipalities in respect of SCM and moveable asset management to build capacity and enforce good governance practices; and for departments to enhance relationships with BEE and SMME vendors in support of preferential procurement imperatives.
Justification	Ensure that the vision, mission, strategic goals and objectives of the Department are achieved.
Links	Links to the Provincial Strategic Objective 12 of building the best-run regional government in the world.

Strategic Goal 9	Management, utilisation and implementation of financial systems to achieve a level 3+ financial capability rating within provincial departments and selected entities.
Goal statement	Provide for the standard implementation, management and technical user support (helpdesk and training) of existing financial systems and the transition to the Integrated Financial Management Solutions (IFMS) to enhance compliance with the PFMA and other relevant legislation.
Justification	This goal will contribute to sound financial management, skilled and capacitated system users and compliance to user requirement statements.
Links	Links to the Provincial Strategic Objective 12 of building the best-run regional government in the world.

Programme 4

Strategic Goal 10	Ensure the development of accounting practices within provincial and local government that will promote effective and efficient capturing of REAL movements/accountability and contribute towards attaining level 3 and higher auditable organisations.
Goal statement	Establish a sound and dynamic financial accounting framework to promote accountability, transparency and good governance.
Justification	Improve the quality and integrity of financial accounting and reporting to fully reflect all transactions and the values and extent of all assets owned government.
Links	Links to the Provincial Strategic Objective 12 of building the best-run regional government in the world.

Strategic Goal 11	Enable departments and municipalities to achieve a level 3+ financial management capability over the next 5 years.
Goal statement	Develop, implement and monitor compliance with corporate governance norms and standards within local and provincial government.
Justification	In terms of S18 of the PFMA and S5 of the MFMA, PT must set the norms and standards for financial management, and may assist with the implementation thereof and thereby improve efficient and economic utilisation of resources.
Links	Links to the Provincial Strategic Objective 12 of building the best-run regional government in the world.

5. Description and outcome of the strategic planning process

Given the number of challenges (internal controls, skills, systems, loopholes in prescripts, etc.) identified either by accounting officers, the Auditor-General, Internal Audit or the Provincial Treasury itself, required a much more intensive planning process than usual to get to an expression of a doable and appropriate performance plan for the new financial period. Further, the revised performance plan also has to lay the basis for a series of ultimate goals ten years hence and sustainably slot into the Provincial Government's PSO 12, due for formulation by end of March 2012.

The ultimate objective being that organisations and institutions have to fully meet all statutory and regulatory reporting requirements and this includes assistance, guidance and efforts by the Treasury to improve the development of standard operating procedures and guidelines that will create a culture of compliance. Further, to develop and co-develop relevant regulatory frameworks and transversal policies in respect of control activities to address risks in departments and provide adequate training that supports capacity building and the development of robust skills and knowledge.

To get to this desirable point required the development of a set of strategic directive diagnostics first at the level of each sub-programme and from there the derivation of next year's annual performance plan as the immediate short to medium term objective. The rationale behind this approach was to first identify what really needs to be tackled, their root causes and relevant risk implications, and only then to devise remedial steps. If this was done any other way it would have been parallel to flying blind and simply based on inner intuition.

The focus will also be on improved fiscal performance management maturity which includes measures to achieve the highest level of fiscal performance management rating in planning, budgeting, monitoring, evaluation and reporting, which will ultimately improve the allocation processes and the application of resources.

Therefore, over a couple of months starting in earnest in August 2011, a series of strategic diagnostics have been completed for the whole department, preceded by the checking and re-articulating our strategic goals and objectives where found necessary. These areas were taken up in the high level strategic case analysis which has confirmed the current strategic goals and specific outcomes desired.

From these internal processes, which necessitated some verifying with our stakeholders as well, the 2012/13 annual performance plan was eventually derived from. These were driven by the individual programme and sub-programme managers, and at critical stages of their development, also cleared with the accounting officer.

The Provincial Treasury will, for the 2012 MTEF, therefore focus its efforts more intensively on the improvement of financial management practices in the broader Province. The intention is further to integrate all the work of Treasury with within the two broad areas of a conceptual fiscal space (which would include all elements of revenue, debt, creditor and cash management and responsive budgeting) and resource management (in turn incorporating credible budgets that picks up on budget composition, data integrity, consistency and targeting; efficiency in expenditure, e.g. input/output relationship, type of spending and frontline impact, optimal systems utilisation and development, supply chain management, accounting processes (data integrity and levers) and management for results).

This will require that the Treasury focuses its efforts on two overarching main outcomes. The first of these is to ensure conformance to all relevant prescripts of financial management. This is considered a prerequisite for the second outcome, which is to improve fiscal performance management, aimed at ensuring that departments, entities and municipalities achieve their intended purpose. To achieve these two outcomes, the Western Cape Government has set itself the targets of achieving a level 3 financial management maturity over the 2011 MTEF, while a level 4 financial management maturity is to be achieved by 2013/14 and a level 6 financial management maturity level 6 by 2021.

Improved financial management maturity

All units within the Provincial Treasury will focus their attention on revising, fine-tuning and facilitating compliance with the financial management regulatory requirements in provincial departments, public entities and municipalities. These units will pursue measures to achieve a level 3 management maturity rating (control level) in provincial departments, entities and municipalities over the 2012 MTEF. Financial management capability maturity level 3 has as objective the appropriate application of resources, safeguarding of assets, reliable data, monitoring and control over operational activities so that these are conducted with prudence and probity. Organisations at the control level are therefore able to meet all statutory and regulatory reporting requirements with all policies, systems and procedures fully developed and enacted. In addressing the issue of financial management conformance, all PT units across the various sub-programmes will endeavour to:

- Recommit the Western Cape Government to a robust legislative regime that informs financial management policy and procedure and an effective, albeit efficient, control environment;
- Improve institutional memory by way of Provincial policy, the development of standard operating procedures and guidelines that create a culture of compliance, assistance and service orientation;
- Investigate an integrated, financial management system or solution that would assist in the efficient management of internal controls, data integrity and reporting;
- Promote adequate financial management structures (internal control, management accounting and financial accounting and SCM) to support the regulatory competencies required for effective and efficient financial management performance;
- Develop relevant regulatory frameworks and transversal policies in respect of control activities to address risks in departments; and
- Provide adequate training that supports capacity building and the development of robust skills and knowledge.

The second outcome that the Provincial Treasury would strive to achieve relate to improved fiscal performance management maturity, i.e. the execution or accomplishments of provincial departments, entities and municipalities in fulfilling their intended purposes. Measures will be implemented towards achieving the highest level fiscal performance management rating in planning, budgeting, monitoring, evaluation and reporting, which will ultimately improve the allocation processes and the application of resources.

Branch Fiscal and Economic Services: Improved fiscal performance management maturity

The Budget Management (Provincial and Local Government) units through, the allocation of resources at the provincial level and recommendations on resource allocations at local government level, will promote the development of responsive departmental, municipal and entity budgets that contribute to improvements of selected socio-economic outcomes. The budgets of these institutions must address government priorities and target selected goals and socio-economic outcomes. These units will also focus on the effective monitoring and evaluation of budget policy and plans to improve resource allocation. Further efforts will be directed towards improving the alignment between National and Provincial Strategic Objectives, priorities, budget allocation and implementation of the budget with the focus on non-financial performance or pre-determined objectives.

The research agenda of the Budget Management Provincial Government unit will amongst others include research into the provincial economy and socio-economic situation, through the annual publication of the Provincial Economic Review and Outlook (PER&O). The PER&O will continue to provide the backdrop for the Western Cape Medium Term Budget Policy Statement and therefore the strong link between the intention/plans of the Western Cape Government to facilitate an economic environment conducive to: firstly, growing the economy and secondly sharing the benefits thereof to as a wide spectrum of citizens through particularly job creation, as well as social support.

On the municipal level, the Budget Office Local Government unit will further research and publish an annual MERO, which will build on the PER&O and provide for the scaffolding of economic information from a provincial level down to a municipal district level. This will be done in collaboration with municipalities and existing research with the universities in the Province. This is to assist municipal planning in addressing the desired socio economic impact to be taken up in their Integrated Development and subsequent Service Delivery and Budget Implementation Plans and municipal budgets.

The two Budget Office units will also engage on regular assessments and reports on fiscal performance across the provincial and local government spheres through the envisaged and now institutionalised Quarterly Reporting, the Provincial and Local Government Medium Term Expenditure Committee reports and submissions to Provincial Cabinet, Provincial Parliament and other stakeholders.

The current uncertain economic environment, which is expected to endure for the next 5 to 6 years, is expected to constrain fiscal resources to deliver on Government expenditure plans. This necessitates a proactive approach to ensure that the Province receives its due allocation from nationally raised revenues, that departments, municipalities and entities collect all own receipts due to them and to explore options for increasing the Province's own revenue base. In this regard the efforts of the Public Finance Research and Modelling unit will be directed to research the national transfer system and funding models, inform thinking of the allocation of resources at a national level, contribute to improving the flexibility of the fiscal transfer system and giving special attention to equitable share and conditional grants allocations to the Provincial Government and municipalities.

Key amongst these will be the delineation of the role that provinces must play in economic development, the policy and data informants of the provincial and municipal equitable share and conditional grant formulae. Also important are the updating of previous research conducted by this Province in 2003 on the fuel levy, proposals on the casino tax exclusivity regime and associated tax rates, and the institutional model as it relates to Government Motor Transport. This unit is also responsible for improving cash flow management policy, management and practices within departments, municipalities and entities with the aim of improving overall liquidity and to enhance the credibility and sustainability of budgets. Such improvement will be brought about through the development of cash flow management guidelines, improved cash flow planning and conditional grant funding mechanisms; and the development of policies around municipal investment and borrowing.

The Public Finance units (Provincial Government Public Finance and two Local Government Public Finance units) will drive improved conformance expenditure management at the provincial entity and local government level. The efforts of these units are geared towards expenditure that is a true and transparent reflection of goods and services and other elements acquired. All three units will also be involved in developing minimum standards for the institutionalisation of good practice expenditure management. Further responsibilities include monitoring the implementation of budgets, ensuring that budgets are spent on its intended purpose in the most cost effective manner within the stated expenditure or budgetary targets. These units will also focus on the integration of financial reporting to oversight entities in the Province.

The Immovable Asset Management unit will concentrate its efforts on the development and maintenance of a best practice framework for infrastructure procurement that is aligned to the latest Construction Industry Development Board (CIDB) recommendations, but sensitive to changes in the institutional environment, as well as to assist with the development of an integrated provincial infrastructure plan. This unit will also pursue efforts to institutionalise and implement the Western Cape Infrastructure Delivery Management System and assist departments and entities with the development and improvement of quality User-Asset Management (U-AMP) and Custodian-Asset Management (C-AMP) plans, which is in line with the Government Immovable Asset Management Act (GIAMA).

In line with the objectives of the Provincial Treasury's reconfiguration process, has been the establishment of a Business Information and Data Management unit, tasked with the responsibility of adherence to the relevant Archives and Record Services prescripts, but also to put systems in place to promote organisational sustainability, institutional memory and afford newly appointed PT staff the opportunity to get acquainted with the work content in a relatively short period of time.

The Business Information and Data Management unit will also systematically classify and manage the various provincial documents and data sets so as to ensure that data is transformed into useful management information. This unit will also assist with logistical arrangements pertaining to a number of Intergovernmental engagements, which include the Provincial and Local Government MTEC processes.

Branch: Governance and Asset Management: Improved fiscal performance management maturity

Efforts of the Moveable Asset Management unit will be directed at supporting departments, municipalities and entities on effective and efficient management of supply chain and moveable asset management. This will be done by promoting better procurement planning through strategic sourcing and thereby ensuring efficiency in spending and value for money. Closer linkages between budget planning that informs procurement planning for both municipalities and provincial departments will be pursued. The unit will develop and assist with the implementation of best practice guidelines to address value for money and efficiency in procurement for both municipalities and provincial departments. Ensuring data integrity of the Western Cape Supplier Database and transparency on SCM systems will be one of the focus areas of the unit. The unit will also promote supplier support, capacity building and development through structured supplier open-days and the maintenance of a supplier helpdesk.

The two accounting units (Provincial Government and Local Government) will endeavour to improve the quality and integrity of financial accounting and reporting so as to fully reflect all transactions and the values and extent of all assets owned by government. Another is to roll-out the latest accounting practice standards and to monitor the implementation of the transitional provisions within provincial departments and municipalities of the Western Cape. The Provincial Government Accounting unit will assist provincial departments in the preparation and assessment of Interim and Annual Financial Statements. Both Accounting units will also monitor, assess and report annually in the Financial Governance Review & Outlook (Provincial Government and Local Government) on the financial governance of departments, entities and municipalities.

The efforts of the Supporting and Interlinked Financial Systems unit will be on the implementation, refinement, management and the full utilisation of financial systems within provincial departments and selected entities. Financial systems management will be improved through appropriately trained, skilled and capacitated system users in accordance with their user profiles, as well as tightening compliance to system requirements, effective user account management and generally improving internal controls.

6. **Revisions to legislative and other mandates**

The full list of acts and laws as cited in section 4 of the Strategic Plan remain applicable although new regulations have been issued under the auspices of the Preferential Procurement Policy Framework Act.

Provincially a Procurement (Business Interests of Employees) bill has been assented to by the Provincial Parliament, but is being held back pending an overhaul of the entire prescriptive regime dealing with financial management. In the interim Provincial Treasury Instructions have been issued during December 2011 to deal with pertinent supply chain issues, as well as those required by the Preferential Procurement regulations, 2011.

A further complete revision of the entire set of Provincial Treasury Instructions is well underway with various issuing dates over the next two years. These would need to be complemented by appropriate and bespoke Departmental Instructions and fully developed and maintained Internal Control measures and processes. Further work in concert with the National Treasury is also underway.

7. Overview of 2011 budget and MTEF estimates

Expenditure estimates

Table 1 Provincial Treasury

Programme R'000	Outcome			Main appro- piation 2011/12	Adjusted appro- piation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
1. Administration ^a	40 141	39 359	33 214	36 187	31 376	31 160	33 243	6.68	37 125	38 751
2. Sustainable Resource Management	21 346	36 531	42 327	59 363	61 782	61 697	68 204	10.55	69 526	73 381
3. Asset and Liabilities Management	22 348	27 526	33 710	28 781	30 162	29 805	30 639	2.80	32 729	33 692
4. Financial Governance	37 115	34 955	18 249	20 645	20 100	20 258	22 200	9.59	25 061	26 841
Total payments and estimates	120 950	138 371	127 500	144 976	143 420	142 920	154 286	7.95	164 441	172 665

^a MEC total remuneration package: R1 566 089 with effect from 1 April 2011.

Economic classification R'000	Outcome			Main appro- piation 2011/12	Adjusted appro- piation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
Current payments	118 105	134 643	124 331	141 559	137 587	137 073	148 669	8.46	160 990	170 075
Compensation of employees	71 482	93 902	89 297	106 534	96 456	95 942	113 109	17.89	121 819	129 985
Goods and services	46 623	40 741	35 034	35 025	41 131	41 131	35 560	(13.54)	39 171	40 090
Transfers and subsidies to	267	419	736	500	4 153	4 153	4 100	(1.28)	845	892
Provinces and municipalities	80				3 450	3 450	3 500	1.45		
Non-profit institutions	50	100	102							
Households	137	319	634	500	703	703	600	(14.65)	845	892
Payments for capital assets	2 541	3 106	2 321	2 917	1 668	1 668	1 517	(9.05)	2 606	1 698
Machinery and equipment	2 541	2 153	2 286	2 917	1 668	1 668	1 517	(9.05)	2 606	1 698
Heritage assets			35							
Software and other intangible assets		953								
Payments for financial assets	37	203	112		12	26		(100.00)		
Total economic classification	120 950	138 371	127 500	144 976	143 420	142 920	154 286	7.95	164 441	172 665

Relating expenditure trends to strategic goals

Since 2008 the budgetary provision for the Provincial Treasury has increased modestly with an annual average rate of 5.7 per cent or by R21.970 million from R120.950 million in 2008/09 to R142.920 million in 2011/12 (revised estimate).

The further annual average (nominal) growth of 6.5 per cent from the revised estimate figure of R142.920 million in 2011/12 to the 2014/15 figure of R172.665 million is due to the enactment of the long awaited and planned for reconfiguration process, which is meant to strengthen the strategically important supply chain, accounting and data management capabilities of the Provincial Treasury.

PART B: PROGRAMME AND SUB-PROGRAMME PLANS

Programme	Sub-programme
1. Administration	1.1 Office of the Minister 1.2 Management Services 1.4 Financial Management
2. Sustainable Resource Management	2.1 Programme Support 2.2 Fiscal Policy 2.3 Budget Management 2.4 Public Finance
3. Assets and Liabilities	3.1 Programme Support 3.2 Asset Management 3.3 Supporting and Interlinked Financial Systems
4. Financial Governance	4.1 Programme Support 4.2 Accounting Services 4.3 Corporate Governance

Programme 1 – Administration

Programme description

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

Programme structure

The programme is further divided into the following sub-programmes:

Sub-programme 1.1: Office of the Minister

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

The Minister's office renders secretarial and administrative services to assist the Minister with the performance of his/her legislative responsibilities as MEC and as an elected public representative. This includes fostering relationships with the media and all other parties within government and the broader public. The office of the Minister is also responsible for assisting with the assigned functions of Provincial Treasury and the Department of Economic Development and Tourism.

Sub-programme 1.2: Management Services

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

This sub-programme includes the Head Official of Treasury; as well as the newly created Directorate Strategic and Operational Management Support Services. Its meant to guide and coordinate the delivery of activities of the Provincial Treasury and to facilitate strategic and operational support services. The Directorate consist of three (3) units; i.e. Strategic Management Support Services, Corporate Services Relations Management and the Office of the Head Official.

Strategic Management Support Services is responsible for the facilitation of the departmental strategic planning process and to develop, monitor, report on and evaluate the overall performance management system of the Provincial Treasury. The development and implementation of a tailored performance management policy system and procedures, inclusive of planning, monitoring and reporting on performance will be the main focus of this unit over the new MTEF.

The Corporate Services Relations Management Unit remains responsible for the management of the Provincial Treasury's working relationship with the Corporate Services Centre. This unit co-ordinates the rendering of ICT, human capital, corporate assurance, legal and communication support services to the Provincial Treasury by the Corporate Service Centre in terms of the provisions of the current Service Level Agreement. To render an effective service to the Provincial Treasury, the staff of the Corporate Service Relations Unit will have to be multi-skilled and line managers and supervisors capacitated to perform their supervisory functions adequately.

The Office of the Head Official will remain responsible to provide secretarial and administrative support to the Department, as well as the rendering of departmental communication, events management and language services. The main focus is on the development and implementation of standards to ensure compliance to all applicable prescripts and to ensure that support services are rendered in a consistent and professional manner throughout the Provincial Treasury.

Sub-programme 1.4: Financial management

Purpose: To provide for the effective financial management of the Department up to a level 3+ financial capability rating.

This sub-programme is the responsibility of the Chief Financial Officer (CFO) who is appointed in terms of Chapter 2 of the National Treasury Regulations and reports directly to the Accounting Officer (AO). The main duties are spread across four sections:

- A Management Accounting section, which is responsible for the compilation of the annual and adjusted budgets, quarterly and annual performance reports, and the monitoring and control of expenditure;
- A Financial Accounting section, which is responsible for maintaining an effective payments system, for compiling the annual financial statements and maintaining the ledger accounts of the Department;

- A Supply Chain Management (SCM) section, which is responsible for providing and developing the SCM database, maintaining and safeguarding assets and providing administrative support in respect of the acquisition of goods and services and specified auxiliary services; and
- An Internal Control section, which must ensure that effective internal control measures are in place throughout the Department, particularly in high-risk areas and also ensure the prevention of adverse internal and external audits while this section is also responsible to act as secretariat to the Fraud and Risk Committee (FARMCO).

Note: Deviations from sector specific budget structure: 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.

Sub-Programme 1.1: Office of the Minister

Strategic objective: Annual targets

Strategic objective		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
1.	Provide support services	Revised strategic objective	Revised strategic objective	Maintained effective and efficient handling of correspondence and effective programme management	Improved support services	Support services in line with prescripts and standards	Support services in line with prescripts and standards	Support services in line with prescripts and standards
2.	Render communication services to the Ministry	Revised strategic objective	Revised strategic objective	Improved relationships with media	Improved relationships with media	Foster relationships with media	Foster relationships with media	Foster relationships with media
3.	Assist Minister with Executive Authority role and responsibilities	Revised strategic objective	Revised strategic objective	Developed and maintained strategic management and support provided to enable Executive Authority to execute the responsibilities	Improved strategic management and support services to enable the Executive Authority to execute powers and functions assigned by the Premier	Maintain strategic management and support services to enable the Executive Authority to execute powers and functions assigned by the Premier	Maintain strategic management and support services to enable the Executive Authority to execute powers and functions assigned by the Premier	Maintain strategic management and support services to enable the Executive Authority to execute powers and functions assigned by the Premier

Performance indicators: Annual targets

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
1.1	Support services in line with prescripts and standards	New PI	New PI	New PI	Reviewed and maintained standards for programme management, secretarial and administrative services	Full compliance to financial management prescripts and standards	Full compliance to financial management prescripts and standards	Full compliance to financial management prescripts and standards
						Full compliance to Corporate Relations Unit (CRU) prescripts and standards	Full compliance to Corporate Relations Unit (CRU) prescripts and standards	Full compliance to Corporate Relations Unit (CRU) prescripts and standards
						Correspondence and document management to set standards	Correspondence and document management to set standards	Correspondence and document management to set standards
						Effective management of internal and external stakeholder engagement	Effective management of internal and external stakeholder engagement	Effective management of internal and external stakeholder engagement
		New PI	New PI	New PI	Developed, implemented and monitored operational plan	An operational plan that builds on the APP, QPR and dashboard requirements	An operational plan that builds on the APP, QPR and dashboard requirements	An operational plan that builds on the APP, QPR and dashboard requirements
2.1	Effective communication services	New PI	New PI	Developed and implemented communication plan, including fostering relationships with media	Developed and implemented communication plan, including fostering relationships with media and events coordination	Communication plan, including ways of fostering relationships with media	Communication plan, including ways of fostering relationships with media	Communication plan, including ways of fostering relationships with media
3.1	Effective strategic management and support	New PI	New PI	Developed and implemented standards for strategic engagements	Developed and implemented systems to support and assist Minister to perform his role and responsibilities as MEC for Finance, Economic Development and Tourism	Review and maintain systems to support and assist Minister to perform his role and responsibilities	Review and maintain systems to support and assist Minister to perform his role and responsibilities	Review and maintain systems to support and assist Minister to perform his role and responsibilities

Quarterly targets for 2012/13

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
1.1	Support services in line with prescripts and standards	Quarterly	Full compliance to financial management prescripts and standards	Refine standards to include internal control and monitoring and evaluation systems	Consult on and approval of refined standards	Train responsible staff and implement refined standards	Monitor and evaluate refined standards
		Quarterly	Full compliance to Corporate Relations Unit (CRU) prescripts and standards	Refine standards to include internal control, monitoring and evaluation systems	Consult on and approval of refined standards	Train and implement refined standards	Monitor and evaluate refined standards
		Quarterly	Correspondence and document management to set standards	Evaluate existing E-Mats manual and identify gaps between manual and system	Consult and update to enable concurrence between manual and system	Train, implement and test against Registry standards	Monitor and evaluate usage of system
		Quarterly	Effective management of internal and external stakeholder engagement	Implement and assess standards	Refine and implement	Refine and implement	Refine and implement
		Quarterly	An operational plan that builds on the APP, QPR and dashboard requirements	Finalise, implement and monitor the operational plan and institute remedial steps	Implement and monitor the operational plan and institute remedial steps required	Implement and monitor the operational plan and institute remedial steps required	Implement operation plan and evaluate the year's performance and compile a draft operational plan for next financial year
2.1	Effective communication services	Monthly	Communication plan, including ways of fostering relationships with media	Develop, implement and monitor communication plan	Develop, implement and monitor communication plan	Develop, implement and monitor communication plan	Develop, implement and monitor communication plan
3.1	Effective strategic management and support	Quarterly	Review and maintain systems to support and assist Minister to perform his role and responsibilities as MEC for Finance, Economic Development and Tourism	Review and maintain system	Maintain system	Maintain system	Monitor and evaluate system

Sub-Programme 1.2: Management Services

Strategic objectives: Annual targets

Strategic objective		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
4.	Build competencies and enhance and maintain strategic support services	New strategic objective	New strategic objective	Reviewed and maintained systems and standards	Improved support services	Support services in line with prescripts and standards	Support services in line with prescripts and standards	Support services in line with prescripts and standards
						Develop a functional Performance Management System	Implement and refine a functional Performance Management System	Maintain and refine a functional Performance Management System
5.	Provide effective and efficient support in the management of the working relationship between the department and the CSC	New strategic objective	New strategic objective	New strategic objective	Provided effective and efficient support, notwithstanding capacity and operational challenges within the CSC.	In terms of the service level agreement as assigned	In terms of the service level agreement as assigned	In terms of the service level agreement as assigned

Performance indicators: Annual targets

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
4.1	Support services in line with prescripts and standards	New PI	New PI	Reviewed implemented systems and standards	Reviewed and maintained standards for programme management and secretarial and administrative services	Full compliance to financial management prescripts and standards	Full compliance to financial management prescripts and standards	Full compliance to financial management prescripts and standards
						Full compliance to Corporate Relations Unit (CRU) prescripts and standards	Full compliance to Corporate Relations Unit (CRU) prescripts and standards	Full compliance to Corporate Relations Unit (CRU) prescripts and standards
						Correspondence and document management to set standards	Correspondence and document management to set standards	Correspondence and document management to set standards
						Administer the Internal Resource Centre to set standards	Administer the Internal Resource Centre to set standards	Administer the Internal Resource Centre to set standards

PART B: PROGRAMME AND SUB-PROGRAMME PLANS

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
4.1	Support services in line with prescripts and standards (continued)					Effective management of internal and external stakeholder engagement	Effective management of internal and external stakeholder engagement	Effective management of internal and external stakeholder engagement
						Targeted communication and event services	Targeted communication and event services	Targeted communication and event services
				Operational plan in line with APP in plan and monitored for delivery	Developed, implemented and monitored operational plan	An operational plan that builds on the APP, QPR and dashboard requirements	An operational plan that builds on the APP, QPR and dashboard requirements	An operational plan that builds on the APP, QPR and dashboard requirements
4.2	Development of a performance Management System for the Department	New PI	New PI	New PI	New PI	Policy and procedures for performance planning in line with prescriptive requirements developed	Maintain and refine policy and procedures for performance planning in line with prescriptive requirements	Maintain and refine policy and procedures for performance planning in line with prescriptive requirements
		New PI	New PI	New PI	New PI	Policy and procedures for performance reporting and evaluation in line with prescriptive requirements developed	Maintain and refine policy and procedures for performance reporting and evaluation in line with prescriptive requirements	Maintain and refine policy and procedures for performance reporting and evaluation in line with prescriptive requirements
						Meeting Provincial Transversal Management System requirements	Meeting Provincial Transversal Management System requirements	Meeting Provincial Transversal Management System requirements
						Consolidated departmental Service delivery improvement plan as per requirements and report on implementation thereof	Consolidated departmental Service delivery improvement plan as per requirements and report on implementation thereof	Consolidated departmental Service delivery improvement plan as per requirements and report on implementation thereof
						Consolidated Executive Dashboard reports	Consolidated Executive Dashboard reports	Consolidated Executive Dashboard reports

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
5.1	Monitor, assess and report on the compliance to the service delivery standards of the CSC as assigned	New PI	New PI	New PI	Mainly full compliance	Monitor, assess and report on compliance on a weekly basis	Monitor, assess and report on compliance on a weekly basis	Monitor, assess and report on compliance on a weekly basis
5.2	Periodic review of the SLA with CSC	New PI	New PI	New PI	Formal review during January 2012	Formal review 2 months prior to the end of the financial year	Formal review 2 months prior to the end of the financial year	Formal review 2 months prior to the end of the financial year
5.3	Drafting and consolidation of prescribed departmental plans and reports for submission to CSC	New PI	New PI	New PI	Mainly full compliance	100% compliance	100% compliance	100% compliance
5.4	Coordinate the appointment of members of prescribed departmental committees/transversal forums and other statutory requirements	New PI	New PI	New PI	Mainly full compliance	100% compliance	100% compliance	100% compliance
5.5	Serve as a nodal point between the department and the CSC pertaining to correspondence, access, services and other HR related issues	New PI	New PI	New PI	Mainly full compliance	100% compliance	100% compliance	100% compliance
5.6	Multi-skilled Corporate Services Relations Management Unit	New PI	New PI	New PI	New PI	33% of multi-skilled training needs/gaps met	66% of multi-skilled training needs/gaps met	100% of multi-skilled training needs/gaps met

PART B: PROGRAMME AND SUB-PROGRAMME PLANS

Programme performance indicator	Audited/Actual performance			Estimated performance 2011/12	Medium-term targets			
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15	
5.7	Development and implementation of internal SOPs that enforce good governance practices	Revised PI	Revised PI	Revised PI	Revised PI	Development and implementation by 31 March 2013	Review and maintain standard operating procedures	Review and maintain standard operating procedures
5.8	Capacitate line managers/supervisors in all aspects of HR	New PI	New PI	New PI	New PI	50% capacitation level by 31 March 2013	100% capacitation level by 31 March 2014	Capacitation of new appointees as required
5.9	Fully functional Occupational Health and Safety (OHAS)	New PI	New PI	New PI	New PI	100 % compliance	100 % compliance	100 % compliance

Quarterly targets for 2012/13

Performance indicator	Reporting period	Annual target 2012/13	Quarterly targets			
			1 st	2 nd	3 rd	4 th
4.1 Support services in line with prescripts and standards	Quarterly	Full compliance to financial management prescripts and standards	Refine standards to include internal control, monitoring and evaluation systems	Consult on and approval of refined standards	Train responsible staff and implement refined standards	Monitor and evaluate refined standards
	Quarterly	Full compliance to Corporate Relations Unit (CRU) prescripts and standards	Refine standards to include internal control, monitoring and evaluation systems	Consult on and approval of refined standards	Train and implement refined standards	Monitor and evaluate refined standards
	Quarterly	Correspondence and document management to set standards	Evaluate existing E-Mats manual and identify gaps between manual and system	Consult and update to enable concurrence between manual and system	Train and implement and test against Registry standards	Monitor and evaluate usage of system
	Quarterly	Administer the Internal Resource Centre to set standards	Implement and assess standards	Refine and implement	Refine and implement	Refine and implement

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
4.1	Support services in line with prescripts and standards <i>(continued)</i>	Quarterly	Effective management of internal and external stakeholder engagement	Implement and assess standards	Refine and implement	Refine and implement	Refine and implement
		Quarterly	Targeted communication and event services	Determine quarterly targets, message and medium and implement	Determine quarterly targets, message and medium and implement	Determine quarterly targets, message and medium and implement	Determine quarterly targets, message and medium and implement
		Quarterly	An operational plan that builds on the APP, QPR and dashboard requirements	Finalise, implement and monitor operational plan and institute remedial steps	Implement and monitor operational plan and institute remedial steps required	Implement and monitor operational plan and institute remedial steps required	Implement operation plan and evaluate year's performance and compile draft operational plan for next financial year
4.2	Development of a performance Management System for the Department	Quarterly	Policy and procedures for performance planning in line with prescriptive requirements developed	Analysis/ research into best practice and prescriptive requirements	Gap analysis and identification of remedial steps	Implementation of remedial steps	Testing and refinement of remedial steps
		Quarterly	Policy and procedures for performance reporting and evaluation in line with prescriptive requirements developed	Analysis/ research into best practice and prescriptive requirements	Gap analysis and identification of remedial steps	Implementation of remedial steps	Testing and refinement of remedial steps
		Quarterly	Meeting Provincial Transversal Management System requirements	Determining of Provincial Transversal Management requirements for reporting on Provincial Strategic Objective 12 (PSO 12)	Full compliance to PSO 12 reporting requirements	Full compliance to PSO 12 reporting requirements	Full compliance to PSO 12 reporting requirements
			Consolidated departmental Service Delivery Improvement plan (SDIP) as per requirements and report on implementation thereof	Finalisation of SDIP and compilation of implementation plan	Monitoring of implementation plan	Report on annual progress for previous SDIP in Annual Performance Report	Consolidated departmental Service Delivery Improvement plan (SDIP) as per requirements and report on implementation thereof

PART B: PROGRAMME AND SUB-PROGRAMME PLANS

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
4.2	Development of a performance Management System for the Department (<i>continued</i>)		Consolidated Executive Dashboard reports	Finalise Project Initiation Documents (PID's) and upload information on the Executive Dashboard	1 Consolidated Executive Dashboard report	1 Consolidated Executive Dashboard report	1 Consolidated Executive Dashboard report
5.1	Monitor, assess and report on the compliance to the service delivery standards of the CSC as assigned	Monthly	Monitor, assess and report on compliance on a weekly basis	100% compliance	100% compliance	100% compliance	100% compliance
5.2	Periodic review of the SLA	Quarterly	Formal review 2 months prior to the end of the financial year	Provisional review	Provisional review	Provisional review	Formal review January 2013
5.3	Drafting and consolidation of prescribed departmental plans and reports for submission to CSC	On prescribed dates	100% compliance	100% compliance	100% compliance	100% compliance	100% compliance
5.4	Coordinate the appointment of members of prescribed departmental committees/transversal forums and other statutory requirements	As required	100% compliance	100% compliance	100% compliance	100% compliance	100% compliance
5.5	Serve as a nodal point between the department and the CSC pertaining to correspondence, access, services and other HR related issues	Monthly	100% compliance	100% compliance	100% compliance	100% compliance	100% compliance

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
5.6	Multi-skilled Corporate Services Relations Management Unit	Monthly	33% of multi-skilled training needs/gaps met	10% of multi-skilled training needs/gaps met	20% of multi-skilled training needs/gaps met	26% of multi-skilled training needs/gaps met	33% of multi-skilled training needs/gaps met
5.7	Development and implementation of internal SOPs that enforce good governance practices	Monthly	Development and implementation by 31 March 2013	Research and development of 1 st drafts	Consultation of draft SOPs	Incorporate inputs and comments for final draft	Approval and implementation
5.8	Capacitated line managers/supervisors in all aspects of HR	Quarterly	50% capacitation level by 31 March 2013	Conduct needs analysis	Develop and secure training material/opportunities	25% capacitation level	50% capacitation level
5.9	Fully functional OHAS	Quarterly	100 % compliance	100 % compliance	100 % compliance	100 % compliance	100 % compliance

Sub programme 1.3: Financial Management

Strategic objective: Annual targets

Strategic objective		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
6.	Responsive and credible budget composition and delivery for the department	Revised strategic objective	Revised strategic objective	Responsive and credible budget close to level 3	Responsive, credible and sustainable budget at level 3 (PT criteria)	Responsive, credible and sustainable budget at level 3	Responsive, credible and sustainable budget at level 3 +	Responsive, credible and sustainable budget at level 3 +
7.	Full and accurate reflection of all financial transactions of the department	Revised strategic objective	Revised strategic objective	Comprehensive and full reflection of financial transaction at level 3	Comprehensive and full reflection of financial transactions at level 3 (PT criteria)	Comprehensive and full reflection of financial transactions at level 3 +	Comprehensive and full reflection of financial transactions at level 3+	Comprehensive and full reflection of financial transactions at level 3+
8.	Level 3 auditable supply chain and asset management services	Revised strategic objective	Revised strategic objective	Attain above level two auditable supply chain management services	Attained just under level 3 auditable supply chain management services	Attain level 3 auditable supply chain management services	Attain level 3 auditable supply chain management services	Attain level 3+ auditable supply chain management services

Strategic objective		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
9.	Effective internal control measures and risk mitigation	Revised strategic objective	Revised strategic objective	Attain level 2 effective internal control measures and risk mitigation	Attain level 2 effective internal control measures and risk mitigation	Attain level 3 effective internal control measures	Maintain level 3 effective internal control measures	Maintain level 3 + effective internal control measures
						Attain level 3 risk management	Maintain level 3 effective risk management	Maintain level 3 + effective risk management

Performance indicators: Annual targets

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
6.1	Annual Performance Plan (APP) and Quarterly Performance Reporting (QPR) at level 3 + standards	1 APP tabled on 28 March 2008	1 APP tabled on 24 February 2009	1 APP and 1 SP tabled with the Budget	1 APP and 1 SP tabled with the Main Budget	APP tabled in line with the Main Budget at level 3	APP tabled in line with the Main Budget at level 3+	APP tabled in line with the Main Budget at level 3+
		QPR for each quarter	QPR for each quarter supported by narratives	QPR for each quarter supported by narratives	QPR for each quarter supported by narratives at level 3	QPR for each quarter supported by narratives at level 3	QPR for each quarter supported by narratives at level 3+	QPR for each quarter supported by narratives at level 3+
6.2	Fully costed budget with minimum shifts between the main and adjustments budget and aligned to the APP	Revised PI	Revised PI	Revised PI	85% costed budget	90% costed budget	95% costed budget	95% costed budget
					12 IYM reports supported by narrative at level 3	12 IYM reports supported by narratives at level 3+	12 IYM reports supported by narratives at level 3+	12 IYM reports supported by narratives at level 3+
					Variance between main and adjustment estimates less than 2%	Variance between main and adjustment estimates less than 2%	Variance between main and adjustment estimates less than 2%	Variance between main and adjustment estimates less than 2%
6.3	Compilation and coordination of the Annual Report	New PI	New PI	New PI	Draft Annual Report by 31 May and final by 31 August at level 3 and SAIGA standards	Draft Annual Report by 31 May and final by 31 August at level 3 and SAIGA standards	Draft Annual Report by 15 June and final by 31 August at level 3 and SAIGA standards	Draft Annual Report by 15 June and final by 31 August at level 3+ and SAIGA standards
7.1	Fully functional payment system to pre-determined standards	Payment system developed	Payment system implemented	Payment system maintained	Review, refine and implement updated payment system	Payment system refined and maintained against a pre-determined checklist	Payment system refined and maintained against a pre-determined checklist	Payment system refined and maintained against a pre-determined checklist

Programme performance indicator	Audited/Actual performance			Estimated performance 2011/12	Medium-term targets			
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15	
7.2	Clearance of ledger accounts to pre-determined standards	New PI	New PI	Monitoring and assessment system developed	Reviewed, refined and implemented	Compliance to clearance accounts requirements	Compliance to clearance accounts requirements	Compliance to clearance accounts requirements
7.3	Compile Annual Financial Statements (AFS) to pre-determined standards	Unqualified audit report on AFS	Unqualified audit report on AFS	Unqualified audit report on AFS, with two other matters	Unqualified audit report on AFS with no material misstatements and/or other matters including correct midyear IFS	Unqualified audit report on AFS with no material misstatements and/or other matters including correct midyear IFS	Unqualified audit report on AFS with no material misstatements and/or other matters including correct midyear IFS	Unqualified audit report on AFS with no material misstatements and/or other matters including correct midyear IFS
8.1	Demand and acquisition management to pre-determined standards	Not completed	70% completed	Rewrite sections of the current AO system	Further refinement to AO system	Rewrite the relevant sections of the current AO system to meet prescripts	Refine and implement SCM system to meet prescripts	Refine and implement SCM system to meet prescripts
		New P2	New P2	New P2	New PI	Implement and refine demand management system to meet prescripts	Implement and refine demand management system to meet prescripts	Implement and refine demand management system to meet prescripts
		New P2	New P2	New P2	New PI	Implement compliance measures according to specified check list	Maintain compliance measures according to specified check list	Maintain compliance measures according to specified check list
		New P2	New P2	New P2	New PI	Mitigate department's SCM risks per action plan	Mitigate department's SCM risks per action plan	Mitigate department's SCM risks per action plan
8.2	Logistics management to pre-determined standards	75%	85%	Complete and up to date asset register that reconciles with Logis	Full compliance to Treasury requirements	Maintain and reconcile the Asset Register 100%	Maintain and reconcile the Asset Register 100%	Maintain and reconcile the Asset Register 100%
		New P2	New P2	New P2	New PI	Compile and implement a logistics criteria checklist	Maintain and refine the logistics criteria checklist	Maintain and refine the logistics criteria checklist
		New P2	New P2	New P2	New PI	Develop and implement new Asset Management Policy	Maintain and refine new Asset Management Policy	Maintain and refine new Asset Management Policy
		New PI	New PI	New PI	85% compliance to SOP standards	90% compliance to SOP standards	92% compliance to SOP standards	95% compliance to SOP standards

PART B: PROGRAMME AND SUB-PROGRAMME PLANS

Programme performance indicator	Audited/Actual performance			Estimated performance 2011/12	Medium-term targets			
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15	
9.1	Institution of general internal control functions	New PI	New PI	New PI	Attained level 2 effective internal control measures	Attain level 3 effective internal control measures	Attain level 3 effective internal control measures	Attain level 3+ effective internal control measures
9.2	Assist AO to drive the risk management process	New PI	New PI	New PI	Attained level 2 risk management	Attain level 3 effective risk management	Attain level 3 effective risk management	Maintain level 3 + effective risk management

Quarterly targets for 2012/13

Performance indicator	Reporting period	Annual target 2012/13	Quarterly targets				
			1 st	2 nd	3 rd	4 th	
6.1	Annual Performance Plan (APP) and Quarterly Performance Reporting (QPR) at level 3 + standards	Annually	APP tabled in line with the Main Budget at level 3	Planning and sequencing of APP steps and obtain TMM approval	Review APP and finalise 1 st draft. TMM to set 2 days for editing	Finalise 2 nd draft and approve under AO edit session	APP tabled
		Quarterly	QPR for each quarter supported by narratives at level 3	1 QPR inclusive of narrative report	1 QPR inclusive of narrative report	1 QPR inclusive of narrative report	1 QPR inclusive of narrative report
6.2	Fully costed budget with minimum shifts between the main and adjustments budget and aligned to the APP	Annually	90% costed budget	Identify the expenditure items on the 80/20 principle	Establish the cost drivers and norms for expenditure items	Refine and include in the 2 nd draft budget, demand inputs and Adjustments Estimate	90% costed budget tabled
		Quarterly	12 IYM reports supported by narratives at level 3+	3 IYM reports inclusive of narrative reports	3 IYM reports inclusive of narrative reports	3 IYM reports inclusive of narrative reports	3 IYM reports inclusive of narrative reports
				Revisit IYM functionality at IYM Committee	Implement new functionality measures approved by IYM Committee	None	None
		Annually	Variance between main and adjustment estimates less than 2%	None	None	Determine if variance between main and adjusted estimates is less than 2%	Keep final spending less than 2% of Adjusted Budget
6.3	Compilation and coordination of the Annual Report	Annually	Draft Annual Report by 31May and final by 31 August at level 3 and SAIGA standards	Appropriation Statement and draft Annual Report by 31 May	Final Annual Report by 31 August for tabling by 30 September	Report to SCOF and SCOPA and implement corrective measures	Set up steps for the 2012/13 AR to sequence events and get TMM approval

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
7.1	Fully functional payment system to pre-determined standards	Quarterly	Payment system refined and maintained against a predetermined checklist	Monitor and report on deviation against checklist and implement remedial steps	Monitor and report on deviation against checklist and implement remedial steps	Monitor and report on deviation against checklist and implement remedial steps	Monitor and report on deviation against checklist and implement remedial steps
7.2	Clearance of ledger accounts to pre-determined standards	Quarterly	Compliance to clearance accounts requirements	3 Reports on compliance to clearance accounts requirements and remedial steps	3 Reports on compliance to clearance accounts requirements and remedial steps	3 Reports on compliance to clearance accounts requirements and remedial steps	3 Reports on compliance to clearance accounts requirements and remedial steps
7.3	Compile Annual Financial Statements (AFS) to pre-determined standards	Annually	Unqualified audit report on AFS with no material misstatements and/or other matters including correct midyear IFS	Submit accurate quarterly IFS to PT and Final 2011/12 AFS to AGSA	Submit accurate quarterly IFS to PT. AFS taken up in 2010/11 Annual Report	Submit accurate quarterly IFS to PT	Submit accurate quarterly IFS to PT. Preparation for 2012/13 AFS
8.1	Demand and acquisition management to pre-determined standards	Quarterly	Rewrite the relevant sections of the current AO system to meet prescripts	Issuing of Financial Instructions to cover main areas of risk	Refine current AO system (AOS) after Treasury input received	Distribute the revised AOS and provide training in department	Implement revised AOS
		Quarterly	Implement and refine demand management system to meet prescripts	Implement demand management plan aligned to Main Estimates	Follow up and report on Main Estimates demand management plan Initiate second round demand management plan	Implement demand management plan aligned to Adjusted Estimates	Follow up and report on Adjusted Estimates demand management plan Initiate new Main Estimate demand management plan
		Quarterly	Implement compliance measures according to specified checklist	Monitor and report on deviation against checklist and implement remedial steps	Monitor and report on deviation against checklist and implement remedial steps	Monitor and report on deviation against checklist and implement remedial steps	Monitor and report on deviation against checklist and implement remedial steps
		Quarterly	Mitigate department's SCM risks per action plan	Liaise with IC and RM and compile risks	Distribute list and dissect feedback	Do corrective measures to finalise action plan	Mitigate department's SCM risks per action plan

PART B: PROGRAMME AND SUB-PROGRAMME PLANS

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
8.2	Logistics management to predetermined standards	Quarterly	Maintain and reconcile the Asset Register 100%	Send out new register	Refine and monitor compliance	Refine and monitor compliance	Complete and up to date asset register that reconciles with Logis
		Quarterly	Compile and implement a logistics criteria checklist	Monitor and report on deviation against checklist and implement remedial steps	Monitor and report on deviation against checklist and implement remedial steps	Monitor and report on deviation against checklist and implement remedial steps	Monitor and report on deviation against checklist and implement remedial steps
		Quarterly	Develop and implement new Asset Management Policy	Issue and implement new Asset Management Policy	Monitor implementation of Asset Management Policy against checklist	Maintain and refine new Asset Management Policy against checklist	Maintain and refine new Asset Management Policy against checklist
		Quarterly	90% compliance to SOP standards	85% compliance to SOP standards	87% compliance to SOP standards	88% compliance to SOP standards	90% compliance to SOP standards
9.1	Institution of general internal control functions	Quarterly to AO and FARMCO Quarterly	Attain level 3 effective internal control measures	Finalise activities outstanding in 2011/12	Compile three action lists (for AGSA, IA and the FGRO)	Schedule, evaluate and follow-up action lists	Maintain level 3 effective internal control measures
				Scheduled assessment and report on internal control efficacy	Scheduled assessment and report on internal control efficacy	Scheduled assessment and report on internal control efficacy	Scheduled assessment and report on internal control efficacy
9.2	Assist AO to drive the risk management process	Quarterly	Attain level 3 effective risk management	Report to FARMCO and sign SLA with ERM in DotP	Evaluate new risks and report back to FARMCO	Finalise new risks and revise listed policies identified by ERM	Retrospective risk management assessment and report to FARMCO

Reconciling performance targets with the Budget and MTEF

Expenditure estimates

Table 2 Administration

Sub-programme R'000	Outcome			Main appro- piation 2011/12	Adjusted appro- piation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
1. Office of the Minister ^a	3 595	4 410	4 776	5 188	5 311	5 322	5 522	3.76	5 913	6 340
2. Management Services	2 576	3 278	5 818	8 435	7 922	7 820	9 000	15.09	9 917	10 470
3. Corporate Services	13 676	11 077	3 602							
4. Financial Management	20 294	20 594	19 018	22 564	18 143	18 018	18 721	3.90	21 295	21 941
Total payments and estimates	40 141	39 359	33 214	36 187	31 376	31 160	33 243	6.68	37 125	38 751

^a MEC total remuneration package: R1 566 089 with effect from 1 April 2011.

Economic classification R'000	Outcome			Main appro- piation 2011/12	Adjusted appro- piation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
Current payments	37 455	36 684	30 045	32 770	28 993	28 763	31 126	8.22	33 674	36 161
Compensation of employees	17 626	21 520	19 514	20 488	18 482	18 252	20 089	10.06	21 523	22 977
Goods and services	19 829	15 164	10 531	12 282	10 511	10 511	11 037	5.00	12 151	13 184
Transfers and subsidies to	108	319	736	500	703	703	600	(14.65)	845	892
Non-profit institutions			102							
Households	108	319	634	500	703	703	600	(14.65)	845	892
Payments for capital assets	2 541	2 153	2 321	2 917	1 668	1 668	1 517	(9.05)	2 606	1 698
Machinery and equipment	2 541	2 153	2 286	2 917	1 668	1 668	1 517	(9.05)	2 606	1 698
Heritage assets			35							
Payments for financial assets	37	203	112		12	26		(100.00)		
Total economic classification	40 141	39 359	33 214	36 187	31 376	31 160	33 243	6.68	37 125	38 751

Performance and expenditure trends

The decrease of R8.981 million from R40.141 million in 2008/09 to R31.160 million in 2011/12 (revised estimate), equates to an average nominal decrease of 8.1 per cent per annum (three year period). The annual average nominal growth of 7.54 per cent from the revised estimate of R31.160 million in 2011/12 to R38.751 million in 2014/15, is mainly due to inflation adjustments. Limited provision has also been made for strengthening core corporate requirements towards meeting increasing demands bestowed on the Department. The bulk of the transfers are for external bursars. Due to the lower resource allocation in the 2012/13, transfers have been reduced accordingly.

Programme 2 – Sustainable Resource Management

Programme description

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.

Programme structure

The Programme currently consists of the following sub-programmes:

Sub-programme 2.1: Programme support

Purpose: To provide management and administrative support to the programme.

This sub-programme houses the head and support staff of the Branch: Fiscal and Economic Services and the relevant chief directors responsible for Public Policy Services, Public Finance: Provincial Government and Public Finance: Local Government. It also provides resources for the structured training and development of the staff attached to the programme.

Sub-programme 2.2: Fiscal Policy

Purpose: To provide for the effective and efficient development of revenue streams, cash and liability management.

Initiatives within this sub-programme are aimed at improving the sustainability of provincial and municipal revenue budgets and exploring the full use of available revenue resources.

Functions of the unit include conducting research into the national transfer system with a specific focus on the funding formula that underpins the provincial and local government allocations (equitable share and conditional grants). This research will form the basis for engagement with National Treasury regarding the fiscal framework.

In addition to reporting on provincial own revenue performance, the unit will also be engaged in identifying and researching possible new sources of provincial own revenue. Amongst the research into provincial own revenue is the review of the casino exclusivity tax regime and associated tax rates, review of the motor vehicle licence fee structure and fuel levy initiatives.

The sub-programme's work is also focused on the development of an assessment framework with which to assess municipal service charges in terms of sustainability, transparency and credibility.

Cash flow management policies and practices will be developed with the aim of improving cash flow management and liquidity in the Province and municipalities. This sub-programme will furthermore monitor and evaluate cash flow and investment management practices to ensure the sustainability and credibility thereof.

A municipal borrowing assessment framework will be developed to form the basis with which to assess individual municipal borrowing submissions.

This unit is also responsible for Departmental oversight of the Western Cape Gambling and Racing Board to ensure the effective and efficient regulation of the gaming industry in the Province.

Sub-programme 2.3: Budget Management

Element: Provincial Government Budget Management

Purpose: To provide for provincial economic analysis and advice that informs fiscal policy and the budget allocation process; provide guidance and assistance, assess and report on provincial budget performance.

This unit is responsible for promoting the effective and responsive allocation of provincial resources; providing economic and other analysis and departmental advice that informs fiscal policy and making recommendations on budget allocations.

A key focus area for this sub programme is to improve the responsiveness and impact of the provincial budget to economic growth and development objectives and the socio-economic imperatives, as well as national and provincial strategic priorities. Guidance and assistance will be provided to departments and entities to develop and improve initiatives to improve performance information management and reporting in provincial departments and public entities to ensure budgets are translated into outputs that will contribute to provincial and national outcomes. In line with improving financial management, the unit will focus on the conformance of departmental budget and accountability documentation to the prescribed formats, legislative requirements, frameworks and guidelines to ensure quality budget documentation.

Efforts of the unit are geared towards ensuring the alignment of budget allocations to priorities, and a medium term budget policy framework that is consistent with spending priorities, national outcomes and provincial strategic objectives. Recommendations and inputs on departmental budget submissions, including planning documents will feed into the Medium Term Expenditure Committee processes and budget allocations. The unit also monitors the implementation of the budget through coordinating the quarterly and annual report process and reporting budget performance to the Executive on a regular basis with the aim to improve the effectiveness of the budget spend.

Key deliverables of this unit are the annual budget submission assessments, the publication of the annual Provincial Economic Review and Outlook (PER&O), the Western Cape Provincial Medium Term Budget Policy statement (WC-MTBPS), the Budget Overview of Provincial Revenue and Expenditure and associated budget allocations.

Element: Local Government Budget Management

Purpose: To provide for local government economic analysis and advice that informs fiscal policy and budget allocation decisions and associated remedial steps; and assist, assess and report on policy attainment across the local government sphere and introduce associated remedial steps.

This unit is responsible for assisting municipalities in compiling and tabling responsive and sustainable budgets, which are able to give effect to their service delivery mandates and address the various socio-economic needs of communities living in the municipal areas.

The Local Government Budget Management unit evaluates municipal budget documentation for conformance and responsiveness against set criteria and makes recommendations to improve their impact on communities. The unit also provides monitoring and evaluation on the implementation of municipal budgets against predetermined objectives.

The unit further conducts economic analysis to inform municipal planning and budgeting processes and undertakes initiatives to assist municipalities with building the requisite capacity to implement standards through knowledge sharing and training.

Sub-programme 2.4: Public Finance

Element: Provincial Government Finance

Purpose: To compile a credible and sustainable main and adjustments budget and to monitor the efficient implementation thereof; assist, assess and report on provincial departmental and entity expenditure management and introduce associated remedial steps.

This unit is responsible for the assessment of provincial budgets to improve the conformance, credibility and sustainability of the budget and for monitoring the implementation of budgets to enhance accountability, data integrity and efficiency.

A key focus area is to improve conformance in relation to both compiling a credible and sustainable budget and efficient budget implementation. The unit will also focus on the integration of financial reporting to oversight entities in the Province, i.e. Provincial Cabinet and Parliament and to commence with the standardisation of expenditure management practices within the Province.

Element: Local Government Finance (Groups 1 and 2)

Purpose: To 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; and drive the implementation of the Municipal Finance Management Act, 2003 (Act 56 of 2003).

This element is divided into two directorates, namely Group 1 (mainly coastal municipalities) and Group 2 (mainly non-coastal municipalities). Both directorates will concentrate on

improving the conformance, credibility and sustainability of municipal budgets by promoting efficient budget implementation and developing the functional ability of municipalities through the implementation of standards, knowledge-sharing and training (internally and externally). Furthermore, these directorates will also focus on improving financial management, general reporting requirements, revenue streams, and improving information systems within municipalities by providing financial assistance to selected municipalities as informed by LGMTEC 3 AND LGFGRO processes.

Element: Immoveable Asset Management

Purpose: To increase the level of infrastructure delivery to a level 3+ financial capability rating (Departments of Education, Health, Transport and Public Works, Human Settlement and CapeNature) and to provide advice and assistance towards the sound management of PPP projects.

A key focus area of this unit is to develop and implement the Provincial Infrastructure Strategy in collaboration with the relevant departments. The unit is also responsible for the improvement and assessment of infrastructure budgets and User-Asset Management (U-AMP) and Custodian-Asset Management (C-AMP) plans, monitoring and enhancing infrastructure spending performance of designated departments and championing infrastructure delivery improvement processes in these departments.

The unit is further responsible for the development and maintenance framework for provincial infrastructure procurement, aligned to changes in the institutional environment inclusive of advising, assisting with and monitoring of provincial infrastructure projects.

Element: Business Information and Data Management

Purpose: To render a client interface, data collating and data information and records management service to the Provincial Treasury.

This newly created unit will be responsible for managing the centralised filing system with the focus on optimal conformance to the Archives and Records Service prescripts. Furthermore, the drafting of policy and setting up and refinement of data management procedures and systems to deliver relevant and up to date data sets (provincial and municipalities), supportive of PT strategic goals, the integration of such datasets (data migration between systems and datasets) and to train users to properly populate, maintain and utilise datasets.

Furthermore, the unit will also be responsible to coordinate departmental and LG MTEC processes and document flow (hard and electronic) including the collation and technical refinement of Treasury publications and working papers.

Note: Deviations from sector specific budget structure: The functions of the Economic Analysis sub-programme have been subsumed into sub-programme 2.2: Fiscal Policy and sub-programme 2.3 Budget Management.

Sub-Programme 2.1: Programme Support

Strategic objective: Annual targets

Strategic objective		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
10.	Build competencies and enhance and maintain the delivery of the programme	New strategic objective	New strategic objective	Reviewed and maintained systems and standards	Improved support services	Support services in line with prescripts and standards	Support services in line with prescripts and standards	Support services in line with prescripts and standards

Performance indicators: Annual targets

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
10.1	Support services in line with prescripts and standards	New PI	New PI	New PI	Reviewed and maintained standards for programme management and secretarial and administrative services	Full compliance to financial management prescripts and standards	Full compliance to financial management prescripts and standards	Full compliance to financial management prescripts and standards
						Refine, implement and monitor standards to ensure compliance	Refine, implement and monitor standards to ensure compliance	Refine, implement and monitor standards to ensure compliance
						Full compliance to Corporate Relations Unit (CRU) prescripts and standards	Full compliance to Corporate Relations Unit (CRU) prescripts and standards	Full compliance to Corporate Relations Unit (CRU) prescripts and standards
						Full compliance to Corporate Relations Unit (CRU) prescripts and standards	Full compliance to Corporate Relations Unit (CRU) prescripts and standards	Full compliance to Corporate Relations Unit (CRU) prescripts and standards
						Correspondence and document management to set standards	Correspondence and document management to set standards	Correspondence and document management to set standards
						Effective management of internal and external stakeholder engagement	Effective management of internal and external stakeholder engagement	Effective management of internal and external stakeholder engagement

Programme performance indicator	Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
10.1 Support services in line with prescripts and standards (continued)					Targeted communication and event services	Targeted communication and event services	Targeted communication and event services
				Developed, implemented and monitored operational plan	An operational plan that builds on the APP, QPR and dashboard requirements	An operational plan that builds on the APP, QPR and dashboard requirements	An operational plan that builds on the APP, QPR and dashboard requirements

Quarterly targets for 2012/13

Performance indicator	Reporting period	Annual target 2012/13	Quarterly targets			
			1 st	2 nd	3 rd	4 th
10.1 Support services in line with prescripts and standards	Quarterly	Full compliance to financial management prescripts and standards	Refine standards to include internal control and monitoring and evaluation systems	Consult on and approval of refined standards	Train responsible staff and implement refined standards	Monitor and evaluate refined standards
	Quarterly	Full compliance to Corporate Relations Unit (CRU) prescripts and standards	Refine standards to include internal control and monitoring and evaluation systems	Consult on and approval of refined standards	Train and implement refined standards	Monitor and evaluate refined standards
	Quarterly	Correspondence and document management per standards	Evaluate existing E-Mats manual and identify gaps between manual and system	Consult and update to enable concurrence between manual and system	Train and implement and test against Registry standards	Monitor and evaluate usage of system
	Quarterly	Effective management of internal and external stakeholder engagement	Implement and assess standards	Refine and implement	Refine and implement	Refine and implement
	Quarterly	Targeted communication and event services	Determine quarterly targets, message and medium and implement	Determine quarterly targets, message and medium and implement	Determine quarterly targets, message and medium and implement	Determine quarterly targets, message and medium and implement

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
10.1	Support services in line with prescripts and standards <i>(continued)</i>	Quarterly	An operational plan that builds on the APP, QPR and dashboard requirements	Finalise, implement and monitor operational plan and institute remedial steps	Implement and monitor operational plan and institute remedial steps required	Implement and monitor operational plan and institute remedial steps required	Implement operation plan and evaluate year's performance and compile draft operational plan for next financial year

Sub-Programme 2.2: Fiscal Policy

Strategic objective: Annual targets

Strategic objective		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
11.	Fiscal transfer system responsive to provincial and municipal needs in enhancing economic growth, efficient and effective service delivery	New strategic objective	New strategic objective	Research into potential revenue resources	Identification, research and assessment of provincial and local government revenue streams against sustainability and credibility criteria	Research and engagement with Fiscal Transfer System to ensure equitable distribution of National Revenue	Research and engagement with Fiscal Transfer System to ensure equitable distribution of National Revenue	Research and engagement with Fiscal Transfer System to ensure equitable distribution of National Revenue
12.	Mechanisms for revenue collections in provincial and local governments that are optimum inclusive of cash management arrangements	New strategic objective	New strategic objective	Research into revenue collection mechanisms	Conduct research into revenue collection mechanisms and provide recommendations	Refinement of research into revenue collection mechanisms and provide recommendations including follow-up on recommendations	Refinement of research into revenue collection mechanisms and provide recommendations including follow-up on recommendations	Refinement of research into revenue collection mechanisms and provide recommendations including follow-up on recommendations

Performance indicators: Annual targets

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
11.1	Research and input into the national fiscal transfer system to provinces and local government	Limited updates	Preparatory work and appointment of researchers	Research, input and testing of new provincial fiscal framework	Research on funding model for provinces and input into fiscal transfer system	Research, review of provincial funding model and input into the fiscal transfer system for provinces and local government	Research, review of provincial funding model and input into the fiscal transfer system for provinces and local government	Research, review of provincial funding model and input into the fiscal transfer system for provinces and local government

Programme performance indicator	Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
12.1 Research, monitor and advise on the sustainability and credibility of provincial and local government revenue trends and cash management	Planning, and research	Plan, research and appointed external consultant/ expertise inclusive of consultation with industry	Refine and conclude research and implement the new tax regime inclusive of approval by Legislature	Translation and gazetting of Western Cape Gambling and Racing Act (WCGRA) and Regulations; gazetting for public comment amendments to WCGR ordinary bill and money bill	Further refinement and implementation of WCGRA amendments inclusive of casino tax regime	Refinement and implementation of WCGRA amendments inclusive of casino tax regime	Further refinement and full review of WCGRA
	Tourism related taxes researched and motor vehicle license impact researched	Refine and update current research initiatives	Refine and update current research initiatives (fuel levy, bed levy, tourism departure tax) and submission of one new tax proposal to NT i.r.o. the PTRPA	Refine and update fuel levy, and MVL, research; GMT Tariff Model research	Refine, research initiatives and submit one new tax proposal to NT in terms of the PTRPA	Implement one new tax proposal and further refinement of other proposals	Implement one new tax proposal and further refinement of other proposals
	New PI	New PI	New PI	New PI	Development of an assessment framework to determine sustainability and credibility of provincial and local government revenue trends	Refinement of the assessment framework to determine sustainability and credibility of provincial and local government revenue trends	Further refinement of the assessment framework to determine sustainability and credibility of provincial and local government revenue trends
	New PI	New PI	New PI	New PI	Develop prescripts and policies governing cash flow management within departments and municipalities and scheduled production of AFS for PRF	Refinement of prescripts and policies governing cash flow management within departments and municipalities and scheduled production of AFS for PRF	Further refinement of prescripts and policies governing cash flow management within departments and municipalities and scheduled production of AFS for PRF

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
12.2	Efficient and Effective WCGRB to regulate the industry	New PI	New PI	Assessment tool measuring compliance and implementation	Quarterly Performance assessment reports of the WCGRB	Quarterly Performance assessment reports of the WCGRB and Governance Review of the WCGRB	Quarterly Performance assessment reports of the WCGRB and refinement and implementation of review findings for the WCGRB	Quarterly Performance assessment reports of the WCGRB and further refinement and implementation of review findings for the WCGRB
12.3	Sustainable, transparent and credible municipal service charges	New PI	New PI	New PI	Research into revenue/ tariff structures and transparent municipal tariff training provided to selected municipalities	Development of a framework measuring sustainability, transparency and credibility of service charges	Refinement and further testing of framework measuring sustainability, transparency and credibility of service charges	Implementation of the framework measuring sustainability, transparency and credibility of service charges for selected municipalities
12.4	Support, assessment and advice on external borrowings by municipalities	New PI	New PI	All municipalities	All municipalities as required	Development and application of a municipal borrowing assessment framework	Refinement of municipal borrowing assessment framework	Implementation of municipal borrowing assessment framework

Quarterly targets for 2012/13

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
11.1	Research and input into the national fiscal transfer system to provinces and local government	Quarterly	Research, review of provincial funding model and input into the fiscal transfer system for provinces and local government	Draft TOR regarding research on PES Formula	Draft research (Economic Role of Provinces and PES formula)	Continued research on the Role of Provinces and PES formula)	Draft research report and submission to NT.
				Draft TOR on conditional grant research	Draft research on conditional grants	Continued research on conditional grants	Draft research report and submission to NT.
				Draft TOR regarding research on LG Fiscal Framework	Draft research on LG Fiscal Framework	Continued research on LG Fiscal framework	Finalised research report and submission to NT.

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
12.1	Research, monitor and advise on the sustainability and credibility of provincial and local government revenue trends and cash management	Quarterly	Further refinement and implementation of WCGRA amendments inclusive of casino tax regime	Incorporate changes to the WCGRA amendments inclusive of casino tax regime	Table the WCGRA amendments to Provincial Legislature	Assistance to the WCGRB regarding development of Casino Gambling exclusivity bid process	Assistance to WCGRB with valuation bid proposals and recommendation to Cabinet
			Refine, research initiatives and submit one new tax proposal to NT in terms of the PTRPA	Continuation of casino, GMT, MVL and Fuel Levy research and consultation with role players	Continuation of casino, GMT, MVL and Fuel Levy research and consultation with role players	Finalisation of casino, GMT, MVL and Fuel Levy research and consultation with role players	Implementation of casino, GMT, MVL and Fuel Levy research reports
			Development of an assessment framework to determine sustainability and credibility of provincial and local government revenue trends	Monthly revenue and cash flow reports aligned to assessment frameworks	Monthly revenue and cash flow reports aligned to assessment frameworks	Monthly revenue and cash flow reports aligned to assessment frameworks	Monthly revenue and cash flow reports aligned to assessment frameworks
			Develop prescripts and policies governing cash flow management within departments and municipalities and scheduled production of AFS for PRF	Draft TOR for prescripts and policies and quarterly production of AFS for PRF	Draft prescripts and policies and quarterly production of AFS for PRF	Implement and refine prescripts and policies and quarterly production of AFS for PRF	Implement prescripts and policies and monthly production of AFS for PRF
12.2	Efficient and Effective WCGRB to regulate the industry	Quarterly	Quarterly Performance assessment reports of the WCGRB and Governance Review of the WCGRB	Draft TOR for Governance Review of WCGRB Quarterly Performance Assessment Report	Conduct research regarding governance of WCGRB Quarterly Performance Assessment Report	Draft research report discussed internally and with WCGRB Quarterly Performance Assessment Report	Finalisation of governance review and recommendations discussed with MEC Quarterly Performance Assessment Report
12.3	Sustainable, transparent and credible municipal service charges	Quarterly	Development of framework measuring sustainability, transparency and credibility of service charges	Draft TOR for the Development of a framework measuring sustainable, transparent and credible service charges for municipalities	Development of framework measuring sustainability, transparency and credibility of service charges for municipalities	Refinement of framework measuring sustainability, transparency and credibility of service charges for municipalities	Testing of framework measuring sustainability, transparency and credibility of service charges with selected municipalities
12.4	Support, assessment and advice on external borrowings by municipalities	Quarterly	Development and application of a municipal borrowings assessment framework	Development, consultation and testing of assessment framework	Refinement of municipal borrowing assessment framework.	Municipal borrowing assessment framework as required	Municipal borrowing assessment framework as required

Sub-programme 2.3: Budget Management**Element: Provincial Government Budget Management****Strategic objective: Annual targets**

Strategic objective		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
13.	To improve the conformance and responsiveness of budgets within provincial departments and entities	New strategic objective	New strategic objective	All budgets assessed against responsiveness criteria as part of PG MTEC process	All departmental budgets and APPs assessed to improve responsiveness and departments assisted and capacitated through establishing standards and providing guidance and training	All departmental annual performance plans and budget submissions assessed against a framework for conformance and responsiveness	All departmental annual performance plans and budget submission against a framework for conformance and responsiveness	All departmental annual performance plans and budget submission against a framework for conformance and responsiveness
14.	Apply economic and other analysis to inform provincial planning and budgeting processes	New strategic objective	New strategic objective	Publication of the 2010 Provincial Economic Review and Outlook and findings fed into the Medium Term Budget Policy Statement. Economic update included in the Budget Overview	Publication of the 2011 Provincial Economic Review and Outlook and findings fed into the Medium Term Budget Policy Statement. Economic update included in the Budget Overview	Publication of the 2012 Provincial Economic Review and Outlook	Publication of the 2013 Provincial Economic Review and Outlook	Publication of the 2014 Provincial Economic Review and Outlook

Performance indicators Annual targets

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
13.1	Provincial Annual Performance Plan and budget assessments to enhance conformance and responsiveness of the budget	12 Annual Performance Plans	12 Annual Performance Plans	13 Annual Performance Plans of departments and public entities assessed for alignment with budget	Annual Performance Plans of all votes assessed and remedial actions identified	14 Annual Performance Plans and budget submissions assessed and with recommendations to the provincial Medium Term Expenditure Committee (MTEC)	14 Annual Performance Plans and budget submissions assessed and with recommendations to the provincial Medium Term Expenditure Committee (MTEC)	14 Annual Performance Plans and budget submissions assessed and with recommendations to the provincial Medium Term Expenditure Committee (MTEC)
						Publication of the 2013/14 Medium Term Budget Policy Statement by November 2012	Publication of the 2014/15 Medium Term Budget Policy Statement by November 2013	Publication of the 2015/16 Medium Term Budget Policy Statement by November 2014
						Publication of the Provincial Overview of Revenue and Expenditure within two weeks of the tabling of the national budget	Publication of the Provincial Overview of Revenue and Expenditure within two weeks of the tabling of the national budget	Publication of the Provincial Overview of Revenue and Expenditure within two weeks of the tabling of the national budget
13.2	Development of a framework for planning documents and reporting of performance information to improve conformance	New PI	New PI	New PI	New PI	Planning and reporting of performance information framework developed	Planning and reporting of performance information framework draft prescripts developed and consulted	Planning and reporting of performance information framework draft prescripts tested and refined

PART B: PROGRAMME AND SUB-PROGRAMME PLANS

Programme performance indicator	Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
13.3 Performance reports evaluated on the implementation of budget	48 Quarterly Performance Reports assessments	48 Quarterly Performance Reports assessments	52 Quarterly Performance Reports assessments	52 Quarterly Performance assessment reports and 4 submissions to Cabinet and Provincial Parliament aligned to a framework for non-financial reporting	56 Quarterly Performance assessment reports and 4 submissions to Cabinet and Provincial Parliament aligned to a framework for non-financial reporting	56 Quarterly Performance assessment reports submissions to Cabinet and Provincial Parliament aligned to a framework for non-financial reporting	56 Quarterly Performance assessment reports and 4 submissions to Cabinet and Provincial Parliament aligned to a framework for non-financial reporting
				-	13 Budget Performance evaluation reports on selected departmental performance information	13 Budget Performance evaluation reports on selected departmental performance information	13 Budget Performance evaluation reports on selected departmental performance information
14.1 Publication of the Provincial Economic Review and Outlook (PERO)	PERO 2008 published in November 2008	PERO 2009 published in November 2009	PERO 2010 published in November 2010	PERO 2011 published in September 2011	PERO 2012 to be published by September 2012	PERO 2013 to be published by October 2013	PERO 2014 to be published by October 2014

Quarterly targets for 2011/12

Performance indicator	Reporting period	Annual target 2012/13	Quarterly targets			
			1 st	2 nd	3 rd	4 th
13.1 Provincial Annual Performance Plan and budget assessments to enhance conformance and responsiveness of the budget	Quarterly Annual	14 Annual Performance Plans and budgets of all votes assessed and with recommendations to the provincial Medium Term Expenditure Committee Publication of the 2013/14 Medium Term Budget Policy Statement by November 2012 Publication of the Provincial Overview of Revenue and Expenditure within two weeks of the tabling of the national budget	Develop conformance checklists for performance information documents (APPs, QPRs and ARs) and training on preparation of annual performance plans and quarterly reporting	Develop and communicate the framework for conformance and responsiveness to be used for the PGMTEC 1 assessments	14 1 st draft Annual Performance plans and budget submissions assessment reports compiled Publication of the 2013/14 Medium Term Budget Policy Statement	14 2 nd draft Annual Performance plans and budget submissions assessment reports compiled Publication of the Provincial Overview of Revenue and Expenditure within two weeks of the tabling of the national budget

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
13.2	Development of a framework for planning documents and reporting of performance information to improve conformance	Quarterly	Planning and reporting of performance information framework developed	Conduct inventory and gap analysis of all performance information guidelines, practice notes, circulars, instructions and directives that have been issued by both national and provincial treasury	Draft checklist for planning documents and reporting of performance information	Draft checklist for planning documents and reporting of performance information consulted	Draft Framework for planning documents and reporting of performance information
13.3	Performance reports evaluated on the implementation of budget	Quarterly	56 Quarterly Performance assessment reports and 4 submissions to Cabinet and Provincial Parliament aligned to a framework for non-financial reporting	14 Quarterly Performance assessment reports on all departments and 1 submission to Cabinet and Provincial Parliament Develop framework for non-financial reporting	14 Quarterly Performance assessment reports on all departments and 1 submission to Cabinet and Provincial Parliament aligned to a framework for non-financial reporting	14 Quarterly Performance assessment reports on all departments and 1 submission to Cabinet and Provincial Parliament aligned to a framework for non-financial reporting	14 Quarterly Performance assessment reports on all departments and 1 submission to Cabinet and Provincial Parliament aligned to a framework for non-financial reporting
			13 Budget Performance evaluation reports on selected departmental performance information	Draft framework on budget performance evaluations	Pilot draft framework and select budget performance evaluations topics	Finalise framework and 13 draft Budget Performance evaluation reports	None
14.1	Publication of the Provincial Economic Review and Outlook (PERO)	Annually	PERO 2012 to be published by September 2012	Final Terms of reference developed for PERO 2012	Publication of the PERO 2012	PERO findings and economic update in 2013/14 Medium Term Budget Policy Statement	Draft Terms of Reference for PERO 2013 developed

Sub-programme 2.3: Budget Management

Element: Local Government Budget Management

Strategic objective: Annual targets

Strategic objective		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
15.	To improve the conformance and responsiveness of municipal budgets	Municipal budgets assessed against responsiveness criteria	Municipal budgets assessed against responsiveness criteria	All municipal budgets assessed against responsiveness criteria as part of LG MTEC process	All municipal budgets and SDBIPs assessed and municipalities assisted and capacitated through establishing standards and providing guidance and training	All Municipal budget documentation assessed in line with conformance and responsiveness framework	All Municipal budget documentation assessed in line with conformance and responsiveness framework	All Municipal budget documentation assessed in line with conformance and responsiveness framework
16.	Apply economic and other analysis to inform municipal planning and budgeting processes.	Released Working Papers on 5 districts and City of Cape Town by June 2007	Planning and preparatory work for 2 district profiles – Cape Wine-lands and Eden	Compile SEP-LG for 5 districts and City of Cape Town	Economic and other analysis to inform municipal planning and budgeting	Publication of 2012 Municipal Economic Review and Outlook	Publication of 2013 Municipal Economic Review and Outlook	Publication of 2014 Municipal Economic Review and Outlook
						Release of working papers on Socio-Economic Profiles for 5 districts and Metro	Socio-Economic Profiles for 5 districts and Metro	Socio-Economic Profiles for 5 districts and Metro

Performance indicators: Annual targets

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
15.1	Municipal budget assessments to improve the conformance and responsiveness	30 municipal budgets assessed for responsiveness	30 municipal budgets assessed for responsiveness	30 municipal budgets assessed for responsiveness	30 municipal budgets assessed for responsiveness and remedial action identified	30 Municipal budgets assessed in line with conformance and responsiveness framework & recommendations made	30 Municipal budgets assessed in line with conformance and responsiveness framework & recommendations made	30 Municipal budgets assessed in line with conformance and responsiveness framework & recommendations made

Programme performance indicator	Audited/Actual performance			Estimated performance 2011/12	Medium-term targets			
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15	
15.2	Performance reports evaluated for conformance and responsiveness	Overview report and feedback on SDBIP, mid-year and Annual Report assessments	Overview report and feedback on SDBIP, mid-year and Annual Report assessments	Overview report and feedback on SDBIP, mid-year and Annual Report assessments	SDBIP quarterly and Mid-year Reports assessments of all municipalities and submissions to Cabinet and Provincial Parliament on quarterly non-financial performance	120 Quarterly SDBIP Performance Reports and submissions to Cabinet and Parliament on quarterly non-financial performance	120 Quarterly SDBIP Performance Reports and submissions to Cabinet and Parliament on quarterly non-financial performance	120 Quarterly SDBIP Performance Reports and submissions to Cabinet and Parliament on quarterly non-financial performance
					Annual Reports assessed of all municipalities and recommendations provided	30 Annual Reports assessed of all municipalities, remedial action identified and communicated	30 Annual Reports assessed of all municipalities, remedial action identified and communicated	30 Annual Reports assessed of all municipalities, remedial action identified and communicated
16.	Apply economic and other analysis to inform municipal planning and budgeting processes	Released Working Papers on 5 districts and City of Cape Town by June 2007	Planning and preparatory work for 2 district profiles – Cape Wine-lands and Eden	Publish district SEP-LG for 5 districts and City of Cape Town	Released Working Papers on 5 districts and City of Cape Town by December 2011	Publication of 2012 Municipal Economic Review and Outlook	Publication of 2013 Municipal Economic Review and Outlook	Publication of 2014 Municipal Economic Review and Outlook
						Release of working papers on Socio-Economic Profiles for 5 districts and Metro	Socio-Economic Profiles for 5 districts and Metro	Socio-Economic Profiles for 5 districts and Metro

Quarterly targets for 2012/13

Performance indicator	Reporting period	Annual target 2012/13	Quarterly targets				
			1 st	2 nd	3 rd	4 th	
15.1	Municipal budget assessments to enhance conformance and responsiveness	Annually	30 Municipal budgets assessed in line with conformance and responsiveness framework & recommendations made	Municipal budgets assessed for conformance and responsiveness and remedial action identified	Consolidate assessment report and submit consolidated findings to Cabinet and relevant stakeholders	Develop draft assessment framework criteria for the next budget cycle and plan LG MTEC 3 logistics	Finalise assessment framework and LG MTEC3 logistics

PART B: PROGRAMME AND SUB-PROGRAMME PLANS

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
15.2	Performance reports evaluated for conformance and responsiveness	Quarterly	120 Quarterly SDBIP Performance Reports and submissions to Cabinet and Parliament on quarterly non-financial performance	Develop framework for assessment of SDBIPs 30 Quarterly Performance Reports assessed. Communicated and input into quarterly IYM Report	Test framework against available SDBIPs, make necessary amendments 30 Quarterly Performance Reports assessed. Communicated and input into quarterly IYM Report	Assess SDBIP for conformance and responsiveness and remedial action identified Develop and apply framework for assessment of Mid-year reports 30 Quarterly Performance Reports assessed and input into quarterly IYM report	Assessment reports (communicated to municipalities) 30 Quarterly Performance Reports assessed and input into Quarterly IYM report
		Annually	30 Annual Reports assessed of all municipalities, remedial action identified and communicated	Planning training & guidelines on new annual report template	Training & guidelines on new annual report template	Develop framework for assessment of Annual Reports	Annual Reports assessed, remedial action identified and communicated
16.	Apply economic and other analysis to inform municipal planning and budgeting processes	Annually	Publication of 2012 Municipal Economic Review and Outlook	Planning and preparatory work	Collecting and vetting of information Drafting SEP-LG for 5 District Profiles and the Metro	Release final working papers on SEP-LG for 5 District Profiles and the Metro	Planning and preparatory work for SEP-LG 2013/14
			Release of working papers on Socio-Economic Profiles for 5 districts and Metro	Publish Municipal Economic Review and Outlook	Consult, rollout and test findings against budget priorities	Consult, rollout and test findings against budget priorities	Draft Terms of Reference of MERO 2013 developed

Sub-programme 2.4: Public Finance**Element: Provincial Government Finance****Strategic objective: Annual targets**

Strategic objective		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
17.	To evaluate and improve the conformance, credibility and sustainability of the budget	26 PG MTEC Assessment reports	26 PG MTEC Assessment reports	26 PG MTEC Assessment reports	All votes' budgets assessed against credibility criteria and departments assisted and capacitated through establishing standards providing guidance and training	All votes and entities budget submissions assessed against a framework for conformance, credibility and sustainability	All votes and entities budget submissions assessed against a framework for conformance, credibility and sustainability	All votes and entities budget submissions assessed against a framework for conformance, credibility and sustainability
18.	Monitor the implementation of the budget in terms of accountability, data integrity, and efficiency	13 Monthly IYM reports and 4 Cabinet submissions	13 Monthly IYM reports and 4 Cabinet submissions	13 Monthly IYM reports and 4 Cabinet submissions	Monthly in-year monitoring assessments and quarterly reports, inclusive of remedial action identified and submitted to Cabinet and Provincial Parliament	In-year reports on the accountability, data integrity and efficiency of the implementation of the budget	In-year reports on the accountability, data integrity and efficiency of the implementation of the budget	In-year reports on the accountability, data integrity and efficiency of the implementation of the budget

Performance indicators: Annual targets

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
17.1	Provincial budget assessments to enhance conformance, credibility and sustainability of the budget	26 PG MTEC assessment reports	26 PG MTEC assessment reports	26 PG MTEC assessment reports	Provincial budgets assessed and remedial action identified; developed and implemented a budget management framework	Develop a framework on conformance, credibility and sustainability of the budget and 14 Provincial budgets assessed and remedial actions steps actioned	Refinement and implementation of framework on conformance, credibility and sustainability of the budget and 14 Provincial budgets assessed and remedial steps actioned	Refinement and implementation of framework on conformance, credibility and sustainability of the budget and 14 Provincial budgets assessed and remedial steps actioned

PART B: PROGRAMME AND SUB-PROGRAMME PLANS

Programme performance indicator	Audited/Actual performance			Estimated performance 2011/12	Medium-term targets			
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15	
17.2	Development of a framework for expenditure management to improve conformance	New PI	New PI	New PI	New PI	A framework developed and controlled on expenditure management, inclusive of prescripts	Implement prescripts on expenditure management	Implement and further refinement of prescripts on expenditure management
18.1	In-year monitoring reports on the implementation of the budget in order to enhance accountability, data integrity and efficiency, in departments	13 Monthly IYM reports and 4 Cabinet submissions	13 Monthly IYM reports and 4 Cabinet submissions	13 Monthly IYM reports and 4 Cabinet submissions	13 Monthly IYM reports and 4 Cabinet submissions	14 Monthly and 4 quarterly reports aligned to framework on financial reporting	14 Monthly and 4 quarterly reports aligned to framework on financial reporting	14 Monthly and 4 quarterly reports aligned to framework on financial reporting
		New PI	New PI	New PI	New PI	Analysis of selected expenditure items and functions and recommendations made	Analysis of selected expenditure items and functions and recommendations made	Analysis of selected expenditure items and functions and recommendations made
18.2	Draft Standards on selected SCoA items to improve data integrity	New PI	New PI	New PI	New PI	Draft and consult standards on selected SCoA items	Draft and consult standards on selected SCoA items	Draft and consult standards on selected SCoA items

Quarterly targets for 2012/13

Performance indicator	Reporting period	Annual target 2011/12	Quarterly targets				
			1 st	2 nd	3 rd	4 th	
17.1	Provincial budget assessments to enhance conformance, credibility and sustainability of the budget	Quarterly	Develop a framework on conformance, credibility and sustainability of the budget and 14 Provincial budgets assessed and remedial steps actioned	Compile a framework on conformance, credibility and sustainability for each draft of the budget submission	Consult and implement framework on conformance, credibility and sustainability of the budget	14 first draft budget submissions assessment reports	14 second draft budget submissions assessment reports and tabling of Estimate of Provincial Revenue and Expenditure
17.2	Develop framework on expenditure management to improve conformance	Annual	A framework developed and consulted on expenditure management, inclusive of prescripts	Identify expenditure management gaps between PFMA, Treasury circulars and practice	Draft framework on the gaps identified	Consult framework on the gaps identified	Implement framework on the gaps identified

Performance indicator		Reporting period	Annual target 2011/12	Quarterly targets			
				1 st	2 nd	3 rd	4 th
18.1	In-year monitoring reports evaluated on the implementation of the budget in order to enhance accountability, data integrity and efficiency, in departments	Quarterly	56 Monthly and 4 quarterly reports aligned to framework on financial reporting	14 Monthly and 1 quarterly report aligned to framework on financial reporting	14 Monthly and 1 quarterly report aligned to framework on financial reporting and planning and preparatory work for Adjusted Estimates	14 Monthly and 1 quarterly report aligned to framework on financial reporting and tabling of 1 Adjusted Estimates	14 Monthly and 1 quarterly report aligned to framework on financial reporting
		Annual	Analysis of selected expenditure items and functions and recommendations made	Identify expenditure items and or functions to be researched	Research identified expenditure items and or functions	Research and compile report on identified expenditure items and or functions	Report on selected expenditure items and or functions
18.2	Draft Standards on selected SCoA items to improve data integrity	Bi-annually	Draft and consult Standards on selected SCoA items	Identify and draft standards on selected SCoA items	Consult and implement standards on selected SCoA items	Identify and draft standards on selected SCoA items	Consult and implement standards on selected SCoA items

Element: Local Government Finance (Groups 1 and 2)

Strategic objective: Annual targets

Strategic objective		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
19.	Improve the conformance, credibility and sustainability of budgets	30 LGMTEC Assessment Reports	30 LGMTEC Assessment Reports	30 LGMTEC Assessment Reports against pre-established criteria and developed revised criteria for next budget cycle	Assessed all municipal budgets against pre-established criteria. Municipalities assisted and capacitated through establishing standards, providing guidance and training	30 municipal draft budgets assessed against the framework for conformance, credibility and sustainability and recommendations made to municipalities	30 municipal draft budgets assessed against the framework for conformance, credibility and sustainability and recommendations made to municipalities	30 municipal draft budgets assessed against the framework for conformance, credibility and sustainability and recommendations made to municipalities

Strategic objective		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
20.	Monitor the implementation of the budget in terms of conformance, accountability, data integrity, and efficiency	30 Monthly IYM reports and 4 Cabinet Submissions	30 Monthly IYM reports and 4 Cabinet Submissions	30 Monthly IYM's assessed against pre-established criteria and developed revised criteria for next budget cycle	30 Monthly IYM reports and 4 Cabinet Submissions inclusive of remedial action identified	30 In-year assessment reports against a pre-determined framework on the accountability, data integrity and efficiency of the implementation of the budget and recommendations made to municipalities Revenue and Expenditure Review	30 In-year assessment reports against a pre-determined framework on the accountability, data integrity and efficiency of the implementation of the budget and recommendations made to municipalities Revenue and Expenditure Review	30 In-year assessment reports against a pre-determined framework on the accountability, data integrity and efficiency of the implementation of the budget and recommendations made to municipalities Revenue and Expenditure Review
21.	Coordinate MFMA Implementation to improve conformance and performance in municipalities	New strategic objective	New strategic objective	New strategic objective	Implementation of selected MFMA priorities	Assessment on MFMA Implementation against framework and recommendations made to municipalities	Assessment on MFMA Implementation against framework and recommendations made to municipalities	Assessment on MFMA Implementation against framework and recommendations made to municipalities

Performance indicators: Annual targets

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
19.1	Municipal budgets assessed for conformance, credibility and sustainability	30 LG MTEC 3 assessment reports	30 LG MTEC 3 assessment reports	30 LG MTEC 3 assessment reports assessed against the pre-established criteria and development of the revised criteria for 2011/12	30 LG MTEC 3 draft budget assessment reports assessed against the refined credibility criteria	30 municipal draft budgets assessed against the refined conformance, credibility and sustainability criteria and recommendations made	30 municipal draft budgets assessed against the refined conformance, credibility and sustainability criteria and recommendations made	30 municipal draft budgets assessed against the refined conformance, credibility and sustainability criteria and recommendations made

Programme performance indicator	Audited/Actual performance			Estimated performance 2011/12	Medium-term targets			
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15	
20.1	In-year monitoring reports evaluated on the implementation of the budget in order to enhance conformance, accountability, data integrity and efficiency, in municipalities	30 monthly IYM reports and 4 Cabinet submissions	30 monthly IYM reports and 4 Cabinet submissions	Assess 30 monthly IYM reports and submit 4 quarterly reports to Cabinet Publish 4 quarterly consolidated Municipal Budget Statements Submit 4 quarterly reports to Cabinet and Provincial Parliament	30 Monthly and 4 quarterly reports aligned to framework on financial reporting 1 Revenue and Expenditure Review (Working Paper) within and across municipalities on selected expenditure and revenue items	30 Monthly and 4 quarterly reports aligned to framework on financial reporting 1 Revenue and Expenditure Review (Published) within and across municipalities on selected expenditure and revenue items	30 Monthly and 4 quarterly reports aligned to framework on financial reporting 1 Revenue and Expenditure Review (Published) within and across municipalities on selected expenditure and revenue items	
21.1	Coordinate MFMA Implementation to improve conformance and performance in municipalities	New PI	New PI	New PI	Implementation of selected MFMA priorities and effective participation in inter-governmental relations structures	Assessment on MFMA Implementation against framework and recommendations made to municipalities	Assessment on MFMA Implementation against framework and recommendations made to municipalities	Assessment on MFMA Implementation against framework and recommendations made to municipalities
		New PI	New PI	New PI	Structured training programme developed and rolled out in pilot municipalities	Structured training programme developed, refined and rolled out	Structured training programme developed, refined and rolled out	Structured training programme developed, refined and rolled out

Quarterly targets for 2012/13

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
19.1	Municipal budgets assessed for conformance, credibility and sustainability	Quarterly	30 municipal draft budgets assessed against the refined conformance, credibility and sustainability criteria and recommendations made	Finalised 30 budget assessment reports	Reporting to Cabinet on outcomes of municipal budget assessment process	Refinement of the conformance, credibility and sustainability assessment framework criteria	Municipal midyear budget assessments and allocations to municipalities
20.1	In-year monitoring reports evaluated on the implementation of the budget in order to enhance conformance, accountability, data integrity and efficiency in municipalities	Quarterly	30 Monthly and 4 quarterly reports aligned to framework on financial reporting 1 Expenditure review (Working Paper) within and across municipalities on selected expenditure and revenue items	30 Monthly IYM assessment reports in terms of the assessment framework	30 Monthly IYM assessment reports in terms of the assessment framework	30 Monthly IYM assessment reports in terms of the assessment framework	30 Monthly IYM assessment reports in terms of the assessment framework
				Cabinet submissions on Consolidated Municipal Budget Performance and Government Debt	Cabinet submissions on Consolidated Municipal Budget Performance and Government Debt	Cabinet submissions on Consolidated Municipal Budget Performance and Government Debt	Cabinet submissions on Consolidated Municipal Budget Performance and Government Debt
				Finalising framework for Revenue and Expenditure Review	Test framework on municipal assessments	1 Revenue and Expenditure Review (Working Paper) within and across municipalities on selected expenditure and revenue items	Roll-out and communicate findings of Revenue and Expenditure Review with municipalities
21.1	Coordinate MFMA Implementation to improve conformance and performance in municipalities	Quarterly	Assessment on MFMA Implementation against framework and recommendations made to municipalities	Refinement of framework and quarterly report on MFMA implementation and IGR	Quarterly reporting on MFMA implementation and IGR	Quarterly reporting on MFMA implementation and IGR	Quarterly reporting on MFMA implementation and IGR
			Structured training programme developed, refined and rolled out in pilot municipalities	Structured training programme developed	Structured training programme refined and rolled out	Structured training programme refined and rolled out	Structured training programme refined and rolled out

Element: Immoveable Asset Management**Strategic objective: Annual targets**

Strategic objective		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
22.	Entrenching built-environment business principles and processes for effective infrastructure delivery that contributes to optimal utilisation of government immoveable assets	Revised strategic objective	Revised strategic objective	Revised strategic objective	Approved Framework for the Infrastructure Delivery Management System for the Provincial Government (WC IDMS) (Education and health sector)	Roll out of approved WC IDMS (HR, Business processes and procurement framework)	Roll out and refinement of approved WC IDMS (HR, Business processes, procurement framework, computerised systems, operating systems and processes)	Roll out and refinement of approved WC IDMS (HR, Business processes, procurement framework, computerised systems, operating systems and processes)
		New strategic objective	New strategic objective	Developed a good governance assessment tool and pilot on one PPP project	Roll-out assessment on two PPP projects	Roll-out assessment on three PPP projects	Roll-out assessment on four PPP projects	Roll-out assessment on four PPP projects

Performance indicators: Annual targets

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
22.1	Facilitating the implementation of the WC IDMS (Education and Health sectors) and the development of an IDMS(s) for housing delivery and roads delivery that is aligned with principles of the Infrastructure Development Improvement Programme (IDIP).	Revised PI	Revised PI	Revised PI	Revised organisational structure for the infrastructure unit at Education approved	Implement WC IDMS (HR, Business processes and procurement framework in Public Works (Education and Health) Roads and Treasury	Implement WC IDMS (HR, Business processes, procurement framework, computerised systems, operating systems and processes) in Public Works (Education and Health) Roads, Treasury and Human Settlements	Implement WC IDMS (HR, Business processes, procurement framework, computerised systems, operating systems and processes) in Public Works (Education and Health) Roads, Treasury and Human Settlements

PART B: PROGRAMME AND SUB-PROGRAMME PLANS

Programme performance indicator	Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
22.1 Facilitating the implementation of the WC IDMS (Education and Health sectors) and the development of an IDMS(s) for housing delivery and roads delivery that is aligned with principles of the Infrastructure Development Improvement Programme (IDIP) <i>(continued)</i>	New PI	New PI	New PI	Developed a draft Construction procurement policy (including processes, procedures and methods).	Finalise, implement and refine the prescripts on the Construction Procurement Policy at Public Works (Education and Health) and Roads	Assessments conducted on the implementation of the Construction Procurement Policy at Roads, Public Works (Health and Education) and Human Settlements	Refinement and assessment conducted on the implementation of the Construction Procurement Policy Public Works (Education and Health), Roads, Treasury and Human Settlements
	New PI	New PI	New PI	Work streams established to compile Standard Operating Procedures (SOPs)	Standard Operating Procedure for WCIDMS fully developed and implemented in respect of HR, Business Processes and Procurement	Standard Operating Procedure for WCIDMS fully developed and implemented in respect of HR, Business processes, procurement framework, computerised systems, operating systems and processes	Standard Operating Procedures (SOPs) for WCIDMS fully developed and implemented in respect of WC IDMS (HR, Business processes, procurement framework, computerised systems, operating systems and processes)
				New PI	Life-cycle costing methodologies developed for capital infrastructure investment decisions	Life-cycle costing methodologies piloted in selected capital infrastructure investment decisions	Life-cycle costing methodologies applied in capital infrastructure investment decisions
				2 ad hoc training workshops	Develop Infrastructure training programme, inclusive of a knowledge management system	Roll-out Infrastructure training programme, inclusive of a knowledge management system	Roll-out and further refine Infrastructure training programme

Programme performance indicator	Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
22.2 Assessing potential impact (economic, job creation, etc.) of investment decisions in selected projects to improve budget allocations for infrastructure projects	New PI	New PI	New PI	Business case template developed.	5 project assessments in respect of impact (economic, social, job creation, etc.)	5 project assessments in respect of impact (economic, social, job creation, etc.)	5 project assessments in respect of impact (economic, social, job creation, etc.)
	16 reports	16 reports	16 Infrastructure Expenditure Reports of Education, Public Works and Roads and Health that are compliant to DORA	16 Infrastructure Expenditure Reports of Education, Public Works and Roads and Health, compliant to DORA	16 Infrastructure Expenditure Reports of Education, Public Works, Roads and Health aligned to infrastructure reporting framework	16 Infrastructure Expenditure Reports of Education, Public Works, Roads and Health aligned to infrastructure reporting framework	16 Infrastructure Expenditure Reports of Education, Public Works, Roads and Health aligned to infrastructure reporting framework
22.3 Quality Infrastructure Plans (U-AMPs and C-AMPs) aligned with National, Provincial, Local Government and Private Sector investments initiatives, and Departmental Strategic Plans and APPs	New PI	New PI	Assessment on User Asset Management Plans (U-Amp) conducted and feedback provided to 13 departments and Provincial Parliament	Assessment on User Asset Management Plans (U-Amp) and C-Amp conducted and feedback provided to 13 departments and Provincial Parliament	Assessment on User Asset Management Plans (U-Amp) conducted against pre-determined framework in respect of 13 departments and Provincial Parliament	Assessment on User Asset Management Plans (U-Amp) conducted against pre-determined framework in respect of 13 departments and Provincial Parliament	Assessment on User Asset Management Plans (U-Amp) conducted against pre-determined framework in respect of 13 departments and Provincial Parliament
22.4 Implementation of an assessment and remedial action model for PPP deals and bolstering capacity	New PI	New PI	Assessment and Remedial Action Model developed, and implemented on two Provincial closed PPP projects (bi-annual reports)	Model fully implemented and applied to all closed PPP deals (four projects)	Model applied to all closed PPP deals (four projects)	Model applied to all closed PPP deals (four projects)	Model applied to all closed PPP deals (four projects)
	New P2	New P2	New PI	New P2	Fully capacitated support	Fully capacitated support	Fully capacitated support

Quarterly targets for 2012/13

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
22.1	Facilitating the implementation of the WC IDMS (Education and Health sectors) and the development of an IDMS(s) for housing delivery and roads delivery that is aligned with principles of the Infrastructure Development Improvement Programme (IDIP)	Quarterly	Implement WC IDMS (HR, Business processes and framework in Public Works (Education and Health) Roads and Treasury	1 st draft of the implementation plan developed	2 nd draft of the implementation plan developed	Consult and agree with stakeholders on implementation plan	Roll-out the implementation plan
		Quarterly	Finalise, Implement and refine the prescripts on the Construction Procurement Policy at Public Works (Education and Health) and Roads	Consult draft policy and obtain input from stakeholders	Agree with stakeholders on prescript.	Issue and implement prescripts	Evaluate the impact of the prescripts and refine
		Quarterly	Standard Operating Procedure for WCIDMS fully developed and implemented in respect of HR, Business Processes and Procurement	First chapter SOPs compiled	Second chapter of SOPs compiled	Third chapter of SOP compiled	First chapter of SOPs implemented
		Quarterly	Life-cycle costing methodologies developed for capital infrastructure investment decisions	Research conducted	1 st draft	2 nd draft	Methodologies developed
		Quarterly	Develop infrastructure training programme, inclusive of a knowledge management system	Research conducted	1 st draft	2 nd draft	Training programme developed and a first draft report on knowledge management system
22.2	Assessing potential impact (economic, job creation, etc.) of investment decisions in selected projects to improve budget allocations for infrastructure projects	Quarterly	5 project assessments in respect of impact (economic, social, job creation, etc.)	Refine business plan submission and assessment template	Invite and/or determine possible projects based on business plan and assessment template	Assess projects and draft preliminary recommendations	Finalise project choices and desired impacts
		Quarterly	16 Infrastructure Expenditure Reports of Education, Public Works, Roads and Health aligned to infrastructure reporting framework	Four infrastructure expenditure reports aligned to framework and recommendations made	Four infrastructure expenditure reports aligned to framework and recommendations made	Four infrastructure expenditure reports aligned to framework and recommendations made	Four infrastructure expenditure reports aligned to framework and recommendations made

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
22.3	Quality Infrastructure Plans (U-AMPS and C-AMPS) aligned with National, Provincial, Local Government and Private Sector investments initiatives, and Departmental Strategic Plans and APPs	Quarterly	Assessment on User Asset Management Plans (U-Amp) conducted against predetermined framework in respect of 13 departments and Provincial Parliament	Assessment of draft U-AMPS conducted and feedback provided to 13 departments and Provincial Parliament	Assessment of draft U-AMPS conducted and feedback provided to 13 departments and Provincial Parliament	Assessment conducted on draft C-AMP of Public Works and Human Settlements and feedback provided	Assessment of final U-AMP and C-AMP conducted and feedback provided Public Works (custodian) and to 13 departments and Provincial Parliament
22.4	Implementation of an assessment and remedial action model for PPP deals	Quarterly	Model applied to all closed PPP deals (four) projects	2 assessment reports and recommendations made	2 assessment reports and recommendations made	2 assessment reports and recommendations made	2 assessment reports and recommendations made
		Quarterly	Fully capacitated support	Develop terms of reference/ specification for support	Allocation and adjudicated of support bid	Negotiations and contracting with successful bidder	Implement support programme

Element: Business Information and Data Management

Strategic objective: Annual targets

Strategic objective		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
23.	Render an effective records management service that accurately reflects financial information and ensure that economic data and information are available	New strategic objective	New strategic objective	New strategic objective	New strategic objective	Develop, refine and pilot operational centralised document control and electronic filing system	Implement effective centralised document control and electronic filing system	Fully effective centralised document control and electronic filing system
						Develop and maintain information management system that will ensure the availability of comprehensive and up to date information	Develop and maintain information management system that will ensure the availability of comprehensive and up to date information	Develop and maintain information management system that will ensure the availability of comprehensive and up to date information

Performance indicators: Annual targets

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
23.1	Develop, refine and pilot operational centralised document control	New PI	New PI	New PI	New PI	Developing of standards and prescripts	70% compliance to Registry and record management prescripts	80% compliance to Registry and record management prescripts
23.2	Develop, refine and pilot an electronic filing system	New PI	New PI	New PI	New PI	Implementation of Electronic Filing and Document Management System (ECM) system	Review and Refine the ECM System	Fully implemented and maintained ECM system
23.3	Administer the MISS, PAIA and PAJA requirements	New PI	New PI	New PI	New PI	Fully MISS, PAIA and PAJA compliant	Fully MISS, PAIA and PAJA compliant	Fully MISS, PAIA and PAJA compliant
23.4	Relevant and up to date data sets supportive of PT strategic goals	New PI	New PI	New PI	New PI	Design new and refine current datasets (provincial and municipalities)	Test for relevance, refine and maintain datasets	Test for relevance, refine and maintain datasets
						Integration of datasets (Data migration between systems and datasets)	Test for integration, refine and maintain	Test for integration, refine and maintain
						Train users to properly populate and utilise datasets	Train users to properly populate and utilise datasets	Train users to properly populate and utilise datasets
23.5	Render an Efficient client interface and data collating service	New PI	New PI	New PI	New PI	Coordinate departmental and municipal MTEC processes and document flow (hard and electronic)	Coordinate departmental and municipal MTEC processes and document flow (hard and electronic)	Coordinate departmental and municipal MTEC processes and document flow (hard and electronic)
						Collation and technical refinement of Treasury publications and working papers	Collation and technical refinement of Treasury publications and working papers	Collation and technical refinement of Treasury publications and working papers

Quarterly targets for 2012/13

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
23.1	Develop, refine and pilot operational centralised document control	Quarterly	Developing of standards and prescripts	Situation analysis on state of document and record-keeping	Develop standards and prescripts	Communicate, train and implement standards and prescripts	Review and implement corrective measures
23.2	Develop, refine and piloting an electronic filing system	Quarterly	Implementation of Electronic Filing and Document Management System (ECM) system	Determine the requirements and assess the current ECM system against these	Determine the gaps and plot the way forward to close these	Rollout the implementation plan	Review and refine implementation
23.3	Administer the MISS, PAIA and PAJA requirements	Quarterly	Fully MISS, PAIA and PAJA compliant	Review manual and supporting prescripts	Implement corrective steps	Maintain, report and refine	Maintain, report and refine
23.4	Relevant and up to date data sets supportive of PT strategic goals	Quarterly	Design new and refine current datasets (provincial and municipalities)	Situation analysis on state of current datasets	Situation analysis on state of current datasets	Develop standards and prescripts	Communicate, train and implement standards and prescripts
		Quarterly	Integration of datasets (Data migration between systems and datasets)	Situation analysis on state of current datasets	Situation analysis on state of current datasets	Determine the gaps and plot the way forward to close these	Rollout the implementation plan
		Quarterly	Train users to properly populate and utilise datasets	Determining training requirements in departments	Pilot training in departments	Determining training requirements in municipalities	Pilot training in municipalities
23.5	Render an Efficient client interface and data collating service	Quarterly	Coordinate departmental and municipal MTEC processes and document flow (hard and electronic)	Analysis of current workflow and redesign	Development of standard operating procedures	Rollout and refinement of revised workflow requirements	Refine and maintain
		Quarterly	Collation and technical refinement of Treasury publications and working papers	Analysis of current workflow and redesign	Development of standard operating procedures	Rollout and refinement of revised workflow requirements	Refine and maintain

Reconciling performance targets with the Budget and MTEF

Expenditure estimates

Table 3 Sustainable Resource Management

Sub-programme R'000	Outcome			Main appro- prium	Adjusted appro- prium	Revised estimate	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
1. Programme Support	1 605	2 438	3 024	5 431	3 520	3 835	5 666	47.74	6 073	6 500
2. Fiscal Policy ^{Note}	662	5 240	3 663	8 870	6 431	6 287	7 771	23.60	8 214	8 795
3. Budget Management	8 974	10 004	13 749	16 148	17 232	17 014	16 167	26.65	17 244	18 257
Provincial Government Budgets		6 381	8 606	10 615	11 204	11 004	9 135	(16.98)	9 842	10 460
Local Government Budgets		3 623	5 143	5 533	6 028	6 010	7 032	17.00	9 402	7 797
4. Public Finance	10 105	18 849	21 891	28 914	34 599	34 561	38 600	11.69	37 995	39 829
Provincial Government Finance	3 157	10 659	12 832	9 769	11 586	11 641	8 502	(26.97)	8 981	9 730
Local Government Finance: Group 1	6 948	4 317	4 154	7 667	8 460	8 365	9 132	9.17	10 313	10 498
Local Government Finance: Group 2		3 873	4 905	5 454	8 612	8 652	10 151	17.33	7 052	7 126
Immoveable Asset Management ^{Note}				6 024	5 941	5 903	6 070	2.83	6 516	6 980
Business Information and Data Management							4 745		5 133	5 495
Total payments and estimates	21 346	36 531	42 327	59 363	61 782	61 697	68 204	10.55	69 526	73 381

Note: Prior to 2011/12 the estimates for Immoveable Asset Management and Liability Management included under Fiscal Policy are reflected under Programme 3, Table 4.

Economic classification R'000	Outcome			Main appro- prium	Adjusted appro- prium	Revised estimate	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
Current payments	21 296	36 431	42 327	59 363	58 332	58 247	64 704	11.09	69 526	73 381
Compensation of employees	17 153	21 708	28 360	44 834	40 456	40 371	48 880	21.08	52 211	55 849
Goods and services	4 143	14 723	13 967	14 529	17 876	17 876	15 824	(11.48)	17 315	17 532
Transfers and subsidies to	50	100			3 450	3 450	3 500	1.45		
Provinces and municipalities					3 450	3 450	3 500	1.45		
Non-profit institutions	50	100								
Total economic classification	21 346	36 531	42 327	59 363	61 782	61 697	68 204	10.55	69 526	73 381

Performance and expenditure trends

The programme has increased from R21.346 million in 2008/09 to R61.697 million in 2011/12 (revised estimate), which equates to an average nominal growth of 42.45 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 R61.697 million in 2011/12 revised estimate to R68.204 million in 2012/13 as a result of the creation of the Business Information and Data Management unit under the sub-programme: Public Finance. The growth from 2011/12 (revised estimate) of R61.697 million to R73.381 million in 2014/15 reflects an annual average growth of 5.95 per cent over the three year period.

Programme 3 – Assets and Liabilities Management

Programme description

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

Programme structure

The Programme currently consists of the following sub-programmes:

Sub-programme 3.1: Programme Support

Purpose: provide management and administrative support to the programme.

This sub-programme houses the Head of the Branch: Governance and Asset Management (who is responsible for both Programmes 3 and 4) and the Chief Director Asset Management. It also provides resources for the structured training and development of the staff in the programme.

Sub-programme 3.2: Asset Management

Element: Moveable Asset Management: Provincial Government

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

This unit is responsible for the driving, assessing and assisting departments in the effective and efficient management of supply chain and moveable asset management in terms of the PFMA. This, amongst others, includes enforcing good governance practices and compliance to SCM policy and prescripts and to investigate any system of control or financial management from a SCM and moveable asset management perspective; ensuring data integrity and transparency on SCM reporting; providing training, assistance and guidance to assist departments in improving their SCM processes and supplier development initiatives to capacitate the supplier market.

Element: Moveable Asset Management: Local Government

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

This unit is responsible for the driving, assessing and assisting of municipalities in the effective and efficient management of supply chain and moveable asset management in terms of the MFMA. This amongst others includes enforcing good governance practices and compliance to SCM policy and prescripts and to investigate any system of control or financial management from a SCM perspective; providing training, assistance and guidance to assist municipalities in improving their SCM processes.

In the previous financial year, there has been a re-assessment of steps required to improve financial management capability maturity, hence the strategic re-grouping of key focus areas and performance indicators to give effect to Provincial Strategic Objective 12.

Sub programme 3.3: Supporting and Interlinked Financial Systems

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

This sub-programme aims to improve financial system management at a level 3+ financial capability rating by ensuring that system users are appropriately trained in accordance with their system profiles, effective user account management is maintained and the further development of Provincial Treasury integrated training interventions that will promote the correct and optimal use of financial systems and the validity and veracity of data.

In addition, the acquisition and implementation of a supply chain management system which addresses areas such as supplier management, quotations, bids and contract management currently not catered for in the suite of existing financial systems which complies to this Province's user requirements statement. Further to this, the roll out of enhanced LOGIS functionalities, as proposed by Provincial Treasury, to all departments/institutions.

Note: Deviations from sector specific budget structure: The functions of the Liabilities Management sub-programme have been subsumed into sub-programme 2.2 Fiscal Policy.

Sub-Programme 3.1: Programme Support**Strategic objective: Annual targets**

Strategic objective		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
24.	Build competencies and enhance and maintain the delivery of the programme	New strategic objective	New strategic objective	Reviewed and maintained systems and standards	Improve support services	Support services in line with prescripts and standards	Support services in line with prescripts and standards	Support services in line with prescripts and standards

Performance indicators: Annual targets

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
24.1	Support services in line with prescripts and standards	New performance indicator	New performance indicator	New performance indicator	Reviewed and maintained standards for programme management and secretarial and administrative services	Full compliance to financial management prescripts and standards	Full compliance to financial management prescripts and standards	Full compliance to financial management prescripts and standards
						Full compliance to Corporate Relations Unit (CRU) prescripts and standards	Full compliance to Corporate Relations Unit (CRU) prescripts and standards	Full compliance to Corporate Relations Unit (CRU) prescripts and standards
						Correspondence and document management to set standards	Correspondence and document management to set standards	Correspondence and document management to set standards
						Effective management of internal and external stakeholder engagement	Effective management of internal and external stakeholder engagement	Effective management of internal and external stakeholder engagement
						Targeted communication and event services	Targeted communication and event services	Targeted communication and event services
					Developed, implemented and monitored operational plan	An operational plan that builds on the APP, QPR and dashboard requirements	An operational plan that builds on the APP, QPR and dashboard requirements	An operational plan that builds on the APP, QPR and dashboard requirements

Quarterly targets for 2012/13

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
24.1	Support services in line with prescripts and standards	Quarterly	Full compliance to financial management prescripts and standards	Refine standards to include internal control and monitoring and evaluation systems	Consult on and approval of refined standards	Train responsible staff and implement refined standards	Monitor and evaluate refined standards
		Quarterly	Full compliance to Corporate Relations Unit (CRU) prescripts and standards	Refine standards to include internal control and monitoring and evaluation systems	Consult on and approval of refined standards	Train and implement refined standards	Monitor and evaluate refined standards
		Quarterly	Correspondence and document management to set standards	Evaluate existing E-Mats manual and identify gaps between manual and system	Consult and update to enable concurrence between manual and system	Train and implement and test against Registry standards	Monitor and evaluate usage of system
		Quarterly	Effective management of internal and external stakeholder engagement	Implement and assess standards	Refine and implement	Refine and implement	Refine and implement
		Quarterly	Targeted communication and event services	Determine quarterly targets, message and medium and implement	Determine quarterly targets, message and medium and implement	Determine quarterly targets, message and medium and implement	Determine quarterly targets, message and medium and implement
		Quarterly	An operational plan that builds on the APP, QPR and dashboard requirements	Finalise, implement and monitor operational plan and institute remedial steps	Implement and monitor operational plan and institute remedial steps required	Implement and monitor operational plan and institute remedial steps required	Implement operation plan and evaluate year's performance and compile draft operational plan for next financial year

Sub-Programme 3.2: Asset Management**Element: Moveable Asset Management: Provincial Government****Strategic objective: Annual targets**

Strategic objective		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
25.	Drive, assess and assist departments in the effective and efficient management of supply chain and moveable assets	New strategic objective	New strategic objective	New strategic objective	6 departments attaining a level 3+ financial capability	10 departments attaining a level 3+ financial capability	All departments attaining a level 3+ financial capability	All departments attaining a level 3+ financial capability

Performance indicators: Annual targets

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
25.1	Enforce good governance practices and compliance to SCM and moveable asset management (MAM) policies and prescripts	New PI	New PI	Development of SCM PT Instruction for the Provinces	Consolidating SCM and MAM Provincial Treasury Instructions to changes in National requirements, continuous monitoring and testing of gaps	Refinement and testing of SCM and MAM Provincial Treasury Instructions incorporating changes in National Policy and continuous monitoring	Refinement and testing of SCM and MAM Provincial Treasury Instructions incorporating changes in National Policy and continuous monitoring	Refinement and testing of SCM and MAM Provincial Treasury Instructions incorporating changes in National Policy and continuous monitoring
		New PI	New P2	Development of a generic AOs System and alignment to changes in National Policy	Generic AO System refined	Generic AO System implemented, inclusive of bespoke departmental requirements	Refinement and implementation of AO system in all departments	Refinement and implementation of AO system in all departments and internal controls tested
		New P2	12 SCM Capacity assessments	12 SCM Virtuous Cycle assessments	SCM and with Virtuous Cycle assessments of all departments	SCM Virtuous Cycle and MAM assessments of all departments concluded and FMIP action plans monitored	SCM Virtuous Cycle and MAM assessments of all departments concluded and FMIP action plans monitored	SCM Virtuous Cycle and MAM assessments of all departments concluded and FMIP action plans monitored

PART B: PROGRAMME AND SUB-PROGRAMME PLANS

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
25.2	Ensure SCM and MAM Systems integrity of data and transparency	New PI	New P2	Review, refine and implement SCM data reporting requirements for the Province to ensure data integrity and transparency	Establish and implement standard reporting mechanisms for SCM / MAM data in the Province that ensures data integrity and transparency	Testing and refinement of reporting system	Refinement of reporting system and monitoring of internal controls	Refinement of reporting system and monitoring of internal controls
25.3	Provide training assistance, guidance and supplier development initiatives to assist departments and suppliers	New PI	New PI	Develop and implement a SCM helpdesk to deal with SCM opinions, assistance and guidance to departments	Reviewed helpdesk framework, implement improvements and maintain helpdesk to departments	Departmental helpdesk to set standards	Departmental helpdesk to set standards	Departmental helpdesk to set standards
		New PI	New PI	New PI	New PI	Develop and implement a SCM helpdesk to deal with SCM opinions, assistance and guidance to suppliers	Review helpdesk framework, implement improvements and maintain helpdesk to suppliers	Maintain supplier helpdesk to set standards
		New PI	New P2	6 SCM Virtuous Cycle Integrated training to all departments	SCM Virtuous Cycle integrated training to all departments as scheduled	SCM and MAM Virtuous Cycle Integrated training to all departments as scheduled	SCM and MAM Virtuous Cycle Integrated training to all departments as scheduled	SCM and MAM Virtuous Cycle Integrated training to all departments as scheduled
		New PI	New PI	2 supplier open day	2 supplier open days	2 supplier open days	2 supplier open days	2 supplier open days

Quarterly targets for 2012/13

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
25.1	Enforce good governance practices and compliance to SCM and moveable asset management (MAM) policies and prescripts	Quarterly	Refinement and testing of SCM and MAM Provincial Treasury Instructions incorporating changes in National Policy and continuous monitoring	Finalisation and issuing of the Provincial PTIs for SCM and moveable asset management	Roll out and testing of SCM and MAM PTIs to all departments	Roll out and testing of SCM and MAM PTIs to all departments	Roll out and testing of SCM and MAM PTIs to all departments
		Quarterly	Generic AO System implemented, inclusive of bespoke departmental requirements	Planning, research and final drafting of the Provincial AO System	Taking up comments and revising	Finalisation and issuing	Roll out of AO System to all departments, inclusive of bespoke requirements
		Quarterly	SCM Virtuous Cycle and MAM assessments of all departments concluded and FMIP action plans monitored	Project Planning and preparation and 13 action plans monitored	5 Assessments and 13 action plans monitored	5 Assessments and 13 action plans monitored	3 Assessments and 13 action plans monitored
25.2	Ensure SCM/MAM Systems integrity of data and transparency	Quarterly	Testing and refinement of reporting system	Review and refinement of reporting requirements	Quarterly reporting and consistent monitoring and evaluation of data integrity	Quarterly reporting and consistent monitoring and evaluation of data integrity	Quarterly reporting and consistent monitoring and evaluation of data integrity
25.3	Provide training assistance, guidance and supplier development initiatives to assist departments and suppliers	Quarterly	Departmental helpdesk to set standards	Maintain framework Report quarterly on utilisation	Maintain framework Report quarterly on utilisation	Maintain framework Report quarterly on utilisation	Maintain framework Report quarterly on utilisation
		Quarterly	Develop and implement a SCM helpdesk to deal with SCM opinions, assistance and guidance to suppliers	Plan and draft framework	Develop and refine Framework	Refine framework and test technical requirements	Implement and maintain framework for supplier helpdesk
		Quarterly	SCM and MAM Virtuous Cycle Integrated training to all departments as scheduled	Training Interventions as per schedule	Training Interventions as per schedule	Training Interventions as per schedule	Training Interventions as per schedule
		Quarterly	2 supplier open days	Project Planning, stakeholder engagements and logistical arrangements	1 supplier open day	Project Planning, stakeholder engagements and logistical arrangements	1 supplier open day

Element: Moveable Asset Management: Local Government**Strategic objective: Annual targets**

Strategic objective		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
26.	Drive, assess and assist municipalities in the efficient and effective management of supply chain and moveable assets	New strategic objective	New strategic objective	New strategic objective	5 municipalities attaining a level 3 financial capability	15 municipalities attaining a level 3 financial capability	24 municipalities attaining a level 3 financial capability	All municipalities attaining a level 3 financial capability

Performance indicators: Annual targets

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
26.1	Enforce good governance practices and compliance to SCM policies and prescripts	New PI	7 SCM Compliance Assessments	7 SCM Compliance Assessments	SCM Virtuous Cycle assessments at designated municipalities	SCM Virtuous Cycle assessments at designated municipalities and FMIP action plans monitored	SCM Virtuous Cycle assessments at designated municipalities and FMIP action plans monitored	SCM Virtuous Cycle assessments at designated municipalities and FMIP action plans monitored
		New PI	New PI	New PI	New PI	MAM Virtuous Cycle assessments at designated municipalities and FMIP action plans monitored	MAM Virtuous Cycle assessments at designated municipalities and FMIP action plans monitored	MAM Virtuous Cycle assessments at designated municipalities and FMIP action plans monitored
		New PI	New PI	8 SCM policy assessed against model policy framework	12 SCM policy assessed against NT model policy framework	10 SCM and 4 MAM policies assessed against NT model policy framework	SCM /MAM policy assessed against NT model policy framework for all municipalities	SCM /MAM policy assessed against NT model policy framework for all municipalities

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
26.2	Provide training, assistance and guidance and supplier development initiatives to assist municipalities to elevate themselves to a level 3+ financial capability	New PI	New PI	Develop and implement a SCM helpdesk to deal with SCM opinions, assistance and guidance	Review helpdesk framework, implement improvements and maintain helpdesk	Municipal helpdesk to set standards	Municipal helpdesk to set standards	Municipal helpdesk to set standards
		Quarterly	New PI	New PI	New PI	Develop and implement a SCM helpdesk to deal with SCM opinions, assistance and guidance to suppliers	Maintain and refine supplier helpdesk framework for suppliers	Maintain and refine supplier helpdesk framework for suppliers
		New PI	3 bespoke training interventions	6 bespoke SCM training interventions	SCM Virtuous Cycle Bespoke training interventions developed via tertiary education service provider	SCM and MAM Virtuous Cycle training interventions devised against developed standards and competencies	SCM and MAM Virtuous Cycle training interventions devised against developed standards and competencies	SCM and MAM Virtuous Cycle training interventions devised against developed standards and competencies

Quarterly targets for 2012/13

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
26.1	Enforce good governance practices and compliance to SCM policies and prescripts	Quarterly	SCM Virtuous Cycle assessments at designated municipalities and FMIP action plans monitored	Project Planning and logistical arrangements	Assessments as designated in terms of the pre-determined criteria and FMIP action plans monitored	Assessments as designated in terms of the pre-determined criteria and FMIP action plans monitored	Assessments as designated in terms of the pre-determined criteria and FMIP action plans monitored
		Quarterly	MAM Virtuous Cycle assessments at designated municipalities and FMIP action plans monitored	Project Planning and logistical arrangements	Assessments as designated in terms of the pre-determined criteria and FMIP action plans monitored	Assessments as designated in terms of the pre-determined criteria and FMIP action plans monitored	Assessments as designated in terms of the pre-determined criteria and FMIP action plans monitored
		Quarterly	10 SCM and 4 MAM policies assessed against NT model policy framework	2 SCM and 1 MAM policy assessments	2 SCM and 1 MAM policy assessments	2 SCM and 1 MAM policy assessments	2 SCM and 1 MAM policy assessments

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
26.2	Provide training, assistance and guidance and supplier development initiatives to assist municipalities to elevate themselves to a level 3+ financial capability	Quarterly	Maintain municipal helpdesk to set standards	Maintain framework Report quarterly on utilisation	Maintain framework Report quarterly on utilisation	Maintain framework Report quarterly on utilisation	Maintain framework Report quarterly on utilisation
		Quarterly	Develop and implement a SCM helpdesk to deal with SCM opinions, assistance and guidance to suppliers	Plan and draft a supplier helpdesk framework	Develop and refine helpdesk Framework	Refine framework and test technical requirements	Implement and maintain framework for supplier helpdesk
		Quarterly	SCM and MAM Virtuous Cycle training interventions devised against developed standards and competencies	Project Planning and preparation and testing of training material	Training interventions as scheduled	Training interventions as scheduled	Training interventions as scheduled

Sub-Programme 3.3: Supporting and Interlinked Financial Systems

Strategic objective: Annual targets

Strategic objective		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
27.	Financial system management improvement to achieve a level 3+ financial capability rating	Revised strategic objective	Revised strategic objective	2 departments achieving a level 3+ financial capability rating	4 votes notwithstanding stricter assessment criteria and corporatisation of HR functions	7 votes achieving a level 3+ financial capability rating	10 votes achieving a level 3+ financial capability rating	13 votes achieving a level 3+ financial capability rating

Performance indicators: Annual targets

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
27.1	Provision of appropriate generic training and user support to system users as well as the integration of PT training interventions	1 769 officials	1 597 officials	1 550 officials	1570 officials	66% of core users trained to the required standards	100% of core users trained to the required standards	100% of core users trained to the required standards
		13 departments within a 24 hour turnaround time	13 departments within a 24 hour turnaround time	All queries resolved within a 24 hour turnaround time except calls registered with NT (LOGIK)	All queries resolved on average within a 3 hour turnaround time except calls registered with NT (LOGIK)	Formal queries resolved on average within 3 hour turnaround time except calls registered with NT (LOGIK)	Formal queries resolved on average within 3 hour turnaround time except calls registered with NT (LOGIK)	Formal queries resolved on average within 3 hour turnaround time except calls registered with NT (LOGIK)

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
27.1	Provision of appropriate generic training and user support to system users as well as the integration of PT training interventions (<i>continued</i>)	1 training service provider integrated	1 training service provider integrated	All 5 training service providers integrated	All 5 training service providers integrated	5 service providers addressing identified training needs and gaps	5 service providers addressing identified training needs and gaps	5 service providers addressing identified training needs and gaps
27.2	Provision of an effective user account management service to all departments/institutions to predetermined criteria.	New PI	New PI	91 departments/institutions provided with effective user account management	108 departments/institutions provided with effective user account management	All departments/institutions	All departments/institutions	All departments/institutions
		New PI	New PI	New PI	New PI	Investigate, implement and procure a biometric access system on a test basis	The roll out of the system to all departments/institutions	The on-going further refinement and enhancement of the system
27.3	Development/enhancement/acquisition and implementation of a supply chain and asset management system that are compliant to user requirement statement	New PI	New PI	New PI	Two pilot sites identified for roll out of the new core supply chain and asset management modules of the IFMS.	Procurement/acquisition and implementation of a supply chain and asset management system at all departments that addresses: <ul style="list-style-type: none"> • Supplier Management • Quotations • Bids • Contract Management 	Refinement and implementation of the supply chain and asset management system	Refinement and implementation of the supply chain and asset management system
		New PI	New PI	New PI	Approval granted by NT to enhance certain functionalities to comply to user requirements	Further enhancement of LOGIS to comply with minimum user requirements	Further enhancement of LOGIS to comply with minimum user requirements	Migration to the acquired supply chain and asset management system

PART B: PROGRAMME AND SUB-PROGRAMME PLANS

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
27.3	Development/enhancement/acquisition and implementation of a supply chain and asset management system that are compliant to user requirement statement <i>(continued)</i>	New PI	New PI	New PI	Current EPS enhanced to accommodate PPPFA requirements. In addition, following due process for the development of a new EPS system that complies to current user and legislative requirements	Further enhancement and implementation of the electronic purchasing system at all departments/institutions to comply with statutory and user requirements	Further enhancement of the electronic purchasing system to comply with statutory and user requirements	Migration to the acquired supply chain and asset management system
27.4	Development and implementation of standard operating procedures and provision of management/detailed information that enforces good governance practices and optimal utilisation of the systems	New PI	New PI	New PI	New PI	Further development and implementation of prescripts and standard operating procedures in respect of all transversal systems by 31 March 2013	Review and maintain prescripts and standard operating procedures	Review and maintain prescripts and standard operating procedures
		New PI	New PI	All 13 Provincial Departments including PT components have access to management and detailed information.	All 13 Provincial Departments including PT components and Provincial Parliament have direct access to management and detailed information	All 13 Provincial Departments including PT components and Provincial Parliament have direct access to management and detailed information	All 13 Provincial Departments including PT components and Provincial Parliament have direct access to management and detailed information	All 13 Provincial Departments including PT components and Provincial Parliament have direct access to management and detailed information

Quarterly targets for 2012/13

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
27.1	Provision of appropriate generic training and user support to system users as well as the integration of PT training interventions	Quarterly	66% of core users trained to the required standards	8% of target market (approx. 339 officials) trained to the required standards	11% of target market (approx. 467 officials) trained to the required standards	7% of target market (approx. 297 officials) trained to the required standards	7% of target market (approx. 297 officials) trained to the required standards
		Quarterly	Formal queries resolved on average within 3 hour turn-around time except calls registered with NT (LOGIK)	Formal queries resolved on average within a 3 hour turn-around time except calls registered with NT (LOGIK)	Formal queries resolved on average within a 3 hour turn-around time except calls registered with NT (LOGIK)	Formal queries resolved on average within a 3 hour turn-around time except calls registered with NT (LOGIK)	Formal queries resolved on average within a 3 hour turn-around time except calls registered with NT (LOGIK)
		Bi-annually	5 service providers addressing identified training needs and gaps	5 service providers aligned as per schedule	5 service providers aligned as per schedule	5 service providers aligned as per schedule	5 service providers aligned as per schedule
27.2	Provision of an effective user account management service to all departments/institutions to pre-determined criteria.	Quarterly	All departments/institutions	109 departments/institutions provided with effective user account management	109 departments/institutions provided with effective user account management	109 departments/institutions provided with effective user account management	109 departments/institutions provided with effective user account management
		Quarterly	Investigate and implement procure of a biometric access system on a test basis	Investigate the availability and suitability of biometric access systems on the market	Investigate the availability and suitability of biometric access systems on the market	Planning stage for possible implementation of a biometric access system	Implementation and testing of the system at a predetermined pilot site
27.3	The development/enhancement/acquisition and implementation of a supply chain and asset management system that are compliant to user requirement statement	Quarterly	Procurement/acquisition and implementation of a supply chain and asset management system at all departments that addresses: <ul style="list-style-type: none"> • Supplier Management • Quotations • Bids • Contract Management 	Acquisition and preparation for implementation in respect of supplier management and quotations at all departments	Stabilisation of supplier management and quotations modules acquired and implemented	Acquisition and preparation for implementation in respect of bids and contract management modules at all departments	Stabilisation of procurement management modules acquired and implemented

PART B: PROGRAMME AND SUB-PROGRAMME PLANS

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
27.3	The development/enhancement/acquisition and implementation of a supply chain and asset management system that are compliant to user requirement statement <i>(continued)</i>	Quarterly	Further enhancement of LOGIS to comply with minimum user requirements	Test and prepare for implementation of enhancements	Implementation and refinement	Implementation and refinement	Implementation and refinement
		Quarterly	Further enhancement and implementation of the electronic purchasing system at all departments/institutions to comply with statutory and user requirements	Implementation of the new enhanced solution at the identified pilot site	The further roll out of the new enhanced solution to all departments/institutions	The further roll out of the new enhanced solution to all departments/institutions	The further roll out of the new enhanced solution to all departments/institutions
27.4	Development and implementation of standard operating procedures requirements and provision of management/detailed information that enforces good governance practices and optimal utilisation of the systems	Quarterly	Further development and implementation of prescripts and standard operating procedures in respect of all transversal systems by 31 March 2013	Roll out of prescripts and development of the first draft standard operating procedures (SOPs)	Submit draft SOPs to departments for comments and inputs and further refinements of prescripts	Incorporate comments and inputs into final draft SOPs and further refinement of prescripts	Approval and implementation of standard operating procedures and further refinement of prescripts
		Quarterly	All Provincial Departments including PT components and Provincial Parliament have direct access to management and detailed information	All departments including PT components and Provincial Parliament have direct access to management and detailed information	All departments including PT components and Provincial Parliament have direct access to detail management information	All departments including PT components and Provincial Parliament have direct access to detail management information	All departments including PT components and Provincial Parliament have direct access to detail management information

Reconciling performance targets with the Budget and MTEF

Expenditure estimates

Table 4 Asset and Liabilities Management

Sub-programme R'000	Outcome			Main appro- piation 2011/12	Adjusted appro- piation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
1. Programme Support	840	1 233	998	2 734	1 582	1 225	2 191	78.86	2 686	2 871
2. Asset Management	8 622	11 420	15 373	9 876	10 314	10 367	11 773	13.56	12 341	13 231
Moveable Asset Management: Provincial Government	5 223	7 016	8 924	9 875	10 313	10 366	7 409	(28.53)	7 878	8 443
Moveable Asset Management: Local Government			1	1	1	1	4 364		4 463	4 788
Immoveable Asset Management	3 399	4 404	6 448							
3. Liabilities Management	1 652	2 313	2 535							
4. Supporting and Interlinked Financial Systems	11 234	12 560	14 804	16 171	18 266	18 213	16 675	(8.44)	17 702	17 590
Total payments and estimates	22 348	27 526	33 710	28 781	30 162	29 805	30 639	2.80	32 729	33 692

Economic classification R'000	Outcome			Main appro- piation 2011/12	Adjusted appro- piation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited 2008/09	Audited 2009/10	Audited 2010/11				% Change from Revised estimate			
							2012/13	2011/12	2013/14	2014/15
Current payments	22 348	27 526	33 710	28 781	30 162	29 805	30 639	2.80	32 729	33 692
Compensation of employees	16 270	21 136	25 201	23 172	20 177	19 820	24 623	24.23	26 228	27 699
Goods and services	6 078	6 390	8 509	5 609	9 985	9 985	6 016	(39.75)	6 501	5 993
Total economic classification	22 348	27 526	33 710	28 781	30 162	29 805	30 639	2.80	32 729	33 692

Performance and expenditure trends

The increase of R7.457 million from R22.348 million in 2008/09 to R29.805 million (revised estimate) in 2011/12 is due to the steps taken to increase oversight and guidance over supply chain, movable assets and financial systems management. This equates to a nominal growth of 10.05 per cent over the full period, with allocations increasing from a revised estimate base of R29.805 million in 2011/12 to R33.692 million in 2014/15.

Programme 4 – Financial Governance

Programme Description

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

Programme structure

The Branch: Governance and Asset Management is made up of programmes 3 and 4. Programme 4 (Financial Governance) consists of a Chief Director as the head of the programme and the following sub-programmes:

Sub-programme 4.1: Programme Support

Purpose: To provide management and administrative support to the programme.

This sub-programme houses the responsible Chief Director and also provides resources for structured training and development of the staff attached to the programme.

Sub-programme 4.2: Accounting Services

Element: Local Government Accounting

Purpose: To improve the standards of accounting and financial reporting within municipalities and their entities to higher levels of financial management capability maturities; the target for 2015 being a level 3+ auditable organisation.

One of the key objectives of this unit is to roll-out generally recognized accounting practices to municipalities. In the South African context, and in terms of the MFMA, the Accounting Standards Board (ASB) is responsible for prescribing this accounting framework, which is referred to as the Generally Recognised Accounting Practice (GRAP). GRAP standards are applicable to all municipalities, but come with varying dates of implementation and transitional provisions, and South Africa being a developmental state, the GRAP standards also evolve annually. In the 2009/10 financial year, all municipalities were required to have GRAP compliant financial statements. However, the transitional provisions as contained in Directive 4 issued by the ASB, allow low capacity municipalities to be fully GRAP compliant only by 2012. The unit has and will busy itself with training interventions, explanatory advice and facilitations between National Treasury, the Accounting Standards Board and the Auditor-General to deal with the interpretation of accounting standards.

Element: Provincial Government Accounting

Purpose: To improve the standards of accounting and financial reporting by departments and provincial entities to higher levels of financial management capability, and gearing departments to a state of readiness for accrual accounting.

The key objective of this unit is to ensure complete and timeous capturing of all transactions and associated financial reforms. This is to be responsive and to prevent irregularities and material financial misstatements, allowing for modified cash basis of accounting within departments and accrual basis of accounting within entities.

Sub-programme 4.3: Corporate Governance

Purpose: to enable departments and municipalities to achieve a general level 3+ financial management capability maturity.

This sub-programme's main objectives are the development, implementation and enforcement of a generic set of corporate governance norms and standards for departments, municipalities and entities that are responsive to and compliant with the relevant financial legislative framework. Parallel to this, the adaptation of a generic set of governance norms and standards to meet the particular requirements of individual departments is also envisaged.

Note: Deviations from sector specific budget structure: The Risk Management and Provincial Internal Audit functions were shifted to DoTP as part of the modernisation programme 2010/11. The Sub-programme 4.3 Corporate Governance naming convention replaces the "Norms and Standards" naming convention used in their specific budget structure.

Sub-Programme 4.1: Programme Support

Strategic objective: Annual targets

Strategic objective		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
28.	Build competencies and enhance and maintain the delivery of the programme	New strategic objective	New strategic objective	Reviewed and maintained systems and standards	Improved support services	Support services in line with prescripts and standards	Support services in line with prescripts and standards	Support services in line with prescripts and standards

Performance indicators: Annual targets

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
28.1	Support services in line with prescripts and standards	New PI	New PI	New PI	Reviewed and maintained standards for programme management and secretarial and administrative services	Full compliance to financial management prescripts and standards Refine, implement and monitor standards to ensure compliance	Full compliance to financial management prescripts and standards Refine, implement and monitor standards to ensure compliance	Full compliance to financial management prescripts and standards Refine, implement and monitor standards to ensure compliance
						Full compliance to Corporate Relations Unit (CRU) prescripts and standards	Full compliance to Corporate Relations Unit (CRU) prescripts and standards	Full compliance to Corporate Relations Unit (CRU) prescripts and standards

Programme performance indicator	Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
28.1 Support services in line with prescripts and standards (continued)					Correspondence and document management to set standards	Correspondence and document management to set standards	Correspondence and document management to set standards
					Effective management of internal and external stakeholder engagement	Effective management of internal and external stakeholder engagement	Effective management of internal and external stakeholder engagement
					Targeted communication and event services	Targeted communication and event services	Targeted communication and event services
				Developed, implemented and monitored operational plan	An operational plan that builds on the APP, QPR and dashboard requirements	An operational plan that builds on the APP, QPR and dashboard requirements	An operational plan that builds on the APP, QPR and dashboard requirements

Quarterly targets for 2012/13

Performance indicator	Reporting period	Annual target 2012/13	Quarterly targets			
			1 st	2 nd	3 rd	4 th
28.1 Support services in line with prescripts and standards	Quarterly	Full compliance to financial management prescripts and standards	Refine standards to include internal control and monitoring and evaluation systems	Consult on and approval of refined standards	Train responsible staff and implement refined standards	Monitor and evaluate refined standards
	Quarterly	Full compliance to Corporate Relations Unit (CRU) prescripts and standards	Refine standards to include internal control and monitoring and evaluation systems	Consult on and approval of refined standards	Train and implement refined standards	Monitor and evaluate refined standards
	Quarterly	Correspondence and document management to set standards	Evaluate existing E-Mats manual and identify gaps between manual and system	Consult and update to enable concurrence between manual and system	Train and implement and test against Registry standards	Monitor and evaluate usage of system
	Quarterly	Effective management of internal and external stakeholder engagement	Implement and assess standards	Refine and implement	Refine and implement	Refine and implement

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
28.1	Support services in line with prescripts and standards (continued)	Quarterly	Targeted communication and event services	Determine quarterly targets, message and medium and implement	Determine quarterly targets, message and medium and implement	Determine quarterly targets, message and medium and implement	Determine quarterly targets, message and medium and implement
		Quarterly	An operational plan that builds on the APP, QPR and dashboard requirements	Finalise, implement and monitor operational plan and institute remedial steps	Implement and monitor operational plan and institute remedial steps required	Implement and monitor operational plan and institute remedial steps required	Implement operation plan and evaluate year's performance and compile draft operational plan for next financial year

Sub-programme 4.2: Accounting Services

Element: Local Government Accounting

Strategic objective: Annual targets

Strategic objective		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2008/09	2008/09		2013/14	2013/14	2013/14
29.	Improving the standards of accounting and financial reporting within municipalities and municipal entities to a level 3+ Financial Management Capability (FMC)	Revised strategic objective	FMC level 2	FMC level 2 at all municipalities	FMC level 2 at all municipalities	FMC level 3 at all municipalities	FMC level 3 at all municipalities	FMC level 3+ at all municipalities

Performance indicators: Annual targets

Programme performance indicator	Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
29.1 Assess and roll out the latest accounting policy framework for accurate and complete implementation by municipalities and their entities to improve financial reporting	PI Revised	PI Revised	21 of the 30 municipalities fully implemented the 2010/11 accounting reporting frameworks	23 of the 30 municipalities fully implemented the 2011/12 accounting reporting frameworks	All municipalities fully implemented the 2011/12 accounting reporting frameworks	All municipalities fully implemented the 2012/13 accounting reporting frameworks	All municipalities fully implemented the 2013/14 accounting reporting frameworks
	PI Revised	PI Revised	All municipal entities fully implemented the 2010/11 accounting reporting frameworks	All municipal entities fully implemented the 2011/12 accounting reporting frameworks	All municipal entities fully implemented the 2011/12 accounting reporting frameworks	All municipal entities fully implemented the 2012/13 accounting reporting frameworks	All municipal entities fully implemented the 2013/14 accounting reporting frameworks
	New PI	New PI	New PI	All municipalities perform a hard close on their financial records at least once a year, from 5 months into the financial year	All municipalities perform a hard close on their financial records with the unit providing an assessment on the AFS	All municipalities perform a hard close on their financial records quarterly, with the unit providing an assessment on the AFS	IFS compiled and submitted by all municipalities, with the unit providing an assessment on the AFS
	New PI	New PI	New PI	Co-compile LG FGRO assessment per municipality and discuss with municipalities	Co-compile LG FGRO assessment per municipality monitor and assist in the improvement of the accounting FMC of all municipalities to a level 3 in terms of pre-determined criteria	Co-compile LG FGRO assessment per municipality monitor and assist in the improvement of the accounting FMC of all municipalities to a level 3 + in terms of pre-determined criteria	Co-compile LG FGRO assessment per municipality monitor and assist in the improvement of the accounting FMC of all municipalities to a level 3+in terms of pre-determined criteria
	New PI	New PI	New PI	Review helpdesk framework, implement improvements and maintain helpdesk	Review the helpdesk progress and implement required improvement on the helpdesk	Maintain helpdesk to set standards and provide recommendations/ advice	Maintain helpdesk to set standards and provide recommendations/ advice

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
29.2	Monitor progress on the implementation strategies to improve the integrity of financial data	New PI	New PI	New PI	Assess the utilisation and adequacy of accounting systems and introduce remedial steps	Monitor the implementation of improvements on the utilisation of accounting systems and the implementation of remedial steps	Monitor the implementation of improvements on the utilisation of accounting systems and the implementation of remedial steps	Monitor the implementation of improvements on the utilisation of accounting systems and the implementation of remedial steps
29.3	Build and maintain competent municipal accounting units by providing training on GRAP reporting	New PI	3 focussed training sessions	4 focussed training sessions	Training sessions as scheduled	Structured training programme developed, refined and rolled out	Structured training programme developed, refined and rolled out	Structured training programme developed, refined and rolled out

Quarterly targets for 2012/13

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
29.1	Assess and roll out the latest accounting policy framework for accurate and complete implementation by municipalities and their entities to improve financial reporting	Quarterly	All municipalities fully implemented the 2011/12 accounting reporting frameworks	Assess readiness of municipalities for 2011/12 year-end closure	Preview 2011/12 AFS and provide feedback to municipalities	Provide recommendations/ advice to municipalities during the 2011/12 audit process	Analyse 2011/12 municipal audit reports to identify areas for remedial action
		Quarterly	All municipal entities fully implemented the 2011/12 accounting reporting frameworks	Roll out the 2012/13 accounting framework	Monitor the implementation of the 2012/13 accounting framework and provide helpdesk service	Monitor the implementation of the 2012/13 accounting framework and provide helpdesk service	Monitor the implementation of the 2012/13 accounting framework and provide helpdesk service
				Assess readiness of municipal entities for 2011/12 year-end closure	Review 2011/12 AFS and provide feedback to municipal entities	Provide recommendations/ advice to municipal entities during the 2011/12 audit process	Analyse 2011/12 audit reports to identify areas for remedial action

PART B: PROGRAMME AND SUB-PROGRAMME PLANS

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
29.1	<i>Assess and roll out the latest accounting policy framework for accurate and complete implementation by municipalities and their entities to improve financial reporting (continued)</i>	Quarterly	All municipalities perform a hard close on their financial records with the unit providing an assessment on the AFS	Roll out the 2012/13 accounting framework Review and analyse the 2010/11 year-end adjusting journal	Monitor the implementation of the 2012/13 accounting framework and provide helpdesk service Issue guidelines on preparation of a hard close on financial records	Monitor the implementation of the 2012/13 accounting framework and provide helpdesk service Prepare municipalities for hard close of financial records	Monitor the implementation of the 2012/13 accounting framework and provide helpdesk service Assess the financial reports on the month of the hard close of financial records
		Quarterly	Co-compile LG FGRO assessment per municipality, monitor and assist in the improvement of the accounting FMC of all municipalities to a level 3 in terms of pre-determined criteria	Debriefing sessions on LG FRGO and documentation of areas of improvements	Updating of LG FGRO assessment tools and relevant chapters	Compile LG FGRO Assessments	LG FGRO Engagements sessions with municipalities
		Quarterly	Review helpdesk progress and implement improvements and maintain helpdesk	Update the framework and workshop it with all municipalities	Monitor the use of helpdesk and compile quarterly reports	Monitor the use of helpdesk and compile quarterly reports	Monitor the use of helpdesk and compile quarterly reports
29.2	Monitor progress on the implementation strategies to improve the integrity of financial data	Quarterly	Monitor the implementation of improvements on the utilisation of accounting systems and the implementation of remedial steps	Categorise recommendations per municipality	Monitor and follow-up on the implementation of recommendations made and report on the progress	Monitor and follow-up on the implementation of recommendations and report on the progress actions	Monitor and follow-up on the implementation of recommendations and report on the progress actions
29.3	Build and maintain competent municipal accounting units by providing training on GRAP reporting	Quarterly	Structured training programme developed, refined and rolled out	Training on Standard Operating Procedures	Structured training programme developed, refined and rolled out	Structured training programme developed, refined and rolled out	Structured training programme developed, refined and rolled out

Element: Provincial Government Accounting**Strategic objective: Annual targets**

Strategic objective		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2008/09	2012/13		2012/13	2013/14	2014/15
30.	Improving the standards of accounting and financial reporting within all votes to a level 3+Financial Management Capability (FMC)	Revised strategic objective	FMC level 2	FMC level 2+	FMC level 2+ at all votes	FMC level 3 at all votes	FMC level 3 at all votes	FMC level 3+ at all votes

Performance indicators: Annual targets

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
30.1	Assess and roll out the latest accounting policy framework for full conformance with the NT framework by all votes	New PI	New PI	All votes fully implemented the 2010/11 accounting reporting frameworks	All votes fully implemented the 2011/12 accounting reporting frameworks	All votes in full conformance to the 2012/13 accounting reporting frameworks	All votes in full conformance to the 2013/14 accounting reporting frameworks	All votes in full conformance to the 2014/15 accounting reporting frameworks
		New PI	New PI	Develop and implement an Accounting helpdesk to deal with Accounting opinions, assistance and guidance	Review helpdesk framework, implement improvements and maintain helpdesk	Investigate and implement an electronic helpdesk system	Maintain helpdesk to set standards	Maintain helpdesk to set standards
		New PI	New PI	Interim Financial Statements (IFS) compiled and submitted by all votes and entities	IFS compiled and submitted by all votes and entities	IFS compiled in full conformance with the NT framework and submitted by all votes and entities	IFS compiled in full conformance with the NT framework and submitted by all votes and entities	IFS compiled in full conformance with the NT framework and submitted by all votes and entities
		New PI	New PI	Assess the utilisation and adequacy of accounting systems and processes and the introduction of remedial steps	Assess the utilisation and adequacy of accounting systems and processes and the introduction of remedial steps	Interrogation of the processes that drive the final numbers and the introduction of corrective steps and prescripts	Interrogation of the processes that drive the final numbers and the introduction of corrective steps and prescripts.	Interrogation of the processes that drive the final numbers and the introduction of corrective steps and prescripts.

PART B: PROGRAMME AND SUB-PROGRAMME PLANS

Programme performance indicator	Audited/Actual performance			Estimated performance 2011/12	Medium-term targets			
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15	
30.2	Review accounting systems and processes, and implement strategies to improve the integrity of financial data	FGRO 2008 published	FGRO 2009 published	FGRO 2010 issued as Working Paper	FGRO 2011 issued as Working Paper	Monitor and drive the accounting FMC of all votes to a level 3 in terms of the assessment framework	Monitor and drive the accounting FMC of all votes to a level 3 in terms of the assessment framework	Monitor and drive the accounting FMC of all votes to a level 3 in terms of the assessment framework
		New PI	New PI	New PI	New PI	All PRF accounting transactions accounted for on BAS in terms of the National Treasury Reporting Framework	All PRF accounting transactions accounted for on BAS in terms of the National Treasury Reporting Framework with further refinement to improve the integrity of financial information	All PRF accounting transactions accounted for on BAS in terms of the National Treasury Reporting Framework with further refinement to improve the integrity of financial information
30.3	Ensure compliance with key accounting principles and guidelines in respect of reporting structures and responsibilities for provincial departments and entities	New PI	New PI	New PI	Develop and implement guidelines for accounting unit reporting structures	Maintenance and continuous review of guidelines	Maintenance and continuous review of guidelines	Maintenance and continuous review of guidelines
30.4	Build and maintain competent accounting units within departments and entities by providing training on reporting frameworks	New PI	New PI	Identify training requirements and preferred service provider	Procure service provider and facilitate structured training programme	Structured training to financial accountants on GRAP Standards and Accounting Frameworks	Structured training to financial accountants on GRAP Standards and Accounting Frameworks	Structured training to financial accountants on GRAP Standards and Accounting Frameworks
30.5	Publication of the Annual Consolidated Financial Statements	Tabled 30 November 2008	Tabled 31 January 2010	Tabled 8 December 2010	Compile Provincial ACFS, inclusive of a management report and table by 31 January 2012	Compile Provincial ACFS, inclusive of a management report and table by 31 October 2012	Compile Provincial ACFS, inclusive of a management report and table by 31 October 2013	Compile Provincial ACFS, inclusive of a management report and table by 31 October 2014

Quarterly targets for 2012/13

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
30.1	Assess and roll out the latest accounting policy framework for full conformance with the NT framework by all votes	Quarterly	All votes in full conformance to the 2012/13 accounting reporting frameworks	Review of preliminary 2011/12 AFS of all votes, entities and the PRF and introduce recommendations to accounting officers	AFS issues (retrospectively and prospectively) identified and taken up with role-players	Review accounting frameworks for 2012/13	Roll-out of accounting frameworks to votes, entities and the PRF
			Investigate and implement an electronic helpdesk system	Communicate the framework and method of work of the helpdesk to departments and entities.	Assess the usage of the helpdesk and create FAQs	Distribute FAQs, and report quarterly on usage of helpdesk	Distribute FAQs, and report quarterly on usage of helpdesk
			IFS compiled in full conformance with the NT framework and submitted by all votes and entities	Finalise planning for IFS scheduling and requirements	Issue IFS framework	Assess the Interim Financial Statements and issue of recommendations to AOs	Monitor and follow up on remedial steps
			Interrogation of the processes that drive the final numbers and the introduction of corrective steps and prescripts	Interrogation of the processes in selected departments	Interrogation of the processes in selected departments	Issue corrective steps/ prescripts including definitive processes and procedures	Monitor and follow up on remedial action
30.2	Review accounting systems and processes and implement strategies to improve the integrity of financial data	Quarterly	Monitor and drive the accounting FMC of all votes to a level 3 in terms of the assessment framework	Revised framework and assessment tool for FGRO agreed to	Perform financial management capability assessments, compile and distribute draft FGRO	Consult and finalise FGRO	Project planning finalised for following year review
			All PRF accounting transactions accounted for on BAS in terms of the National Treasury Reporting Framework	Monitor and engage with role players internally on the implementation of the accounting framework	Assess interim financial statements of the PRF based on the new accounting framework	Address financial data issues emanating from the IFS	Monitor the year end closure process for accurate AFS compilation

PART B: PROGRAMME AND SUB-PROGRAMME PLANS

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
30.3	Ensure compliance with key accounting principles and guidelines in respect of reporting structures and responsibilities for provincial departments and entities	Quarterly	Maintenance and continuous review of guidelines	Assess and analyse current accounting and reporting structures of two selected departments	Compile and submit a report to the relevant accounting officers on findings and recommendations made	Monitor and follow-up as part of the FMIP	Monitor and follow-up as part of the FMIP
30.4	Build and maintain competent accounting units within departments and entities by providing training on reporting frameworks	Quarterly	Structured training to financial accountants on GRAP Standards and Accounting Frameworks	One integrated training session as co-ordinated by Programme 3	One integrated training session as co-ordinated by Programme 3	One integrated training session as co-ordinated by Programme 3	One integrated training session as co-ordinated by Programme 3
				Procure service provider to provide GRAP training	Facilitate GRAP training	Facilitate GRAP training	Facilitate GRAP training and assess further training needs
30.5	Publication of the Annual Consolidated Financial Statements	Quarterly	Compile Provincial ACFS, inclusive of a management report and table by 31 October 2012	Compile a guideline framework for ACFS	Submit ACFS to AGSA on 31 August based on audited AFS	Table ACFS by 31 October inclusive of a management report identifying areas for strategic intervention	ACFS strategic interventions addressed

Sub-programme 4.3: Corporate Governance

Strategic objective: Annual targets

Strategic objective		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
31.	Drive departmental and municipal CFO offices to function at a level 3 financial management capability (FMC) rating	New PI	New PI	New PI	Achieve FMC in <ul style="list-style-type: none"> Departments at level 2+ Public Entities at level 2 Municipalities at level 2 	Achieve FMC in <ul style="list-style-type: none"> Departments at level 3 Public Entities at level 2+ Municipalities at Level 2+ 	Achieve FMC in <ul style="list-style-type: none"> Departments at level 3+ Public Entities at level 3 Municipalities at level 3 	Achieve FMC in <ul style="list-style-type: none"> Departments at level 3+ Public Entities at level 3 Municipalities at level 3

Strategic objective		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
32.	Develop and facilitate the implementation of an effective assurance framework towards attaining level 3 financial management capability (FMC) rating	New PI	New PI	New PI	Achieve FMC in <ul style="list-style-type: none"> • Departments at level 3 • Public Entities at level 2+ • Municipalities at level 2 	Achieve FMC in <ul style="list-style-type: none"> • Departments at level 3+ • Public Entities at level 3 • Municipalities at level 2+ 	Achieve FMC in <ul style="list-style-type: none"> • Departments at level 4 • Public Entities at level 3+ • Municipalities at level 3 	Achieve FMC in <ul style="list-style-type: none"> • Departments at level 4 • Public Entities at level 3+ • Municipalities at level 3

Performance indicators: Annual targets

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
31.1	Develop and implement a framework to assess the CFO offices in departments and municipalities	New PI	New PI	Develop framework to assess CFO structures in collaboration with National Treasury and Department of the Premier (OD)	Develop and implement an assessment framework to assess departmental CFO structures	Refine and implement an assessment framework to assess departmental CFO structures	Refine and maintain an assessment framework to assess departmental CFO structures	Refine and maintain an assessment framework to assess departmental CFO structures
				Research correct legislative procedures in respect of framework for BTO offices	Develop an assessment framework to assess municipal CFO structures	Review and approve assessment framework to assess BTO structures	Implementing an assessment framework to assess BTO structures	Refine and implement an assessment framework to assess BTO structures.
31.2	Effective Internal Control units for departments	New PI	New PI	New PI	New PI	Develop and implement a Provincial framework/policy for the Purpose, Legislative Mandate, Role, structure and Functions of an Internal Control unit	Assess the internal control units against the provincial framework/policy and make recommendations	Assess the internal control units against the provincial framework/policy and make recommendations
31.3	Implementation of NT Competency Frameworks for CFO offices in departments and municipalities	New PI	New PI	New PI	Finalisation and roll out of Municipal competencies required and consultation on Departmental competencies	Monitor and follow up interventions in respect of gaps identified	Monitor and follow up interventions in respect of gaps identified	Monitor and follow up interventions in respect of gaps identified

PART B: PROGRAMME AND SUB-PROGRAMME PLANS

Programme performance indicator		Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
		2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
32.1	Drive, monitor and evaluate the effectiveness of financial governance structures in departments and municipalities	New PI	New PI	New PI	Perform assessments on assurance structures	Perform assessments on assurance structures in municipalities	Perform assessments on assurance structures in municipalities	Perform assessments on assurance structures in municipalities
					Develop and pilot an integrated financial governance guidelines for departments	Full roll out of the integrated financial governance guidelines for departments	Perform assessments based on the integrated financial governance guidelines for departments	Perform assessments based on the integrated financial governance guidelines for departments
32.2	A comprehensive set of prescripts	New PI	Provincial financial legislation kept relevant and dynamic	Provincial financial legislation and policy kept relevant and dynamic	Provincial financial legislation and policy kept relevant and dynamic	Develop and implement a framework and parameters that determines best practise approach for prescripts and regulatory processes with the aim to strengthen the regularity arena in the internal control environment, that draws on the system capability for optimal utilisation of available systems	Assess, and perform a gap analysis and implement remedial steps	assess, and perform a gap analysis and implement remedial steps
32.3	Local Government Financial Governance Review and Outlook (LG FGRO) and Financial Management Improvement Plan programme developed and implemented	New PI	New PI	New PI	LG FGRO 2011 issued as Working Paper	LG FGRO 2012 issued as Working Paper	LG FGRO 2013 issued as Working Paper	LG FGRO 2014 issued as Working Paper
		New PI	New PI	New PI	Drive Financial Management Improvement for departments	Drive Financial Management Improvement plans for departments and make recommendations	Drive Financial Management Improvement plans for departments and make recommendations	Drive Financial Management Improvement plans for departments and make recommendations
		New PI	New PI	New PI	Drive Financial Management Improvement for Municipalities	Drive Financial Management Improvement plans for municipalities and make recommendations	Drive Financial Management Improvement plans for municipalities and make recommendations	Drive Financial Management Improvement plans for municipalities and make recommendations

Programme performance indicator	Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
32.4 Monitor the implementation of Enterprise Risk Management (ERM) and Internal Audit in municipalities	Monitoring 12 departments	Monitoring 12 departments	Monitoring municipalities and 12 departments	Institutionalise ERM at all municipalities and drive capacity building initiatives at selected municipalities	Institutionalise ERM and internal audit at all municipalities	Institutionalise ERM and internal audit at all municipalities	Institutionalise ERM and internal audit at all municipalities

Quarterly targets for 2012/13

Performance indicator	Reporting period	Annual target 2012/13	Quarterly targets			
			1 st	2 nd	3 rd	4 th
31.1 Develop and implement a framework to assess the CFO offices in departments and municipalities	Quarterly	Refine and implement an assessment framework to assess departmental CFO structures	Finalise departmental assessment tool	Initiate assessment tool	Report on the feedback obtained re the assessment tool	Refinement and roll out of assessment tool
		Review and approve assessment framework to assess BTO structures	Recommended CFO structure finalised	Risk based assessment framework finalised relative to recommended structure	Roll out assessment framework	Roll out assessment framework
31.2 Effective Internal Control units for departments	Quarterly	Develop and implement a Provincial framework/policy for the Purpose, Legislative Mandate, Role, structure and Functions of an Internal Control unit	Develop project by performing an as is analysis	Perform research and develop draft framework and issue report on findings for comment	Workshop draft framework and generic structure with stakeholders	Issue the final framework to relevant stakeholders
31.3 Implementation of NT Competency Frameworks for CFO offices in departments and municipalities	Quarterly	Monitor and follow up interventions in respect of gaps identified	Update database on progress achieve	Monitor and follow-up on gaps	Monitor and follow-up on gaps	Monitor and follow-up on gaps
32.1 Drive, monitor and evaluate the effectiveness of financial governance structures in departments and municipalities	Quarterly	Perform assessments on assurance structures in municipalities	Perform assessments for all municipalities	Perform assessments for all municipalities	Perform assessments for all municipalities	Perform assessments for all municipalities
	Quarterly	Full roll out of the integrated financial governance guidelines for departments	Finalisation of Financial Governance guidance document	Presentation of awareness sessions to pilot departments	Pilot guidance document within 4 departments	Roll-out of the guidance document to all Provincial departments

PART B: PROGRAMME AND SUB-PROGRAMME PLANS

Performance indicator		Reporting period	Annual target 2012/13	Quarterly targets			
				1 st	2 nd	3 rd	4 th
32.2	A comprehensive set of prescripts	Quarterly	Develop an implement a framework and parameters that determines best practise approach for prescripts and regulatory processes with the aim to strengthen the regulatory arena in the internal control environment, that draws on the system capability for optimal utilisation of available systems	Complete inventory with all NT/provincial formal prescripts inclusive of an appropriate gap analysis	Complete inventory of all Departments instructions inclusive of an appropriate gap analysis	Review and issue revised PTIs/NTIs and DIs	Monitor and follow up
32.3	Local Government Financial Governance Review and Outlook (LG FGRO) and Financial Management Improvement Plan programme developed and implemented	Quarterly	LG FGRO 2012 issued as working paper	Project plan finalised and approved	Finalise Framework	Assessments performed	Reports issued
			Drive Financial Management Improvement plans for departments and make recommendations	Monitor and report progress on recommendations/ advice provided to Departments.	Monitor and report progress on recommendations/ advice provided to Departments	Assessment of A-G reports, ML, PGMTEC, PGFGRO to inform action plans.	Facilitate the development of action plans for departments
			Drive Financial Management Improvement plans for municipalities and make recommendations	Facilitate the development of action plans for 30 municipalities	Monitor and Report progress on recommendations/ advice provided to municipalities	Monitor and report progress on recommendations/ advice provided to municipalities	Assessment of A-G reports, ML, LG MTEC, LG FGRO and BTO assessment for municipalities to inform action plans.
32.4	Monitor the implementation of Enterprise Risk Management (ERM) and Internal Audit in municipalities	Quarterly	Institutionalise ERM and internal audit at all municipalities	Perform bi-annual assessment of assurance processes for 30 municipalities	Review assessment and provide feedback	Perform bi-annual assessment of assurance processes for 30 municipalities	Review assessment and provide feedback

Reconciling performance targets with the Budget and MTEF

Expenditure estimates

Table 5 Financial Governance

Sub-programme R'000	Outcome			Main appro- piation 2011/12	Adjusted appro- piation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2008/09	2009/10	2010/11				2012/13	2011/12	2013/14	2014/15
1. Programme Support	1 581	1 777	1 452	1 870	1 323	1 533	1 791	16.83	1 900	2 030
2. Accounting Services	5 272	7 292	7 844	9 973	10 354	10 377	11 046	6.45	12 870	13 779
Provincial Government Accounting		4 619	4 619	5 207	5 604	5 605	5 625	0.36	6 420	6 867
Local Government Accounting		2 673	3 225	4 766	4 750	4 772	5 421	13.60	6 450	6 912
3. Norms and Standards	3 426	4 664	7 516	8 802	8 423	8 348	9 363	12.16	10 291	11 032
4. Risk Management	2 276	2 721								
5. Provincial Internal Audit	24 560	18 501	1 437							
Sub-programme Support		4 570								
G&A Cluster		4 941								
Economic Cluster		5 630								
Social Cluster		3 360								
Total payments and estimates	37 115	34 955	18 249	20 645	20 100	20 258	22 200	9.59	25 061	26 841

Economic classification R'000	Outcome			Main appro- piation 2011/12	Adjusted appro- piation 2011/12	Revised estimate 2011/12	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2008/09	2009/10	2010/11				2012/13	2011/12	2013/14	2014/15
Current payments	37 006	34 002	18 249	20 645	20 100	20 258	22 200	9.59	25 061	26 841
Compensation of employees	20 433	29 538	16 222	18 040	17 341	17 499	19 517	11.53	21 857	23 460
Goods and services	16 573	4 464	2 027	2 605	2 759	2 759	2 683	(2.75)	3 204	3 381
Transfers and subsidies to	109									
Provinces and municipalities	80									
Households	29									
Payments for capital assets		953								
Software and other intangible assets		953								
Total economic classification	37 115	34 955	18 249	20 645	20 100	20 258	22 200	9.59	25 061	26 841

Performance and expenditure trends

The decrease of R18.834 million from R37.115 million in 2008/09 to R20.258 million in 2011/12 (revised estimate) is mainly due to the shared 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 18.28 per cent over the three year period. Over the period 2012/13 to 2014/15, the total nominal growth for the programme over the three year period is 9.83 per cent, resulting from a strengthening of mainly Local Government Accounting and general inflation provision.

PART C LINKS TO OTHER PLANS

Links to the long-term infrastructure and other capital plans

Except as provided for under Sub-programme 1.3, Financial Management, which covers planned equipment expenditure within the Department, and Sub-programme 2.4, Public Finance (Element: Immovable Assets) which details the Provincial Treasury's oversight responsibilities as regards infrastructure planning and spending, the Department's internal responsibilities do not relate to major capital investment.

Conditional grants

Except as provided for under Sub-programme 2.2, Fiscal Policy, which sets out the Provincial Treasury's fiscal framework responsibilities, inclusive of conditional grants, no such grants are directly applicable to the Department.

Public entities

Only one entity falls within the jurisdiction of the Provincial Treasury and that is the Western Cape Gambling and Racing Board. As further set out under Sub-programme 2.2, Fiscal Policy, a number of initiatives related to the Western Cape Gambling and Racing Board are already underway of which some will come about in the 2012/13 financial year or later in the 2012 MTEF. Amongst others, these include a revision of the casino licencing and tax regime, with a later fuller review of the current legislation governing the Gambling and Racing Board being contemplated.

On-going evaluation of the Western Cape Gambling and Racing Board is conducted via a number of mechanisms:

- Periodic meetings between the Minister of Finance, Economic Development and Tourism and the Board;
- Performance assessment of the Western Cape Gambling and Racing Board's quarterly performance reports and feedback to the entity;
- Monthly meetings with the management of the office of the Board to review revenue receipts and amounts due to the Provincial Revenue Fund;
- Planned governance review of the entity; and
- It's currently self-funding, the sustainability of which is assessed on an on-going basis.

Public private partnerships

The Provincial Treasury's responsibilities for PPPs within the Province are set under Sub-programme, Public Finance (Element: Immovable Assets). These are currently targeted to monitoring previously awarded PPPs, but with a number of major projects being entertained by the Departments of Transport and Public Works and Economic Development and Tourism, a ramp-up in capacity is planned for during 2012/13 to be able to play a stronger support and guiding role.

Annexure E (Technical indicator descriptions)

The Annexure E for the strategic objectives and performance indicators will be made available on the Department's website, www.westerncape.gov.za.

ANNEXURE A

CHANGES TO STRATEGIC OBJECTIVES

Due to operational and tactical adjustments a number of the strategic objectives were amended to better articulate the desired outputs. The detail comparison between the 2011/12 and 2012/13 financial years, as reflected in the two APPs, is set in the table below:

Strategic objectives in Strategic Plan 2010-15 that have changed	New/Adjusted Strategic objectives in APP 2011/12	New/Adjusted Strategic objectives in APP 2012/13	Comments
Programme 1			
Provide secretarial and administrative services to the Ministry	Provide support services	Provide support services	Slight change in wording
Effective communication and event co-ordination within Treasury			Included in Strategic objective: 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 CSC	Provide effective and efficient support in the management of the working relationship between the department and the CSC	New strategic objective as a result of modernisation
Provide effective auxiliary and specialised support services	Provide effective auxiliary and specialised support services		Part of strategic objective included in strategic objective: Level 3 auditable supply chain management services and balance included in new strategic objective: Render an effective records management service and ensure that accurate financial and economic data and information are available

Strategic objectives in Strategic Plan 2010-15 that have changed	New/Adjusted Strategic objectives in APP 2011/12	New/Adjusted Strategic objectives in APP 2012/13	Comments
Programme 2			
Full utilisation of all potential revenue sources available to provincial and local governments	Full utilisation of all potential revenue sources available to provincial and local governments	Fiscal transfer system responsive to provincial and municipal needs in enhancing economic growth, efficient and effective service delivery	Slight change in wording
	Cash flow management improvement of provincial departments to achieve a level 3+ financial management capability		Included in strategic objective: Research, monitor and advise on the sustainability and credibility of provincial and local government revenue trends and cash management
	Monitoring and evaluation of cash flow and investment management that is sustainable and credible to enhance service delivery and improve liquidity in municipalities		Include in strategic objective: Research, monitor and advise on the sustainability and credibility of provincial and local government revenue trends and cash management
Evaluate the responsiveness of budgets within provincial departments and entities	Evaluate and improve the responsiveness of budgets within provincial departments and entities	To improve the conformance and responsiveness of budgets within provincial departments and entities	Slight change in wording
Conduct economic analysis to inform provincial planning and budgeting processes	Apply economic and other analysis to inform provincial planning and budgeting processes	Apply economic and other analysis to inform provincial planning and budgeting processes	Slight change in wording
Evaluate the responsiveness and implementation of the budget	Evaluate and improve the responsiveness of municipal budgets	To improve the conformance and responsiveness of municipal budgets	Slight change in wording
Evaluate the credibility and sustainability of the budget	Apply economic and other analysis to inform municipal planning and budgeting processes	Apply economic and other analysis to inform municipal planning and budgeting processes	Slight change in wording

Strategic objectives in Strategic Plan 2010-15 that have changed	New/Adjusted Strategic objectives in APP 2011/12	New/Adjusted Strategic objectives in APP 2012/13	Comments
Monitor the implementation of the budget in terms of x-efficiency, financial prudence and fiscal discipline	Monitor the implementation of the budget in terms of x-efficiency, financial prudence and fiscal discipline		Included in strategic objectives Monitor the implementation of the budget in terms of conformance, accountability, data integrity, and efficiency
	Evaluate and improve the credibility and sustainability of the budget	To evaluate and improve the conformance, credibility and sustainability of the budget	Slight change in wording
		Monitor the implementation of the budget in terms of accountability, data integrity and efficiency	New strategic objective in 2012/13
Develop and capacitate departments and entities through the implementation of standards, knowledge sharing and training (internally and externally)			Deleted strategic objective in 2011/12
Evaluate the credibility and monitor the implementation of the budget	Evaluate and improve the credibility and sustainability of the budget	Improve the conformance, credibility and sustainability of budgets	Slight change to wording
	Monitor the implementation of municipal budgets in terms of x-efficiency, financial prudence and fiscal discipline		New strategic objective in 2011/12
		Monitor the implementation of the budget in terms of accountability, data integrity, and efficiency	New strategic objective in 2011/13
	Coordination of MFMA Implementation requirements	Coordinate MFMA implementation to improve conformance and performance in municipalities	New strategic objective in 2011/12

Strategic objectives in Strategic Plan 2010-15 that have changed	New/Adjusted Strategic objectives in APP 2011/12	New/Adjusted Strategic objectives in APP 2012/13	Comments
Develop the functional ability of municipalities through the implementation of standards, knowledge sharing and training (internally and externally)			Deleted strategic objective in 2011/12
	Entrenching built-environment business principles and processes for effective infrastructure delivery that is aligned and contributes to optimal utilisation of government immovable assets	Entrenching built-environment business principles and processes for effective infrastructure delivery that contributes to optimal utilisation of government immovable assets	New strategic objective in 2011/12
		Render an effective records management service and ensure that accurate financial and economic data and information are available	New strategic objective in 2012/13 due to reconfiguration
Programme 3			
Determine policy to drive, assess and assist departments in the attainment of building capacity, ensuring integrity of data, enforcing transparency and accountability, balancing commercial imperatives with social responsibility and addressing economies of scale and value for money for supply chain and moveable assets	Drive, assess and assist departments in the effective and efficient management of supply chain and moveable assets	Drive, assess and assist departments in the effective and efficient management of supply chain and moveable assets	Slight change in wording
Determine policy to drive, assess and assist municipalities in the attainment of building capacity, ensuring integrity of data, enforcing transparency and accountability for supply chain and moveable assets	Drive, assess and assist municipalities in the efficient and effective management of supply chain and moveable assets	Drive, assess and assist municipalities in the efficient and effective management of supply chain and moveable assets	Slight change in wording

Strategic objectives in Strategic Plan 2010-15 that have changed	New/Adjusted Strategic objectives in APP 2011/12	New/Adjusted Strategic objectives in APP 2012/13	Comments
Entrenching built-environment business principles and processes for effective infrastructure delivery that is aligned and contributes to optimal utilisation of government immovable assets			Moved to Programme 2 in 2011/12
Cash Flow management improvement of provincial departments to achieve a level 3+ financial management capability			Moved to Programme 2 in 2011/12
Monitoring and evaluation of cash flow and investment management that is sustainable and credible to enhance service delivery and improve liquidity in municipalities			Moved to Programme 2 in 2011/12
Programme 4			
Improving the financial accounting and reporting of municipalities and municipal entities to a financial maturity capability of level 3 by 2015	Improving the standards of accounting and financial reporting within municipalities and municipal entities to a level 3+Financial Management Capability (FMC)	Improving the standards of accounting and financial reporting within municipalities and municipal entities to a level 3+Financial Management Capability (FMC)	Slight change in wording
Raising the standard of accounting and financial reporting of departments and entities to a financial maturity capability of level 3+	Improving the standards of accounting and financial reporting within all votes to a level 3+Financial Management Capability	Improving the standards of accounting and financial reporting within all votes to a level 3+Financial Management Capability	Slight change in wording

Strategic objectives in Strategic Plan 2010-15 that have changed	New/Adjusted Strategic objectives in APP 2011/12	New/Adjusted Strategic objectives in APP 2012/13	Comments
Assess, develop, monitor financial norms and standards and, where necessary, enforce compliance by departments, municipalities and entities towards attaining a level 3+ in terms of the Financial Maturity Capability (FMC) model			Strategic objective deleted in 2011/1
	Drive departmental and municipal CFO offices to function at a level 3 financial capability rating	Drive departmental and municipal CFO offices to function at a level 3 financial management capability (FMC) rating	New strategic objective in 2011/12
	Develop and facilitate the implementation of an effective assurance framework towards attaining level 3 financial capability rating	Develop and facilitate the implementation of an effective assurance framework towards attaining level 3 financial management capability (FMC) rating	New strategic objective in 2011/12