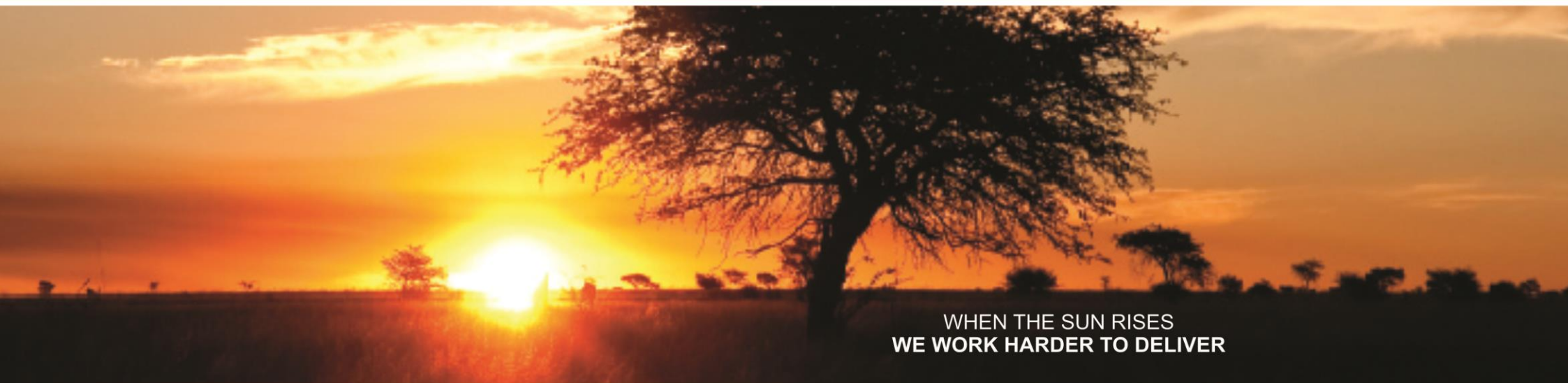




provincial treasury
MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

ANNUAL PERFORMANCE PLAN



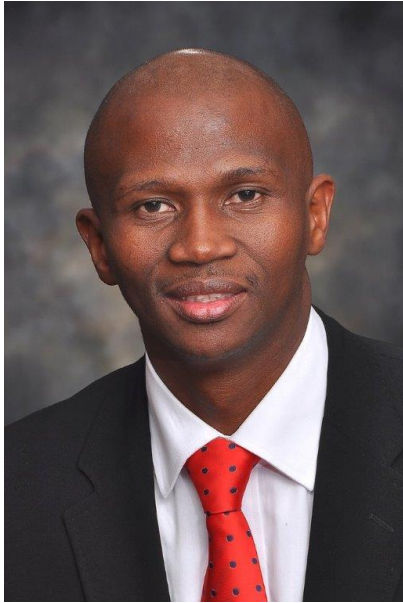
WHEN THE SUN RISES
WE WORK HARDER TO DELIVER

2018/2019



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FOREWORD

By Hon SE KHOLWANE (MPL)

PROVINCIAL TREASURY'S ANNUAL PERFORMANCE PLAN

I have the honour to introduce the Annual Performance Plan of the Provincial Treasury for the 2018/19 financial year.

The plan is framed in the context of our five-year government programme of action which enjoins all public institutions to build a state that is capable to deliver on the most pressing needs of the people; and fully account to the electorate on the use of public resources.

It is an open secret that the government is faced with extremely tight fiscal environment.

Accordingly, tight expenditure controls over the medium term expenditure period will be necessary to protect the integrity of the provincial budget and consequently the fiscal standing of the country in the global markets.

In order to balance the expenditure ceilings and the expectations to accelerate delivery of basic service services, the department will continue

to assess the effectiveness and efficiency of our spending and *keep an eye* on financial performance of the provincial institutions to ensure that budgets are used solely to advance the developmental goals of the state.

During this year in which we celebrate the 100th anniversary of the birth of Nelson Rolihlahla Mandela had he lived, we must embrace one of his life values - that of being at the service of others - by responding to the call of providing prompt and effective policy support to all departments, public entities and municipalities in line with the edicts of the financial management legislations and applicable reforms.

To this end, the Provincial Treasury will this year focus on:

- Improving the Risk Management Maturity levels and processes related thereto in the provincial public sector institutions;
- Implementing decision processes that are aimed to improve budget and expenditure monitoring systems;
- Supporting all departments and Public entities to clear previous audit queries, thereby set the province on the revered path to wholesome clean governance;
- Supporting municipalities to improve revenue management and debt collections;
- Improve infrastructure reporting in line with Infrastructure Delivery Management System; and
- Making use of Supply Chain Management reforms to promote local procurement in order to increase domestic production and the creation of much needed jobs.

I have no doubt that, if we *put all our best foot forward*, a fluid financial administration is possible, and a promise of a better future will be reachable.

I, as the Executive Authority of the department, endorses the Annual Performance Plan and affirm my commitment to support the implementation of the priorities set out hereto.

Hon SE Kholwane, MPL


MEC for Finance, Economic Development and Tourism

OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the Provincial Treasury under the guidance of the Honourable MEC SE KHOLWANE, MPL;
- Was prepared in line with the current Strategic Plan of the Provincial Treasury, and
- Accurately reflects the performance targets, which the Provincial Treasury will endeavour to, achieve given the resources made available in the budget for 2018/2019 financial year.

Mr M Khoza
Chief Financial Officer

Signature: 

Ms JE Nel
Head of Planning

Signature: 

Ms NZ Nkamba
Accounting Officer

Signature: 

Approved by:

Mr SE Kholwane (MPL)
Executive Authority

Signature: 

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LIST OF ACRONYMS

AFS	Annual Financial Statements
AGSA	Auditor General of South Africa
BBBEE	Broad Based Black Economic Empowerment
BAS	Basic Accounting System
CSD	Central Supplier Database
CFO	Chief Financial Officer
CoGTA	Department of Cooperative Governance and Traditional Affairs
CRDP	Comprehensive Rural Development Programme
DEDT	Department of Economic Development and Tourism
DoE	Department of Education
DORA	Division of Revenue Act
DPSS	Department of Public Service and Administration
EPRE	Estimates of Provincial Revenue and Expenditure
ERM	Enterprise Risk Management
EXCO	Executive Committee
FMCMM	Financial Management Capability Maturity Model
GDP	Gross Domestic Product
HANIS	Home Affairs National Identification System
HRD	Human Resource Development
ICT	Information Communication Technology
IDIP	Infrastructure Delivery Improvement Programme
IDMS	Infrastructure Delivery Management System
IFS	Interim Financial Statements
IGCC	Inter-Governmental Cash Co-ordination
IIA	Institute of Internal Auditors
IMSP	Integrated Municipal Support Plan
IT	Information Technology
IYM	In-Year-Monitoring
LED	Local Economic Development
LGMTEC	Local Government Medium Term Expenditure Committee
LOGIS	Logistical Information System
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act, 2003 (Act No. 56 of 2003)

MISS	Minimum Information System Security
MPG	Mpumalanga Provincial Government
MTEC	Medium Term Expenditure Committee
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
MUNIMEC	Municipality and MEC
MPAMPF	Mpumalanga Provincial Asset Management Policy Framework
NATIS	National Traffic Information System
N/A	Not applicable
NDP	National Development Plan
NMIR	National Minimum Information Requirements
NPIs	Non Profit Institutions
NPOs	Non Profit Organisations
OTP	Office of the Premier
PAB	Patient Administration and Billing
PERSAL	Personnel Salary System
PFMA	Public Finance Management Act, 1999 (Act No. 1 of 1999)
PGDS	Provincial Growth and Development Strategy
PGITO	Provincial Government Information Technology Officer
PMC	Provincial Management Committee
PPP	Public Private Partnership
PSCM	Provincial Supply Chain Management
StatsSA	Statistics South Africa
SCM	Supply Chain Management
SDIP	Service Delivery Improvement Plan
SER	Socio-Economic Review
SITA	State Information Technology Agency
SONA	State of the Nation Address
SOPA	State of the Province Address
SSP	Strategic Support Plan
TR	Treasury Regulations

PART A

1. UPDATED SITUATIONAL ANALYSIS

The Provincial Treasury's approach to the 2018/19 budget allocation process for all the Departments was to maintain an appropriate balance between revenue and expenditure. The allocations had to reflect the priorities in terms of the Mpumalanga Provincial Government in line with the National Development Plan and Mpumalanga Vision 2030 and to ensure efficient quality services. Provincial Treasury supports all government priorities as it monitors Provincial Departments, Public Entities and Municipalities on the utilisation of all resources allocated to them. The focus on resource allocation is still on shifting the composition of expenditure away from consumption towards investment in especially infrastructure.

ECONOMIC LANDSCAPE

The global economy is gaining momentum with accelerating growth in Europe, Japan, China and the United States of America. A closer look, however, suggest that the global recovery may not be sustainable since growth remains weak in many countries and the recovery faces serious risks. The risks include rapid and sizeable tightening of global financial conditions, persistently low inflation in advanced economies, rollback of improvements in financial regulations, and an inward shift in policies as well as geopolitical tensions. Forecasts, nevertheless, project that global growth will pick up pace to 3.7 per cent in 2018.

The South African growth prospects appear to be showing signs of improvement, although off a low base after the technical recession in the fourth quarter of 2016 and first quarter of 2017. The economy recorded encouraging growth rates in the last three quarters of 2017, driven to a significant degree by the exceptionally strong recovery in agriculture.

The GDP figures that were released by Statistics South Africa in March 2018 indicated that the South African economy recorded a quarter-to-quarter growth rate of 3.1 per cent in the fourth quarter of 2017. The 2017 growth rate was therefore higher than expected at 1.3 per cent. National Treasury expects a growth rate of 1.5 per cent in 2018, rising to 2.1 per cent in 2020. According to Treasury, the improved growth outlook reflects an upward revision to global growth prospects, higher commodity prices, strong growth in domestic agriculture (for 2017 in particular), and an expected increase in private fixed investment as a result of improved business and consumer sentiment.

After weak provincial economic growth in 2015 and 2016, it is estimated that Mpumalanga's economy achieved real GDP (gross domestic product) growth (on a quarter-to-quarter basis) of more than 2 per cent every quarter in the last 3 quarters of 2017. The good performance of the mining industry (especially in the first part of 2017) and the large contribution that mining makes to the provincial economy, as well as the high growth in agriculture, was the saving grace in 2017.

The estimated 2.3 percent provincial growth in the 4th quarter of 2017 was due to high growth in agriculture, manufacturing and trade (including tourism). We expect the provincial economy to perform very much in line with or even above the national growth expectations in 2018. The average annual provincial

growth rate for 2016-2021 is forecast at 1.5 per cent per annum. This can be even higher due to the positive sentiment about our country, which can boost investor confidence with a positive impact on the provincial economy.

The anticipated growth rate, however, falls short of the provincial target of 5 percent. It is not sufficient to reduce unemployment, poverty and inequality. Therefore, it is important to strengthen our engagement with the private sector and trading partners as part of our growth and development strategy. The APP outlines the tough choices we have to make and challenges us to implement the National Development Plan (NDP) with vigour. Without stronger economic growth, the revenue trend will remain muted. If revenue does not grow, expenditure increases cannot be sustained.

The coming financial year will still be characterized by diminishing budgets, largely because of a relatively slow economic recovery. The direct impact of low economic growth can cause the loss of jobs, which means that people who contributes towards paying tax, are not employed. The less tax the country collects, the less money is available for distribution to service delivery priorities.

Government faces an extremely tight fiscal environment and expenditure over the MTEF period. Poor economic performance, the credit ratings of the country and relatively high interest rates, place additional pressure on Government's fiscal programme, which seems to stabilize the growth of debt and restore fiscal sustainability.

The relatively weak economic performance and outlook, has placed public finances in South Africa (including Mpumalanga Province) under increasing pressure. Rising debt levels would absorb more and more of government spending. The end result would be less money to spend on improving the lives of our people – especially those living in poverty. The provincial poverty rate according to the lower bound poverty line is high at more than 40 per cent. Mpumalanga Province must respond to 2018 State of the Nation and Province Address priorities and the fiscal consolidation and budget reprioritisation proposals of National Treasury.

Government's fiscal package to reinforce sustainability includes elements such as reducing growth in government spending, improving revenue collection, adjusting tax policy and administration, strengthening budget preparations with greater emphasis on long term planning and efficient resource allocation, and containment of administrative personnel expenditure.

All these proposals must however, not impact negatively on service delivery. Government needs to maximize on efficiencies, which should include the focus on procurement costs, cost curtailment and containment measures, a culture of doing more with less and continue to fight waste and corruption.

In terms of the provincial labour market, we started to observe some improvement during 2017. The net job creation was 103 856 between Q4 2014 & Q4 2017 (3 year period) with an average of 34 619 jobs per annum. Given the provincial job creation target of at least 70 000 new jobs per annum, Mpumalanga achieved almost 50 per cent of the target in this period. The highest job creation in the 3 year period was recorded in community services (44 000 jobs), utilities/electricity (22 000 jobs), private households (18 000) and agriculture (15 000 jobs). A key industry such as mining experienced job losses of 13 000 in the same period.

On an annual basis (2017) Mpumalanga recorded a net job creation 86 575 in 2017, driven mainly by jobs in trade (35 000), agriculture (17 000), private households (14 000) and finance (12 000). The mining industry has started to recover in 2017 and gained 11 000 jobs in 2017. According to the latest

QLFS of StatsSA, Mpumalanga recorded the second highest job creation figure (after the Western Cape) among the nine provinces on a quarterly and annual basis. The employment growth in 2017 was very high at 7.5 per cent, which is an exceptionally good performance. This is in line with the good economic performance in industries/sectors such as agriculture and mining during most of the quarters 2017.

In terms of unemployment, the provincial unemployment rate increased from 26.6 per cent in Q4 of 2014 to 28.9 per cent in Q4 of 2017. It decreased however, between the third and fourth quarter of 2017 with 1.8 percentage points to 28.9 per cent. This was the third highest rate of the nine provinces. The number of unemployed in the province was 505 802 at the end of Q4 of 2017 and the share of the unemployed youth was 70.2 per cent.

There is a concern about the high youth unemployment rate of 41.5 per cent in Mpumalanga and especially the female youth unemployment rate of more than 50 per cent. The State President pointed this out as a top priority of Government in the 2018 SONA to address this by means of relevant economic plans and initiatives by both Government and Business.

Both the public and private sector should respond to the provincial growth and job creation challenge. Together, they must bring the high unemployment rate down by creating decent and sustainable jobs and targeting the youth with our employment creation programmes in all industries/sectors of the provincial economy.

The reduction of unemployment, poverty and inequality remain the central challenges of our Province. It is therefore important that Government budgets respond to the triple challenges continuously. The budget and procurement must be utilized as a tool for growth and development of the 4.4 million Mpumalanga citizens.

It is crucial that Departments, Public Entities and Municipalities respond to the socio-economic challenges of Mpumalanga and spend their budgets in the right areas making a difference and impact in the standard of living of all provincial citizens. In line with its mandate, Provincial Treasury is responsible for the equitable allocation and optimal utilisation of provincial financial resources to ensure quality service delivery and a better life for all through effective financial management and financial discipline, as well as the effective monitoring of resource utilisation at a provincial and municipal level. Public procurement should also be used as a tool for growth and development and to promote black economic empowerment as emphasised by our new State President in the 2018 SONA.

Implementation of the Annual Performance Plan will be done in line with the Operation Vuka Sisebente integrated service delivery model as adopted by the Executive Council on 14 February 2015 and launched on 13 August 2015 in Bushbuckridge Local Municipality. The aim of Operation Vuka Sisebente is integrating the services of Government to fight the triple challenges of poverty, unemployment and inequality and promote healthy lifestyles, embrace community partnerships, thereby creating a better life for the entire citizenry of the Province. Operation Vuka Sisebente operates through reformed governance structures constituting of Ward, Local and Provincial War Rooms.

AUDIT OUTCOMES

During the 2016/17 financial year three (3) of the twelve (12) Departments in the Province received unqualified opinions without any matters, five (5) were unqualified and four (4) received qualified audit opinions. Of the Public Entities one (1) received an unqualified opinion without any matters, two (2)

unqualified and two (2) qualified.

With regards to the Municipalities, two (2) received unqualified opinions without any matters, eleven (11) received unqualified audit opinions, six (6) Municipalities received qualified audit opinions while one (1) was disclaimed.

The table below indicates the movement in terms of audit outcomes for the last three years.

Table 1: Provincial Departments Audit Outcomes

DEPARTMENT / PUBLIC ENTITY	2014/15	2015/16	2016/17	MOVEMENT
Office of the Premier	Unqualified	Unqualified	Unqualified	Unchanged
Provincial Treasury	Unqualified with no findings	Unqualified with no findings	Unqualified with no findings	Unchanged
Department of Corporative Governance and Traditional Affairs	Unqualified with no findings	Unqualified with no findings	Unqualified with no findings	Unchanged
Department of Agriculture, Rural Development Land and Environmental Affairs	Unqualified	Unqualified	Unqualified	Unchanged
Department of Economic Development and Tourism	Unqualified	Unqualified with no findings	Unqualified with no findings	Unchanged
Department of Education	Qualified	Qualified	Qualified	Unchanged
Department of Public Works, Roads and Transport	Unqualified	Unqualified	Unqualified	Unchanged
Department of Community Safety, Security and Liaison	Qualified	Qualified	Qualified	Unchanged
Health	Qualified	Qualified	Qualified	Unchanged
Social Development	Unqualified	Unqualified with no findings	Unqualified	Regressed
Department of Culture, Sport and Recreation	Unqualified	Qualified	Qualified	Unchanged
Department of Human Settlements	Unqualified	Unqualified	Unqualified	Unchanged
Mpumalanga Gambling Board	Unqualified with no findings	Unqualified with no findings	Unqualified with no findings	Unchanged
Mpumalanga Economic Growth Agency	Qualified	Disclaimed	Qualified	Partial Improvement
Mpumalanga Regional Training	Qualified	Unqualified	Unqualified	Unchanged

DEPARTMENT / PUBLIC ENTITY	2014/15	2015/16	2016/17	MOVEMENT
Trust				
Mpumalanga Tourism Parks Agency	Qualified	Qualified	Qualified	Unchanged
Mpumalanga Liquor Authority	N/A	Adverse	Unqualified	Improvement

In terms of municipal audit outcomes in the 2016/17 financial year three (3) of the twenty-one (21) Municipalities received unqualified opinions without any matters, eight (8) were unqualified, eight (8) qualified and two (2) received disclaimers. Municipalities' audit outcomes indicate an improvement over the last three years as indicated in the table below.

Table 2: Municipalities Audit Outcomes

MUNICIPALITY	2014/15	2015/16	2016/17	MOVEMENT
Gert Sibande	Unqualified	Qualified	Unqualified	Improvement
Chief Albert Luthuli	Unqualified	Qualified	Unqualified	Improvement
Msukaligwa	Disclaimer	Qualified	Qualified	Unchanged
Mkhondo	Qualified	Qualified	Qualified	Unchanged
Dr Pixley Ka Isaka Seme	Unqualified	Unqualified	Unqualified	Unchanged
Lekwa	Unqualified	Unqualified	Unqualified	Unchanged
Dipaleseng	Unqualified	Unqualified	Unqualified	Unchanged
Govan Mbeki	Unqualified	Unqualified	Unqualified	Unchanged
Nkangala	Unqualified with no findings	Unqualified with no findings	Unqualified with no findings	Unchanged
Victor Khanye	Qualified	Qualified	Qualified	Unchanged
Emalahleni	Disclaimer	Disclaimer	Qualified	Partial Improvement
Steve Tshwete	Unqualified	Unqualified with no findings	Unqualified	Regression
Emakhazeni	Disclaimer	Qualified	Qualified	Unchanged

MUNICIPALITY	2014/15	2015/16	2016/17	MOVEMENT
Thembisile Hani	Qualified	Qualified	Unqualified	Improvement
Dr J S Moroka	Qualified	Qualified	Qualified	Unchanged
Ehlanzeni	Unqualified with no findings	Unqualified with no findings	Unqualified with no findings	Unchanged
Thaba Chweu	Disclaimer	Disclaimer	Disclaimer	Unchanged
Mbombela	Unqualified	Unqualified	Unqualified	Unchanged
Umgindi	Unqualified	Unqualified	N/A	N/A
Bushbuckridge	Qualified	Unqualified	Unqualified	Unchanged
Nkomazi	Unqualified	Unqualified	Unqualified	Unchanged

MPAT

The following table depicts the scores for MPAT 1.6 with a year-on-year comparison with MPAT 1.5 scores:

KPA 1: Strategic Management	1.5	1.6
1.1.1 Strategic Planning Alignment	4	NA
1.1.1 B. Strategic Plans phase in standard	4	4
1.1.2 Annual Performance Plans	4	NA
1.1.2 B. Annual Performance Plans	4	4
1.3.1 Use of monitoring and evaluation outputs	2	2
1.3.2 Evaluation	1	2
1.3.3 Planning of Implementation Programmes	1	1
KPA 2: Governance and Accountability	1.5	1.6
2.1.1 Service Delivery improvement mechanisms	4	3

2.2.1 Functionality of management structures	4	4
2.3.2 Assessment of accountability mechanism (Audit Committee)	4	4
2.4.1 Assessment of policies and systems to ensure professional ethics	3	2.5
2.4.2 Fraud prevention	2.5	3
2.5.1 Assessment of internal audit arrangements	4	4
2.6.1 Assessment of risk management arrangements	4	3
2.8.1 Corporate Governance of ICT	2	1
2.10.1 Promotion of Access to Information (PAIA)	4	4
2.11.1. Promotion of Administrative Justice Act (PAJA)	1	4
KPA 3: Human Resource Management	1.5	1.6
3.1.1 Human Resource Planning	3	3
3.1.2 Organisational Design and Implementation	2.5	1
3.1.3 Assessment of Human Resources Development	2.5	2.5
3.2.2 Application of recruitment and retention processes	2.5	3
3.2.4 Management of diversity	2.5	2.5
3.2.5 Management of Employee Health	2	2
3.2.6 Approved EA and HOD delegations – PSA and PSR	2	2
3.3.1 Implementation of Level 1-12 Performance Management System	2	2
3.3.2 Implementation of SMS Performance Management System	2	2
3.3.3 Implementation of Performance Management System for HOD	2	2
3.4.2 Management of disciplinary cases	3	3

KPA 4: Financial Management	1.5	1.6
4.1.1 Demand management	3	2
4.1.2 Acquisition management	4	2
4.1.3 Logistics management	3	3
4.1.4 Disposal management	2	2
4.2.1 Management of cash flow and expenditure	2.5	4
4.2.2 Payment of suppliers	3	2
4.2.3 Management of Unauthorized, irregular, fruitless and wasteful expenditure	4	4
4.2.4 Pay roll certification	4	4
4.2.5 Approved HOD delegations for financial administration - PFMA	4	4

The Provincial Treasury developed and implemented an improvement plan and progress is monitored on a monthly basis. The improvement plans focuses on all areas where the score was less than four (4). The improvement plan is also discussed on Management meetings of the Provincial Treasury and possible challenges are identified and addressed.

1.1 Performance Delivery Environment

The Provincial Treasury **Administration Programme** remains consistent in its approach to improve the organisational environment through performance excellence and addressing challenges within. It continues to make concerted effort to ensure that the structure is appropriate for achieving the organisation's strategic objectives and those of government at large. Key focus areas within the Programme include:

- Providing of policy and political directives to achieve provincial objectives;
- Translation of policies and priorities into strategies for effective service delivery;
- Executing credible budget process to ensure sound financial and supply chain management; and
- Providing of effective and efficient audit services.

Whilst the rationale is understood and supported, the reality is that the moratorium on the filling of vacant posts in the Mpumalanga Provincial Government has had a toll on the Provincial Treasury. The planning of targets for the next year were done in line with the principle that more had to be done with less resources.

The **Sustainable Resource Management Programme** aims to efficiently and effectively manage fiscal resources towards achieving inclusive growth and improving living standards.

The challenge in allocations in the previous years is the late finalisation of the budget numbers and this affect reviewal of the documents and thus compromising quality of budget documents for tabling. The Programme also reviews expenditure reports submitted by departments monthly and provide feedback in cases of gaps. Departments submit these reports without proper narratives on deviations from set projections and thus compromise Provincial Treasury's analysis. The Programme will strengthen this area of work and ensure that the necessary capacity is in place.

Own Revenue Generation

Over the years revenue collection was neglected, resulting in minimal growth of the Provincial own revenue. The major collecting departments have been under collecting in terms of own revenue. To address this challenge, a target of **4.2 billion rand is set for** revenue collection in the medium-term, this will require Departments and Public entities to improve collection capacity; improve debt recovery and explore new revenue streams. There is also a need to introduce new reforms such as possible revenue retention by departments that exceed set targets.

The Programme will continue to support Provincial Departments in maximizing collection and generation of own revenue through quarterly training workshops, revenue forums and monitoring of cash offices. Benchmarking exercises with other provinces have been concluded. Attention will continue to be given to major collecting departments to grow the own revenue base. The motor vehicle tariffs are gradually being increased (Road Traffic Act Fees).

In order to improve public confidence and transparency in municipal budgeting and reporting, all municipalities with effect from 1 July 2017 will implement the Municipal Standard Chart of Accounts. The introduction of this common reporting system will ensure consistency in financial information disseminated for public consumption, making it easier for communities to hold all spheres of government accountable for spending of public funds.

The financial viability of some municipalities remains an area of concern. The cash flow status of these municipalities contributed to the increase of outstanding creditors and escalation of consumer debtors. Support programmes have been developed to assist these municipalities with improvement of cash flow management, revenue management, expenditure management, SCM, contract management and asset management.

The Technical Committee on Finance at a National level has identified six game changers, which are Revenue Management, Supply Chain Management, and Asset Management, Funded budget, mSCOA and Audit support for Local Government. Subsequent to the approval of these game changers National Treasury extended the Municipal Finance Support Programme for Provincial Treasury and municipalities with regard to support for the implementation of the game changers. Additional to the National support, Provincial Treasury has appointed a panel of 35 expert consultants to further assist the Provincial Treasury to support the implementation of the game changers.

Good governance cannot be treated as an afterthought if we want to improve the quality of services and public accountability. Ultimately, a clean administration lies in the heart of the State capacity to deliver reliable basic services to our people. It is in this context that we welcome the observation of

the Auditor General of South Africa, Mr Kimi Makwetu in the 2014/15 General Report that the audit outcomes of municipalities in Mpumalanga were amongst other provinces that have shown momentum in the right direction.

To build on this progress, we will support other municipalities to reach the levels of Ehlanzeni and Nkangala Districts, as well as Steve Tshwete municipality, which remain shining examples when it comes to clean audit outcomes. Support for municipalities on the improvement of Standard Operating Procedures is one of the priority areas.

The Programme analyses departmental submissions on infrastructure plans as well as reports on status of delivery of the same. There are still challenges with planning as projects are not implemented as planned and there are times where projects are only identified during the year, which results in failure to implement those. Different infrastructure reports from the same Departments reflects different information compromises on the credibility of those reports. Analysis reports are provided to departments in an attempt to improve these reporting challenges. The Programme will continue to support and monitor the delivery of infrastructure by Provincial Departments, in line with the Infrastructure Delivery Improvement System (IDMS).

The **Assets and Liabilities Management Programme** supports all government priorities by monitoring the utilisation of resources allocated to Provincial Departments, Public Entities and Municipalities. The Programme is responsible for supply chain, assets and liabilities management and the management of the transversal systems and information technology in Provincial Departments.

The past five years' (2012-2017) focus was on improving compliance to reporting provisions as set out by National Treasury including on monitoring the payment of suppliers within 30 days, rotation of SCM practitioners, particularly in Departments and Public Entities, vetting of officials working in SCM, training of practitioners in all spheres of government and creation and establishment of bid committees.

There has been improvement with regard to compliance on the submission of reports, which includes procurement plans, and the 30 days' payment of suppliers after receipt of valid invoices. The votes, public entities and municipalities are regularly submitting their procurement plans to the Provincial Treasury enable monitoring and support on a monthly basis. There is a reporting mechanism of escalating any non-compliance to the highest authority when required.

Similarly, there is improvement in the payment of suppliers within 30 days after receipt of an invoice; however, there are challenges in the Department of Health, Mpumalanga Economic Growth Agency, Thaba Chweu, Emalahleni, Msukaligwa, Mkhondo and Lekwa Local Municipalities, as they are still not paying within specified timelines, which add cash flow constraints annual to the allocated budgets. The Provincial Treasury established a *Help Desk* to follow up on invoices not paid on time on behalf of the suppliers. A Centralised Suppliers Database (CSD) was introduced on 1 April 2016, to improve accessibility to Government procurement through centralised registration and work towards efficient and effective procurement

There is a need for the Provincial Treasury to improve its systems to enhance the support to Provincial Departments, Municipalities and Public Entities on sound financial and administrative management, efficient and effective management and operations systems and procurement systems that deliver value for money. For the coming year the focus will be on capacity building to improve the skills on procurement processes, the application of the Preferential Procurement regulations, asset and inventory management.

An analysis of the audit outcomes indicated Provincial Treasury, line departments and Municipalities experienced challenges with the design of IT controls in the focus areas of IT governance, security management, user access management and IT service continuity, and therefore more focused support will be provided.

Training will be provided to all ICT staff supporting critical network security infrastructure and to the rest of government employees to be more security aware. The Programme will ensure the fighting of cybercrime by keeping systems patched, data encrypted, use two-factor authentication for everything and have alerts to detect suspicious behavior in the network.

The Programme has developed plan of action to improve the audit outcomes through monitoring, supporting and providing capacity building focusing on asset management, supply chain management, contract management and managing of irregular expenditure.

The **Financial Governance Programme** serves to facilitate, monitor, support and provide professional advice to ensure good governance in the Province.

The Programme will continue to assist Votes, Public Entities and Municipalities with regards to completeness of Annual Financial Statements and capacity building focusing on GRAP and the Modified Cash Standards. The Norms and Standards Unit will review the risk registers, improvement plans for completeness, and content analysis will be performed to provide recommendations to enhance the effectiveness of internal controls. The Provincial Internal and Risk Management Units will support stakeholders in the Province to improve the systems of internal audit and risk management to ensure value add.

1.2 Organisational Environment

Provincial Treasury has an initial approved organogram with 433 posts. After the introduction of PERSAL clean-up and the moratorium on the filling of posts, the Provincial Treasury now has an approved establishment of 285 posts and 285 of these posts were filled. A Provincial moratorium on the filling of posts is being implemented.

Organisational Summary

Programmes	Number of Posts	Number of Funded Posts	Number of Posts Filled	Number of funded vacant posts	Vacancy Rate on funded posts %	Number of Posts Filled additional to the Establishment
Programme 1	120	120	118	2	1.7	39
Programme 2	47	47	46	1	2.1	03
Programme 3	94	94	91	3	3.2	0
Programme 4	30	30	30	0	0	0
Total	291	291	285	6	2.1	42

Total number of interns (27), Contract Cleaners (12) and Municipal Specialists (3) = 42, thus the vacancy rate is at 2.1 per cent with an occupancy rate of 68.5 per cent.

Total Staff compliment excluding Contract Workers i.e. Cleaners, Interns, and Municipal Specialists = 285 and the overall number =327, thus the vacancy rate is at 2.1 per cent with an occupancy rate of 65.8 per cent. Calculated on the funded posts.

Permanent members = **285**. The **overall vacancy rate is at 2.1%** and therefore **within the 10% benchmark** as set by the DPSA. The **overall vacancy rate is at $(6/285 \times 100 = 2.1\%)$** as a result of the six vacant and active posts which were identified as critical to appoint officials to act in higher positions. The other vacant positions were abolished as per the moratorium and therefore **within the 10% benchmark** as set by the DPSA.

REVISIONS TO LEGISLATIVE AND OTHER MANDATES

Processes for amending the Mpumalanga Regulations Amendment Bill, 2016 are under way. The Bill seeks to amend the regulation of bingo gambling levies as contained in the Mpumalanga Gambling Levies Regulations, 2010, as amended.

OVERVIEW OF 2018/19 BUDGET AND MTEF ESTIMATES

4.1 Expenditure Estimates

Table 1: Provincial Treasury

Programme	Audited Outcomes			Adjusted appropriation	Revised estimate	Medium-Term Expenditure Estimate		
R Thousand	2014/15	2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
1.Administration	76 153	79 733	89616	83 267	84 169	95 929	104 135	110 448
2.Sustainable Resource Management	57 690	52 830	43 135	52 614	51 069	58 395	52 302	56 223
3.Assets & Liabilities Management	109 400	110 577	125 596	128 041	128 568	135 457	140 163	145 501
4.Financial Governance	32 086	29 951	27 923	26 023	26 139	32 925	29 450	31 663
Sub-Total	275 329	273 091	286 270	289 945	289 945	322 706	326 050	343 835
Direct Charge Against the Revenue Fund (Included in Programme 1)	-	-	-	-	-	-	-	-
Total	275 329	273 091	286 270	289 945	289 945	322 706	326 050	343 835
Economic Classification								
Current Payments	265 609	258 434	270 368	281 913	282 144	313 724	319 724	337 372
Compensation of Employees	142 059	151 406	162 714	164 962	166 562	193 630	194 041	209 313
Goods and Services of which	123 550	107 028	107 654	116 951	115 582	120 094	125 683	128 059
Administrative Fees	473	486	653	480	478	495	759	800
Advertising	1 605	2 005	1 003	1 331	1 328	1 160	1 223	1 307
Minor Assets	487	992	190	204	204	105	494	522
Audit Costs: External	5 009	4 667	3 772	4 959	4 837	5 487	6 605	6 708
Catering: Departmental Activities	894	577	426	666	654	509	906	955
Communication	4 110	3 873	4 466	3 632	3 642	3 594	4 679	4 936
Computer services	53 966	55 488	59 335	64 470	64 470	62 576	66 872	66 982
Consultants and prof services	13 462	4 519	531	10 371	8 854	12 262	1 439	1 507
Infrastructure Planning	-	-	-	-	-	-	-	-
Legal Fees	57	-	7	35	35	6	60	136
Contractors	922	1 221	832	82	82	-	-	-
Agency fees	-	-	69	5	75	247	402	424
Government Transport	1 269	1 174	1 335	1 413	1 228	1 320	2 226	2 348
Inventory: Food	-	-	-	-	-	-	-	-
Inventory Materials & Supply	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-
Consumable Supplies	1 397	1 140	1 236	1 016	1 016	1 240	1 273	1 342

Programme	Audited Outcomes			Adjusted appropriation	Revised estimate	Medium-Term Expenditure Estimate		
R Thousand	2014/15	2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
Consumable: Stationery	1 841	2 968	1 915	1 348	1 340	1 335	2 383	2 513
Operating Leases	7 311	6 181	6 542	6 211	6 211	7 467	8 394	8 430
Property Payments	3 214	3 829	3 698	2 915	2 915	3 428	4 008	4 144
Transport provided	86	3	18	25	13	14	78	82
Travel & subsistence	23 003	14 487	16 704	12 755	13 200	13 938	16 651	17 295
Training	1 770	1 689	2 513	2 929	2 885	3 311	3 865	4 078
Operating Payments	1 477	936	1 331	835	878	806	2 200	2 321
Venues	1 197	793	1 061	1 231	1 202	794	1 166	1 229
Rental and hiring	-	-	17	18	18	-	-	-
Transfers and Subsidies to:	6 646	3 580	2 463	930	699	1 251	605	638
Provinces and Municipalities	6 007	3 010	11	16	213	17	18	19
Departmental agencies and accounts	429	299	346	544	272	544	544	574
Households	210	271	2 106	173	214	690	43	45
Public corporation	-	-	-	-	-	-	-	-
Payment for Capital Assets:	3 070	11 065	13 436	7 102	7 102	7 731	5 721	5 825
Machinery & Equipment	2 989	9 940	13 384	7 102	7 102	7 731	5 721	5 825
Software and Other Intangible Assets	81	1 125	52	-	-	-	-	-
Payment for financial assets	4	12	3	-	-	-	-	-
Total	275 329	273 091	286 270	289 945	289 945	322 706	326 050	343 835

The Provincial Treasury's budget has increase by 11.3 percent for the 2018/19 financial year when compared to the previous year.

Table 2: Summary of departmental transfers to local government by category

R thousand	Outcome			Main Appropriation	Adjusted Appropriation 2017/18	Revised Estimate	Medium-Term Estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Category A	-	-	-	-	-	-	-	-	-
Category B	7	10	11	16	213	213	17	18	19
Category C	6 000	3 000	-	-	-	-	-	-	-
Total departmental transfers to local government	6 007	3 010	11	16	213	213	17	18	19

3.2 Relating expenditure trends to strategic outcome oriented goals

The Provincial Treasury supports all government priorities as the Provincial Treasury monitors the usage of all resources allocated to Provincial Departments, Municipalities and Public Entities.

The Provincial Treasury is aligned to the national outcomes, provides support in terms of Outcome 9 and 12, and is not a lead Department.

Outcome 9: Responsive, accountable, effective and efficient local government

The National Development Plan envisages that by 2030 South Africa will be a state that is capable of playing a developmental and transformative role in such a way that benefits accrue across society with particular emphasis on the poor.

The NDP cautions that such a developmental state cannot materialise by decree, nor can it be legislated or waved into existence by declarations. It has to be consciously built and sustained, and this requires strong leadership.

Sub-Outcome 3: Sound financial and administrative management;

In support of this sub-outcome, the Provincial Treasury focuses on building capacity of the Budget and Treasury offices, reviews the financial sustainability of municipalities with no or extremely weak revenue bases and develops proposals on what needs to be done.

Outcome 12: An efficient, effective and development oriented public service.

The core objective is to put in place the mechanisms and structures that can support departments in developing their capacity and professional ethos while leaving departments with the ultimate authority for how their departments are managed.

As described in the NDP, there is unevenness in capacity that leads to uneven performance in the public service.

Sub-Outcome 4: Efficient and effective management and operations systems

A key intervention would be to work with service delivery departments to map business processes for services and to monitor and review operations. The focus will prioritise core services and transversal corporate functions including payment of suppliers within 30 days.

The Provincial Treasury will support promotion of greater and more consistent delegations in departments and public entities and support the implementation of guidelines and delegations. Such delegations will be accompanied by effective systems of support and oversight.

This includes areas such as financial management, supply chain management (SCM) and operational delegations. In each case, the Provincial Treasury will determine whether guidelines are needed or whether the existing policy framework is sufficient and the focus needs to shift to promoting more effective implementation by departments.

Sub-Outcome 5: Procurement systems that deliver value for money

The State's ability to purchase what it needs on time, at the right quality and for the right price is central to its ability to deliver on its priorities. The State needs procurement systems that are robust, transparent and sufficiently intelligent to allow for the different approaches that are suited to different forms of procurement, procurement systems that do not only focus on procedural compliance but also on delivering value for money. This requires strengthened supply chain management capacity and effective mechanisms for oversight and support in terms of:

- a) Differentiate between different forms of procurement to allow for strategic sourcing and different sourcing methodologies
- b) Capacity building and professionalising supply chain management
- c) Provide real-time operational support
- d) Ensure effective and transparent oversight
- e) Simplification of regulations and guidelines where necessary

Due to diminishing budgets, largely as a result of slow global economic recovery and tight fiscal environment, expenditure over the MTEF will be well contained. The Provincial Treasury will continue to implement cost containment measures and reduce spending items in non-core items in order to make funds available for activities that will impact on the strategic objectives.

PART B

PROGRAMME 1: ADMINISTRATION

This Programme is responsible for political, financial and administrative management of the Provincial Treasury. The Programme provides prompt, continuous, effective and efficient administrative support to all line functions in the Provincial Treasury.

5.1 Office of the MEC

5.1.1 Strategic Objective Annual Targets for 2018/19

Strategic Objective		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Provide policy and political directives in order to achieve provincial objectives	Provided priorities and strategic directives	Tabled Provincial and Departmental Policy and Budget Statements	Tabled 2 Provincial and 1 Policy and Budget Statement	Tabled 2 Provincial and 1 Policy and Budget Statement	Table 2 Provincial and 1 Policy and Budget Statement	Table 2 Provincial and 1 Policy and Budget Statement	Table 2 Provincial and 1 Policy and Budget Statement

5.1.2 Performance Indicators and Annual Targets for 2018/19

Programme Performance Indicator		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Number of Annual Reports tabled	1 Report	1 Report	1 Report	1 Report	1 Report	1 Report	1 Report
2.	Number of Appropriation Bills tabled	Tabled 3 Policy and Budget statements	2 Documents	2 Documents	2 Documents	2 Bills	2 Bills	2 Bills
3.	Number of Policy and Budget Statements tabled	N/A	1 Statement	1 Statement	1 Statement	1 Statement	1 Statement	1 Statement

5.1.3 Quarterly Targets for 2018/19

Performance Indicator		Reporting Period	Annual Target 2018/19	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
1.	Number of Annual Reports tabled	Annually	1 Report	N/A	1 report	N/A	N/A
2.	Number of Appropriation Bills tabled	Quarterly	2 Bills	N/A	N/A	1 Bill	1 Bill
3.	Number of Policy and Budget Statements tabled	Annually	1 Statement	1 Statement	N/A	N/A	N/A

5.2 Management Services: Office of the Head: Provincial Treasury

5.2.1 Strategic Objective Annual Targets for 2018/19

Strategic objective		Audited/Actual performance			Estimated performance 2017/18	Medium-term targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Translate policies and priorities into strategies for effective service delivery	Implemented priorities and strategic directives	Submitted legislative reports on implementation of strategic priorities and directives	Submitted legislative reports on implementation of strategic priorities and directives	Submit 5 legislative reports on implementation of strategic priorities and directives	Unqualified audit opinion	Unqualified audit opinion	Unqualified audit opinion

5.2.2 Performance Indicators and Annual Targets for 2018/19

Programme Performance Indicator		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Number of Performance reports submitted	Submitted 4 performance reports	Submitted 4 Performance Reports	4 Reports	4 Reports	4 Reports	4 Reports	4 Reports
2.	Number of Annual Reports submitted	Submitted 1 annual report	Submitted 1 Annual Report	1 Report	1 Report	1 Report	1 Report	1 Report
3.	Number of Annual Performance plans submitted	Submitted 1 Annual Performance plan	Submitted 1 Annual Performance plan	1 Plan	1 Plan	1 Plan	1 Plan	1 Plan
4.	Number of risk registers approved	1 Risk register	1 Risk register	1 Register	1 Register	1 Register	1 Register	1 Register

5.2.3 Quarterly Targets for 2018/19

Performance Indicator		Reporting Period	Annual Target 2018/19	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
1.	Number of Performance Reports submitted	Quarterly	4 Reports	1 Report	1 Report	1 Report	1 Report
2.	Number of Annual Reports submitted	Annually	1 Report	N/A	1 Report	N/A	
3.	Number of Annual Performance Plans submitted	Annually	1 Plan	N/A	N/A	N/A	1 Annual Performance Plan
4.	Number of Risk Registers approved	Annually	1 Risk Register	1 Risk Register	N/A	N/A	N/A
		Quarterly	4 Evaluation reports	1 Evaluation report	1 Evaluation report	1 Evaluation report	1 Evaluation report

5.3 Financial Management: Office of the Chief Financial Officer

5.3.1 Strategic Objective and Annual Targets 2018/19

Strategic Objective		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Provide sound Financial Management and Supply Chain Management services in Provincial Treasury	Sound Financial and Supply Chain Management services	Sound Financial and Supply Chain Management services	Provided 12 reports on sound Financial and Supply Chain Management services	Provide 12 reports on financial and governance compliance	Unqualified audit opinion	Unqualified audit opinion	Unqualified audit opinion

5.3.2 Performance Indicators and Annual Targets For 2018/19

Programme Performance Indicator		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Number of financial reports submitted in compliance with relevant legislations	12 In-Year-Monitoring reports	12 In-Year-Monitoring reports	12 In-Year-Monitoring reports	12 In-Year-Monitoring reports	12 In-Year-Monitoring reports	12 In-Year-Monitoring reports	12 In-Year-Monitoring reports
		1 set of Annual Financial Statements	1 set of Annual Financial	1 set of Annual Financial Statements	1 set of Annual Financial Statements	1 set of Annual Financial	1 set of Annual Financial Statements	1 set of Annual Financial Statements

Programme Performance Indicator		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
			Statements			Statements		
2.	Number of budget documents submitted in compliance with prescripts	4 Budget Documents	4 Budget documents in compliance with prescripts	2 Documents	2 Documents	2 Documents	2 Documents	2 Documents
3.	Percentage of suppliers paid within 30 days of receipt of valid invoices	100%	100%	100%	100%	100%	100%	100%

5.3.3 Quarterly Targets 2018/19

Performance Indicator		Reporting Period	Annual Target 2018/19	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
1.	Number of financial reports submitted in compliance with relevant legislations	Quarterly	12 In-Year-Monitoring reports	3 Reports	3 Reports	3 Reports	3 Reports
		Annually	1 set of Annual Financial Statements	1 set of Annual Financial Statements	N/A	N/A	N/A
2.	Number of budget documents submitted in compliance with prescripts	Quarterly	2 Documents	N/A	N/A	1 Budget Document	1 Budget Document
3.	Percentage of suppliers paid within 30 days of receipt of valid invoices	Quarterly	100%	100%	100%	100%	100%

5.4 Internal Audit

5.4.1 Strategic Objective Annual Targets for 2018/19

Strategic Objective		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Provide efficient and effective internal audit services in Provincial Treasury	Implemented the approved audit plan	Implemented the approved audit plan	Implemented approved audit plan	1 Approved Audit Plan	1 Approved Audit Plan	1 Approved Audit Plan	1 Approved Audit Plan

5.4.2 Programme Performance Indicators and Annual Targets for 2018/19

Programme performance indicator		Audited/Actual performance			Estimated performance 2017/18	Medium-term targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Number of quarterly progress reports submitted on implementation of the audit plan	Submitted 4 quarterly progress reports	Submitted 4 quarterly progress reports	Submitted 4 quarterly progress reports on implementation of the audit plan	4 Reports	4 Reports	4 Reports	4 Reports

5.4.3 Quarterly Targets for 2018/19

Performance Indicator		Reporting Period	Annual Target 2018/19	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
1	Number of quarterly progress reports submitted on implementation of the audit plan	Quarterly	4 Reports	1 Report	1 Report	1 Report	1 Report

5.5 Reconciling Performance Targets with the Budget and MTEF

Expenditure Estimates: Programme 1: Administration

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
R thousand									
Member of Executive Council	1 548	-	-	-	-	-	-	-	-
Management Services	29 968	33 603	38 934	39 637	38 173	38 684	41 381	43 889	47 034
Financial Management	41 123	41 922	46 190	45 019	40 281	40 612	48 877	54 380	57 104
Internal Audit	3 514	4 208	4 492	4 904	4 813	4 873	5 671	5 866	6 310
Total	76 153	79 733	89 616	89 560	83 267	84 169	95 929	104 135	110 448

Economic classification: Programme 1: Administration

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Current payments	73 629	76 064	82 655	85 862	81 209	82 343	93 664	101 696	107 875
Compensation of employees	42 587	46 397	52 274	55 982	53 774	54 786	64 150	65 034	69 986
Goods and services	31 042	29 667	30 381	29 880	27 435	27 557	29 514	36 662	37 889
Transfers and subsidies to:	550	427	689	705	719	487	701	605	638
Provinces and municipalities	7	10	11	16	16	16	17	18	19
Departmental agencies and accounts	429	299	346	544	544	272	544	544	574
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	114	118	332	145	159	199	140	43	45
Payments for capital assets	1 972	3 242	6 272	2 993	1 339	1 339	1 564	1 834	1 935
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 972	3 242	6 220	2 993	1 339	1 339	1 564	1 834	1 935
Software and other intangible assets	-	-	52	-	-	-	-	-	-
Payment of financial assets	2	-	-	-	-	-	-	-	-
Total	76 153	79 733	89 616	89 560	83 267	84 169	95 929	104 135	110 448

The Programmes budget has increase by 7.1 percent for the 2018/19 financial year when compared to the previous year.

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

The programme promotes optimal and effective Provincial resource allocation and utilization, efficient Provincial budget management. The Programme also assists with accurate financial reporting on Provincial revenue generation and maximization. It is also within the programme to enhance planning; implementation and management of infrastructure by Provincial Departments and Municipalities, and lastly, it provide technical support to delegated Municipalities on the implementation of the MFMA.

6.1 Provincial Administration Fiscal Discipline

6.1.1 Strategic Objective Annual Targets for 2018/19

Strategic Objective		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Support provincial Votes and Public Entities to maximise sustainable revenue generation and collection	Supported and monitored 12 Votes in terms of revenue management	Supported and Monitored 12 Votes in terms of revenue management	Support and Monitor 12 Votes in terms of revenue management	Support and Monitor 12 Votes and 4 Public Entities in terms of revenue management	Support and Monitor 12 Votes and 4 Public Entities in terms of revenue management	Support and Monitor 12 Votes and 4 Public Entities in terms of revenue management	Support and Monitor 12 Votes and 4 Public Entities in terms of revenue management

6.1.2 Performance Indicators and Annual Targets for 2018/19

Programme Performance Indicator		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Number of Provincial Tariff registers updated	1 Register	1 Register	1 Register	1 Register	1 Register	1 Register	1 Register
2	Number of consolidated revenue reports compiled	12 Reports	12 Reports	12 Reports	12 Reports	12 Reports	12 Reports	12 Reports
3	Number of Financial Statements on Provincial Revenue Fund prepared	1 Set	1 Set	1 Set	1 Set	1 Set	1 Set	1 Set
4	Number of Votes and Public Entities debt reports analysed	New Performance Indicator	12 Votes	12 Votes	12 Votes 4 Public Entities	12 Votes 4 Public Entities	12 Votes 4 Public Entities	12 Votes 4 Public Entities

6.1.3 Quarterly Targets for 2018/19

Performance Indicator		Reporting Period	Annual Target 2018/19	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
1.	Number of Provincial Tariff registers updated	Annually	1 Register	N/A	1 Register	N/A	N/A
2.	Number of Consolidated Revenue reports compiled	Quarterly	12 Reports	3 Reports	3 Reports	3 Reports	3 Reports
3.	Number of Financial Statements on Provincial Revenue Fund prepared	Annually	1 Set	N/A	1 Set	N/A	N/A
4.	Number of Votes and Public Entities Debt Reports analysed	Quarterly	12 Votes 4 Public Entities	12 Votes 4 Public Entities	12 Votes 4 Public Entities	12 Votes 4 Public Entities	12 Votes 4 Public Entities

6.2 Sub-programme: Budget and Expenditure Management

6.2.1 Strategic Objective Annual Targets for 2018/19

Strategic Objective		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Allocation of provincial budget and monitoring the implementation	Prepared budget and provided support and monitor 13 Votes through budget and strategic plan guides and updating Votes about reforms	Prepared budget and provided supported and monitored 13 Votes in respect of budget and budget implementation	13 Votes	13 Votes	13 Votes	13 Votes	13 Votes

6.2.2 Performance Indicators and Annual Targets for 2018/19

Programme Performance Indicator		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Number of Estimates of Provincial Revenue Expenditure documents	2 Documents	2 Documents	2 Documents	2 Documents	2 Documents	2 Documents	2 Documents

Programme Performance Indicator		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
	compiled							
2	Number Of Appropriation Bills compiled	2 Bills	2 Bills	2 Bills	2 Bills	2 Bills	2 Bills	2 Bills
3.	Number of consolidated Provincial In-Year-Monitoring reports submitted	12 Reports	12 Reports	12 Reports	12 Reports	12 Reports	12 Reports	12 Reports

6.2.3 Quarterly Targets for 2018/19

Performance Indicator		Reporting Period	Annual Target 2018/19	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
1.	Number of Estimates of Provincial Revenue Expenditure documents compiled	Bi-annually	2 Documents	N/A	N/A	1 Document	1 Document
2	Number of Appropriation Bills compiled	Bi-annually	2 Bills	N/A	N/A	1 Bill	1 Bill
3	Number of consolidated Provincial In-Year-Monitoring reports submitted	Quarterly	12 Consolidated Reports	3 Reports	3 Reports	3 Reports	3 Reports

6.3 Sub-Programme: Municipal Finance

6.3.1 Strategic Objective Annual Targets for 2018/19

Strategic Objective		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1	Provide support and monitor Municipalities on the implementation of the MFMA	Provide support and monitor 20 Municipalities on the implementation of the MFMA	Provide support and monitor 20 Municipalities on the implementation of the MFMA	20 Municipalities	19 Municipalities	20 municipalities	20 municipalities	20 municipalities

6.3.2 Performance Indicators and Annual Targets for 2018/19

Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
	2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1. Number of consolidated municipal budget statements published and submitted to Provincial Legislature	Compiled 4, published 4 and submit 3 quarterly consolidated municipal budget statements to Provincial Legislature	Compiled, published and submit 4 quarterly consolidated municipal budget statements to the Provincial Legislature	4 budget statements	4 budget statements	4 budget statements	4 budget statements	4 budget statements
2. Number of annual draft municipal budgets analysed	20 analysed draft budgets reports and feedback provided	Analysed 20 draft budgets and provide feedback	Analyse 20 draft budgets and provide feedback	Analyse 19 draft budgets and provide feedback	Analyse 19 draft budgets and provide feedback	Analyse 19 draft budgets and provide feedback	Analyse 19 draft budgets and provide feedback
3. Number of Mid-Year Budget and Performance Assessment Engagements	Coordinate 1 LGMTEC engagement	1 Consolidated engagement feedback report	20 Municipalities	19 Municipalities	20 municipalities	20 municipalities	20 municipalities
4. Number of consolidated Municipal In-Year-Monitoring reports submitted (Section 71 of MFMA)	12 reports	12 reports	12 reports	12 reports	12 reports	12 reports	13 reports
5. Number of municipalities supported to improve revenue management and debt collection	New indicator	New indicator	New indicator	8 Municipalities	6 Municipalities	4 Municipalities	6 4 Municipalities
6. Number of municipalities monitored on implementation of Audit Response Plan based on the 2016/17 audit outcomes	New indicator	New indicator	New indicator	19 Municipalities	13 Municipalities	13 Municipalities	13 Municipalities
7. Number of municipalities supported on implementation of Audit Action Plans	New indicator	New indicator	New indicator	7 Municipalities	7 Municipalities	7 Municipalities	7 Municipalities

6.3.3 Quarterly Targets for 2018/19

Performance Indicator		Reporting Period	Annual Target 2018/19	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
1.	Number of consolidated municipal budget statements published and submitted to Provincial Legislature	Quarterly	4 budget statements	1 budget statement	1 budget statement	1 budget statement	1 budget statement
2.	Number of Annual Draft Municipal Budgets analysed	Annually	19 draft budgets	19 draft budgets	N/A	N/A	N/A
3.	Number of Mid-Year Budget and Performance Assessment Engagements	Annually	19 municipalities	N/A	N/A	N/A	20 municipalities
4.	Number of consolidated Municipal In-Year-Monitoring reports submitted (Section 71 of MFMA)	Quarterly	12 consolidated reports	3 reports	3 reports	3 reports	3 reports
5.	Number of municipalities supported to improve revenue management and debt collection	Quarterly	6 Municipalities	N/A	3 Municipalities	3 Municipalities	N/A
6.	Number of municipalities monitored on implementation of Audit Response Plan based on the 2016/17 audit outcomes	Quarterly	13 municipalities	13 municipalities	13 municipalities	13 municipalities	N/A
7.	Number of municipalities supported on implementation of Audit Action Plans	Quarterly	7 Municipalities	7 Municipalities	7 Municipalities	N/A	N/A

6.4 Sub-Programme: Infrastructure Coordination

6.4.1 Strategic Objective Annual Targets for 2018/19

Strategic Objective		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Coordinate the delivery of Infrastructure in the Province.	Provide support and monitor 7 infrastructure Departments and 3 District Municipalities.	Provide support and monitor 7 infrastructure Departments and 3 District Municipalities.	Provide support and monitor 6 infrastructure Departments	Provide support and monitor 6 infrastructure Departments	Provide support and monitor 6 infrastructure Departments	Provide support and monitor 6 infrastructure Departments	Provide support and monitor 6 infrastructure Departments

6.4.2 Performance Indicators and Annual Targets for 2018/19

Programme Performance Indicator		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Number of Infrastructure Reporting Model analysis reports provided.	100%	72 Reports	12 Reports	12 Reports	12 Reports	12 Reports	12 Reports
2.	Number of User Asset Management plan analysis provided	6 Draft and 7 Final Plans	6 Draft and 7 Final Plans	6 Plans	6 Plans	6 Plans	6 Plans	6 Plans

6.4.3 Quarterly Targets for 2018/19

Performance Indicator		Reporting Period	Annual Target 2018/19	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
1.	Number of Infrastructure Reporting Model analysis reports provided	Quarterly	12 Reports	3 Reports	3 Reports	3 Reports	3 Reports
2.	Number of User Asset Management plan analysis provided	Annually	6 Plans	N/A	6 Plans	N/A	N/A

6.5 Reconciling Performance Targets with the Budget and MTEF

Expenditure Estimates: Programme 2: Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17				2018/19	2019/20	2020/21
Programme Support	1 696	1 614	1 453	1 767	1 522	1 522	1 666	1 995	2 144
Economic Analysis	-	-	-	-	-	-	-	-	-
Provincial Administration Fiscal Discipline	7 267	14 138	8 929	9 109	9 207	9 299	10 515	10 913	11 757
Budget and Expenditure Management	8 644	8 914	9 381	10 031	9 902	9 767	11 760	11 641	12 541
Municipal Finance	36 563	24 448	19 460	27 398	27 678	26 317	29 474	22 511	24 141

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Infrastructure Co-ordination	3 520	3 716	3 912	4 309	4 164	4 164	4 980	5 242	5 640
Total	57 690	52 830	43 135	52 614	52 614	51 069	58 395	52 302	56 223

Economic Classification: Programme 2: Sustainable Resource Management

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Current payments	51 690	44 625	43 132	52 614	52 415	50 870	58 388	52 302	56 223
Compensation of employees	36 137	37 853	38 364	40 209	38 249	38 249	44 266	44 982	48 580
Goods and services	15 553	6 772	4 768	12 405	14 166	12 621	14 122	7 320	7 643
Transfers and subsidies to:	6 000	3 051	-	-	199	199	7	-	-
Provinces and municipalities	6 000	3 000	-	-	197	197	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	51	-	-	2	2	7	-	-
Payments for capital assets	-	5 143	-	-	-	-	-	-	-
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	5 143	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	11	3	-	-	-	-	-	-
Total	57 690	52 830	43 135	52 614	52 614	51 069	58 395	52 302	56 223

The Programmes budget has increase by 11.0 percent for the 2018/19 financial year when compared to the previous year.

PROGRAMME 3: ASSETS AND LIABILITIES MANAGEMENT

The Programme is responsible for the monitoring and support on Assets, Liabilities, Provincial Supply Chain management, Transversal Systems as well as the provisioning of Information Technology Services to Departments, Public Entities and Municipalities in Mpumalanga Province.

7.4 Sub-programme: Provincial Supply Chain Management (PSCM)

7.4.1 Strategic Objective Annual Targets for 2018/19

Strategic Objective		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Monitor the implementation of Supply Chain Management framework	12 Votes, 21 Municipalities and 4 Public Entities	12 Votes, 21 Municipalities and 4 Public Entities	12 Votes, 20 Municipalities and 5 Public Entities	12 Votes, 20 Municipalities and 4 Public Entities	12 Votes, 20 municipalities and 4 Public Entities	12 Votes, 20 municipalities and 4 Public Entities	12 Votes, 19 Municipalities and 4 Public Entities

7.4.2 Programme Performance Indicators and Annual Targets for 2018/19

Programme Performance Indicator		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Number of votes, municipalities and public entities monitored on implementation of procurement plans.	4 reports	12 Votes, 21 Municipalities and 4 Public Entities	12 Votes, 20 Municipalities and 5 Public Entities	12 Votes, 19 Municipalities and 4 Public Entities	12 Votes, 20 municipalities and 4 Public Entities	12 Votes, 20 municipalities and 4 Public Entities	12 Votes, 20 municipalities and 4 Public Entities
2.	Number of votes, municipalities and public entities monitored on timeous payments to contracted service providers	New Indicator	New Indicator	New Indicator	New Indicator	12 Votes, 20 municipalities and 4 Public Entities	12 Votes, 20 municipalities and 4 Public Entities	12 Votes, 20 municipalities and 4 Public Entities
3.	Number of votes and municipalities monitored on contract management	New Indicator	New Indicator	New Indicator	New Indicator	3 Votes and 7 Municipalities	3 Votes and 7 Municipalities	3 Votes and 7 Municipalities

7.4.3 Quarterly Targets for 2018/19

Performance Indicator		Reporting Period	Annual Target 2018/19	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
1.	Number of votes, municipalities and public entities monitored on implementation of procurement plans.	Quarterly	12 Votes, 19 Municipalities and 4 Public Entities	12 Votes, 19 Municipalities and 4 Public Entities	12 Votes, 20 municipalities and 4 Public Entities	12 Votes, 20 municipalities and 4 Public Entities	12 Votes, 20 municipalities and 4 Public Entities
2.	Number of votes, municipalities and public entities monitored on timeous payments to contracted service providers	Quarterly	12 Votes, 19 Municipalities and 4 Public Entities	12 Votes, 19 Municipalities and 4 Public Entities	12 Votes, 20 municipalities and 4 Public Entities	12 Votes, 20 municipalities and 4 Public Entities	12 Votes, 20 municipalities and 4 Public Entities
3.	Number of votes and municipalities monitored on contract management	Quarterly	3 Votes and 7 Municipalities	3 Votes and 7 Municipalities	3 Votes and 7 Municipalities	3 Votes and 7 Municipalities	3 Votes and 7 Municipalities

7.5 Sub-programme: Public Sector Liabilities Management

7.5.1 Strategic Objective Annual Targets for 2018/19

Strategic Objective		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Provide support to comply with relevant legislation on liabilities management	Monitor and support 12 Votes, 21 Municipalities and 4 Public Entities	12 Votes, 21 Municipalities and 3 Public Entities	12 Votes, 20 Municipalities and 5 Public Entities	12 Votes, 20 Municipalities and 4 Public Entities	12 Votes, 7 Municipalities and 4 Public Entities	12 Votes, 20 municipalities and 4 Public Entities	12 Votes, 20 municipalities and 4 Public Entities

7.5.2 Programme Performance Indicators and Annual Targets for 2018/19

Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
	2014/15	2015/16	2016/17		2018/19	2019/20	2020/21

Programme Performance Indicator		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Number institutions monitored on the implementation of GRAP standards for liabilities	48 Reports	12 Votes, 21 Municipalities and 3 Public Entities	12 Votes, 20 Municipalities and 5 Public Entities	47 feedback reports	12 Votes 7 Municipalities 4 Public Entities	12 Votes 9 Municipalities 4 Public Entities	12 Votes 10 Municipalities 4 Public Entities

7.5.3 Quarterly Targets for 2018/19

Performance Indicator		Reporting Period	Annual Target 2018/19	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
1.	Number institutions monitored on the implementation of GRAP standards for liabilities	Quarterly	12 Votes 7 Municipalities 4 Public Entities	7 Municipalities	12 Votes and 2 Public Entities	12 Votes and 2 Public Entities	7 Municipalities

7.6 Sub-Programme: Physical Asset Management

7.6.1 Strategic Objective Annual Targets for 2018/19

Strategic Objective		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Provide support to comply with asset management framework	12 Votes, 21 Municipalities and 4 Public Entities	12 Votes, 21 Municipalities and 4 Public Entities	12 Votes 5 Public Entities 20 Municipalities	12 Votes 4 Public Entities 20 Municipalities	12 Votes, 6 Municipalities and 2 Public Entities	12 Votes, 6 Municipalities and 2 Public Entities	12 Votes, 9 Municipalities and 3 Public Entities

7.6.2 Programme Performance Indicators and Annual Targets for 2018/19

Programme Performance Indicator		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Number of Votes, Public Entities and Municipalities monitored and supported to comply	12 Votes, 21 Municipalities 4 Public Entities	12 Votes, 21 Municipalities and 4 Public Entities	4 Votes 2 Public Entities 9 Municipalities	4 Votes 2 Public Entities 9 Municipalities	6 Votes 6 Municipalities 2 Public Entities	6 Votes 9 Municipalities 2 Public Entities	5 Votes 9 Municipalities 3 Public Entities

Programme Performance Indicator		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
	with asset management framework							
2.	Number of votes supported on inventory management	Introduction to 12 Votes	Introduction to 12 Votes	Monitor implementation in 8 Votes	8 Votes	6 Votes	6 Votes	7 Votes

7.6.3 Quarterly Targets for 2018/19

Performance Indicator		Reporting Period	Annual Target 2018/19	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
1.	Number of Votes, Public Entities and Municipalities supported and monitored to comply with asset management framework	Quarterly	12 Votes 6 Municipalities 2 Public Entities	6 Votes 2 Public Entities 6 Municipalities	6 Votes 2 Public Entities	6 Votes 2 Public Entities 6 Municipalities	4 Votes 2 Public Entities 6 Municipalities
2.	Number of votes supported on inventory management	Quarterly	6 Votes		6 Votes		6 Votes

7.7 Sub-Programme: Interlinked Financial Systems

7.7.1 Strategic Objective Annual Targets for 2018/19

Strategic Objective		Strategic Plan Target	Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
			2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Provide business support on transversal systems	Improved operational efficiency in 13 Votes	12 Votes supported	12 Votes	12 Votes	12 Votes	12 Votes	12 Votes	12 Votes

7.7.2 Programme Performance Indicators and Annual Targets for 2018/19

Programme Performance Indicator		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Number of votes monitored on optimal utilisation of the Persal	New Indicator	New Indicator	New Indicator	New Indicator	12 Votes	12 Votes	12 Votes

Programme Performance Indicator		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
	and Logis							
	Number of Votes monitored on access security profiles	New Indicator	New Indicator	New Indicator	New Indicator	12 Votes	12 Votes	12 Votes

7.7.3 Quarterly Targets for 2018/19

Performance Indicator		Reporting Period	Annual Target 2017/18	Quarterly Targets			
				1 st	2 nd	3 rd	4 th
1.	Number of votes monitored on optimal utilisation of the Persal and Logis	Quarterly	12 Votes	12 Votes	12 Votes	12 Votes	12 Votes
2.	Number of Votes monitored on access security profiles	Quarterly	12 Votes	12 Votes	12 Votes	12 Votes	12 Votes

7.8 Sub-Programme: Information Technology

7.8.1 Objective Annual Targets for 2018/19

Strategic Objective		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Provide an enabling environment and systems for sound corporate governance of ICT in Mpumalanga Province	Provide ICT services to 12 Votes	12 Votes	IT systems: 12 Votes Governance Framework : 12 votes and 20 municipalities	IT systems: 12 Votes Governance Framework : 12 votes and 20 municipalities	IT systems: 12 Votes Governance Framework : 6 votes and 9 municipalities	IT systems: 12 Votes Governance Framework : 6 votes and 9 municipalities	IT systems: 12 Votes Governance Framework : 6 votes and 9 municipalities

7.8.2 Programme Performance Indicators and Annual Targets for 2018/19

Programme Performance Indicator		Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Percentage of Up-time of ICT Network infrastructure	95%	97.5%	95%	95%	95%	95%	95%
2.	Percentage of calls resolved	100%	99%	99%	99%	99%	99%	99%

Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2017/18	Medium-Term Targets		
	2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
3. Number of Votes and Municipalities monitored on IT Governance	12 Votes and 20 delegated Municipalities	12 Votes and 21 Municipalities	12 Votes and 20 Municipalities	12 Votes and 20 Municipalities	6 Votes and 9 Municipalities	6 Votes and 9 Municipalities	6 Votes and 9 Municipalities

7.8.3 Quarterly Targets for 2018/19

Performance indicator		Reporting period	Annual target 2018/19	Quarterly targets			
				1 st	2 nd	3 rd	4 th
1.	Percentage of Up-time of ICT Network infrastructure	Quarterly	95%	95%	95%	95%	95%
2.	Percentage of calls resolved	Quarterly	99%	99%	99%	99%	99%
3.	Number of Votes, Municipalities and Public Entities monitored on IT Governance	Quarterly	6 Votes and 9 Municipalities	6 Votes	9 Municipalities	6 Votes	9 Municipalities

7.9 Reconciling Performance Targets with the Budget and MTEF

Expenditure Estimates: Programme 3: Assets and Liabilities Management

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Programme Support	1 589	1 507	1 237	1 325	242	219	298	527	561
Provincial Supply Chain Management	16 845	15 270	16 056	16 010	15 904	15 870	18 301	21 077	22 635
Financial Assets Management	-	-	-	-	-	-	-	-	-
Public sector Liabilities	4 691	4 669	5 160	4 759	4 686	4 863	6 386	5 750	6 198
Physical assets Management	4 693	4 741	6 569	7 187	6 850	6 790	6 411	6 591	7 067
Interlinked Financial Systems	11 590	11 751	13 834	11 521	11 887	11 887	13 928	16 562	17 767
Information Technology	69 992	72 639	82 740	80 087	88 472	88 939	90 133	89 656	91 273
Total	109 400	110 577	125 596	120 889	128 041	128 568	135 457	140 163	145 501

Economic classification: Programme 3: Assets and Liabilities

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Current payments	108 204	109 078	116 702	118 057	122 266	122 792	128 765	136 276	141 611
Compensation of employees	45 556	47 600	50 541	53 926	52 078	52 604	59 360	59 945	64 741
Goods and services	62 648	61 478	66 161	64 131	70 188	70 188	69 405	76 331	76 870
Transfers and subsidies to:	96	102	1 730	-	12	13	525	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Universities and Technikons	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	96	102	1 730	-	12	13	525	-	-
Payments for capital assets	1 098	1 396	7 164	2 832	5 763	5 763	6 167	3 887	3 890
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 017	1 212	7 164	2 832	5 763	5 763	6 167	3 887	3 890
Software and other intangible assets	81	184	-	-	-	-	-	-	-
Payments for financial assets	2	1	-	-	-	-	-	-	-
Total	109 400	110 577	125 596	120 889	128 041	128 568	135 457	140 163	145 501

The Programmes budget has increase by 12.0 percent for the 2018/19 financial year when compared to the previous year.

PROGRAMME 4: FINANCIAL GOVERNANCE

This Programme serves to facilitate, monitor, support and provide professional advice to ensure good governance in the Province.

8.4 Sub-programme: Accounting Services

8.4.1 Strategic Objective Annual Targets for 2018/19

Strategic objective		Audited/Actual performance			Estimated performance 2017/18	Medium-term targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Provide advisory services, support and monitor public sector institutions in terms of accounting standards and financial statements to ensure accountability	12 Votes, 21 Municipalities and 4 Public Entities	12 Votes, 21 Municipalities and 4 Public Entities	12 Votes, 20 Municipalities and 5 Public Entities	12 Votes, 20 Municipalities and 4 Public Entities	12 Votes, 20 Municipalities and 4 Public Entities	12 Votes, 20 Municipalities and 4 Public Entities	12 Votes, 20 Municipalities and 4 Public Entities

8.4.2 Programme Performance indicators and annual targets for 2018/19

Programme performance indicator		Audited/Actual performance			Estimated performance 2017/18	Medium-term targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Number of Votes and Public Entities trained, advised and supported on accounting standards and financial statements	12 Votes, 21 Municipalities and 4 Public Entities	12 Votes and 4 Public Entities	12 Votes and 5 Public Entities	12 Votes and 4 Public Entities	12 Votes and 2 Public Entities	12 Votes and 4 Public Entities	12 Votes and 4 Public Entities
2.	Number of Votes and Public Entities received feedback on interim financial statements analysed	12 Votes	12 Votes	12 Votes	12 Votes and 3 Public Entities	12 Votes and 2 Public Entities	12 Votes and 3 Public Entities	12 Votes and 3 Public Entities
3.	Number of Municipalities supported and monitored on preparation of financial statements and audit processes	21 Municipalities	21 Municipalities	20 Municipalities	12 Municipalities	14 Municipalities	16 Municipalities	18 Municipalities

Programme performance indicator		Audited/Actual performance			Estimated performance 2017/18	Medium-term targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
4.	Number of consolidated annual financial statements for Votes and Public Entities tabled in the Provincial Legislature	1 set	1 set	1 set	1 set	1 set	1 set	1 set

8.4.3 Quarterly Targets for 2018/19

Performance indicator		Reporting period	Annual target 2018/19	Quarterly targets			
				1 st	2 nd	3 rd	4 th
1.	Number of Votes and Public Entities trained, advised and supported on accounting standards and financial statements	Bi-annually	12 Votes and 2 Public Entities	12 Votes and 2 Public Entities	8 Votes and 2 Public Entities	N/A	12 Votes
2.	Number of Votes and Public Entities received feedback on interim financial statements analysed	Bi-annually	12 Votes and 2 Public Entities	N/A	N/A	12 Votes and 2 Public Entities	N/A
3.	Number of Municipalities supported and monitored on preparation of financial statements and audit processes	Bi-annually	14 Municipalities	1 Municipality	4 Municipalities	9 Municipalities	N/A
4.	Number of consolidated annual financial statements for Votes and Public Entities tabled in the Provincial Legislature	Annually	1 set of consolidated annual financial statements	1 set of consolidated unaudited annual financial statements submitted to the Auditor General	1 set of consolidated annual financial statements submitted to the Auditor-General for auditing	1 set of consolidated Annual Financial Statements tabled in the Legislature	N/A

8.5 Sub-programme: Norms and Standards

8.5.1 Strategic Objective Annual Targets for 2018/19

Strategic objective	Audited/Actual performance			Estimated performance 2017/18	Medium-term targets		
	2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1. Improve the systems of internal controls in public sector institutions	Facilitate the completion of FMCMM in 12 Votes and 4 Public Entities and issue 2 analysis reports	Facilitate the completion of FMCMM in 12 Votes and 4 Public Entities and issue 2 analysis reports	12 Votes, 20 Municipalities and 5 Public Entities	12 Votes, 20 Municipalities and 4 Public Entities	12 Votes, 20 Municipalities and 4 Public Entities	12 Votes, 20 Municipalities and 4 Public Entities	12 Votes, 20 Municipalities and 4 Public Entities

8.5.2 Programme Performance Indicators and Annual Targets for 2018/19

Programme performance indicator		Audited/Actual performance			Estimated performance 2017/18	Medium-term targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Number of Votes monitored on the remedial action plans for Financial Management	New indicator	New indicator	New indicator	6 Votes	8 Votes	10 Votes	12 Votes
2.	Number of action plans analysed for completeness on audit findings for Votes and Public Entities	New indicator	New indicator	Action plans for 12 Votes, and 5 Public Entities	Action plans for 12 Votes and 4 Public Entities	Action plans for 12 Votes and 4 Public Entities	Action plans for 12 Votes and 4 Public Entities	Action plans for 12 Votes and 4 Public Entities
3.	Number of Votes and Public Entities monitored on audit findings action plans (Human Resource Management)	New indicator	4 Votes and 1 Public Entity	7 Votes and 2 Public Entities	5 Votes and 2 Public Entities	5 Votes and 2 Public Entities	5 Votes and 2 Public Entities	5 Votes and 2 Public Entities
4.	Number of action plans analysed for completeness on audit findings for Municipalities	New Indicator	New indicator	New indicator	Action plans for 20 Municipalities analysed	Action plans for 20 Municipalities	Action plans for 20 Municipalities	Action plans for 20 Municipalities
5.	Number of Municipalities monitored on implementation of audit findings action plans (Human Resource	N/A	New indicator	9 Municipalities	9 Municipalities	9 Municipalities	9 Municipalities	9 Municipalities

Programme performance indicator		Audited/Actual performance			Estimated performance 2017/18	Medium-term targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
	Management)							
6.	Number of risk assessment progress reports for Votes, Public Entities and Municipalities monitored	New indicator	New indicator	New indicator	New indicator	Risk assessment reports for 4 Votes, 2 Public Entities and 6 Municipalities	Risk assessment reports for 4 Votes, 2 Public Entities and 6 Municipalities	Risk assessment reports for 4 Votes, 2 Public Entities and 6 Municipalities

8.5.3 Quarterly Targets for 2018/19

Performance indicator		Reporting period	Annual target 2018/19	Quarterly targets			
				1 st	2 nd	3 rd	4 th
1.	Number of Votes monitored on the remedial action plans for Financial Management	Annually	8 Votes	N/A	3 Votes	3 Votes	2 Votes
2.	Number of action plans analysed for completeness on audit findings for Votes and Public Entities	Annually	Action plans for 12 Votes and 4 Public Entities	N/A	Action plans for 8 Votes and 2 Public Entities	Action plans for 4 Votes and 2 Public Entities	N/A
3.	Number of Votes and Public Entities monitored on audit findings action plans (Human Resource Management)	Quarterly	5 Votes and 2 Public Entities	2 Votes and 1 Public Entity	N/A	2 Votes and 1 Public Entity	1 Vote
4.	Number of action plans analysed for completeness on audit findings for Municipalities	Annually	Action plans for 20 Municipalities	N/A	N/A	N/A	Action plans for 20 Municipalities
5.	Number of Municipalities monitored on implementation of audit findings action plans (Human Resource Management)	Quarterly	9 Municipalities	4 Municipalities	2 Municipalities	3 Municipalities	N/A
6.	Number of risk assessment progress reports for Votes, Public Entities and Municipalities monitored	Quarterly	Risk assessment reports for 4 Votes, 2 Public Entities and 6 Municipalities	N/A	Risk assessment reports for 4 Votes and 2 Public Entities	Risk assessment reports for 3 Municipalities	Risk assessment reports for 3 Municipalities

8.6 Sub-Programme: Provincial Risk Management

8.6.1 Strategic Objective Annual Targets for 2018/19

Strategic objective		Audited/Actual performance			Estimated performance 2017/18	Medium-term targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Facilitate implementation of risk management processes	Provide guidance and support to 12 Votes 21 Municipalities and 4 Public Entities on Enterprise Risk Management Processes	Provide guidance and support to 12 Votes, 21 Municipalities and 4 Public Entities on Enterprise Risk Management Processes	12 Votes, 20 Municipalities and 5 Public Entities	12 Votes, 20 Municipalities and 4 Public Entities	12 Votes, 20 Municipalities and 4 Public Entities	12 Votes, 20 Municipalities and 4 Public Entities	12 Votes, 20 Municipalities and 4 Public Entities

8.6.2 Programme Performance Indicators and Annual Targets for 2018/19

Programme performance indicator		Audited/Actual performance			Estimated performance 2017/18	Medium-term targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Number of revised Enterprise Risk Management (ERM) frameworks reviewed / issued	1 Enterprise Risk Management (ERM) Framework reviewed and issued.	N/A	1 revised Enterprise Risk Management (ERM) Framework issued	1 revised Enterprise Risk Management (ERM) Framework issued	1 revised Enterprise Risk Management (ERM) Framework reviewed / issued	1 revised Enterprise Risk Management (ERM) Framework reviewed / issued	1 revised Enterprise Risk Management (ERM) Framework reviewed / issued
2.	Number of Votes, Public Entities and Municipalities monitored on implementation of the Provincial Risk management Framework	12 reports issued for Votes, 4 for Public Entities and 21 for Municipalities on monitoring effective implementation of the Framework and guideline	16 reports issued for Votes, 1 for Public Entities and 16 for Municipalities on monitoring effective implementation of the Framework and guideline	6 Votes, 2 Public Entities and 10 Municipalities monitored on implementation of the Framework	5 Votes, 2 Public Entities and 8 Municipalities monitored on implementation of the Framework	5 Votes, 2 Public Entities and 8 Municipalities monitored on implementation of the Framework	5 Votes, 2 Public Entities and 8 Municipalities monitored on implementation of the Framework	5 Votes, 2 Public Entities and 8 Municipalities monitored on implementation of the Framework
3.	Number of Guidelines on	1 Guideline reviewed and	1 Guideline reviewed and	1 Guideline issued	1 Guideline issued	1 Guideline reviewed / issued	1 Guideline reviewed / issued	1 Guideline reviewed / issued

Programme performance indicator		Audited/Actual performance			Estimated performance 2017/18	Medium-term targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
	Risk Management processes reviewed / issued	issued	issued					

8.6.3 Quarterly Targets for 2018/19

Performance indicator		Reporting period	Annual target 2018/19	Quarterly targets			
				1 st	2 nd	3 rd	4 th
1.	Number of revised Enterprise Risk Management (ERM) frameworks reviewed / issued	Quarterly	1 revised Enterprise Risk Management (ERM) Framework reviewed / issued	1 Enterprise Risk Management (ERM) framework reviewed	1 Enterprise Risk Management (ERM) framework reviewed and issued	N/A	N/A
2.	Number of Votes, Public Entities and Municipalities Monitored on effective implementation of the Provincial Risk management Framework	Quarterly	5 Votes, 2 Public Entities and 8 Municipalities monitored on implementation of the Framework	2 Votes, 1 Public Entity and 3 Municipalities	1 Vote, 1 Public Entity and 3 Municipalities	1 Vote and 1 Municipality	1 Vote and 1 Municipality
3.	Number of Guidelines on Risk Management processes reviewed / issued	Quarterly	1 Guideline reviewed / issued	Review and update 1 Provincial Guideline on Risk management processes	Issue 1 Provincial Guideline on Risk management processes	N/A	N/A

8.7 Sub-Programme: Provincial Internal Audit

8.7.1 Strategic Objective Annual Targets for 2018/19

Strategic objective	Audited/Actual performance			Estimated performance 2017/18	Medium-term targets		
	2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1. Support public sector institutions to improve on Internal Audit processes	12 Votes, 21 Municipalities and 4 Public Entities	12 Votes, 21 Municipalities and 4 Public Entities	12 Votes, 20 Municipalities and 4 Public Entities	12 Votes, 20 Municipalities and 4 Public Entities	12 Votes, 20 municipalities and 4 Public Entities	12 Votes, 20 municipalities and 4 Public Entities	12 Votes, 20 municipalities and 4 Public Entities

8.7.2 Programme Performance Indicators and Annual Targets for 2018/19

Programme performance indicator		Audited/Actual performance			Estimated performance 2017/18	Medium-term targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1.	Percentage of Internal audit plans that were received, analysed	100% feedback reports	100% feedback reports	100% of internal audit reports that were received, analysed	100% of internal audit reports that were received, analysed	100% of internal audit reports that were received, analysed	100% of internal audit reports that were received, analysed	100% of internal audit reports that were received, analysed
2.	Number of municipalities with functional audit committees	New indicator	New indicator	New indicator	16 Municipalities	16 Municipalities	16 Municipalities	16 Municipalities
3.	Number of evaluations performed on the effectiveness of Audit Committees	Votes: 12 Municipalities: 21 Public Entities: 4	Votes: 24 Municipalities: 30 Public Entities: 8	50 Evaluations performed on the effectiveness of Audit Committees	14 Evaluations performed on the effectiveness of Audit Committees	14 Evaluations performed on the effectiveness of Audit Committees	14 Evaluations performed on the effectiveness of Audit Committees	14 Evaluations performed on the effectiveness of Audit Committees
4.	Number of Internal Audit assessments performed on readiness of Quality Assurance Review	4 reports	4 reports	2 assessments performed on readiness of Quality Assurance Review	1 assessment performed on readiness of Quality Assurance Review	1 assessment performed on readiness of Quality Assurance Review	1 assessment performed on readiness of Quality Assurance Review	1 assessment performed on readiness of Quality Assurance Review
5.	Number of follow-ups conducted on the implementation	N/A	New indicator	2 follow-ups conducted on the	1 follow-up conducted on the	1 follow-up conducted on the	1 follow-up conducted on the	1 follow-up conducted on the

Programme performance indicator		Audited/Actual performance			Estimated performance 2017/18	Medium-term targets		
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
	of Quality Assurance review recommendations			implementation of Quality Assurance review recommendations	implementation of Quality Assurance review recommendations	implementation of Quality Assurance review recommendations	implementation of Quality Assurance review recommendations	implementation of Quality Assurance review recommendations

8.7.3 Quarterly Targets for 2018/19

Performance indicator		Reporting period	Annual target 2018/19	Quarterly targets			
				1 st	2 nd	3 rd	4 th
1.	Percentage of Internal audit plans that were received, analysed	Bi-annually	100% of internal audit reports that were received, analysed	100% of internal audit reports that were received, analysed	N/A	N/A	100% of internal audit reports that were received, analysed
2.	Number of municipalities with functional audit committees	Quarterly	16 Municipalities	4 Municipalities:	4 Municipalities:	4 Municipalities:	4 Municipalities:
3.	Number of evaluations performed on the effectiveness of Audit Committees	Quarterly	14 Evaluations performed on the effectiveness of Audit Committees	Votes :3 Public Entities:1	Votes :3 Public Entities:1	Votes :3	Votes :3
4.	Number of Internal Audit assessments performed on readiness of Quality Assurance Review	Bi Annually	1 assessment performed on readiness of Quality Assurance Review	N/A	N/A	N/A	1 Assessment
5.	Number of follow-ups conducted on the implementation of Quality Assurance review recommendations	Bi-Annually	1 follow-up conducted on the implementation of Quality Assurance review recommendations	N/A	1 Follow-up	N/A	N/A

8.8 Reconciling Performance Targets with the Budget and MTEF

Expenditure Estimates: Programme 4: Financial Governance

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Programme support	10 809	7 863	6 876	4 218	3 046	3 138	5 578	2 338	2 512
Accounting services	4 622	4 949	5 110	5 342	5 342	5 238	6 853	6 486	6 960
Norms and standards	12 650	13 560	12 360	13 164	12 174	12 220	13 791	13 949	15 026
Risk Management	1 856	1 986	2 126	2 366	2 408	2 454	3 789	3 228	3 468
Provincial Internal Audit	2 149	1 593	1 451	1 792	3 053	3 089	2 914	3 449	3 697
Total	32 086	29 951	27 923	26 882	26 023	26 139	32 925	29 450	31 663

Economic Classification: Programme 4: Financial Governance

	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-Term Estimates		
R thousand	2014/15	2015/16	2016/17	2017/18			2018/19	2019/20	2020/21
Current payments	32 086	28 667	27 879	26 882	26 023	26 139	32 907	29 450	31 663
Compensation of employees	17 779	19 556	21 535	20 889	20 861	20 923	25 854	24 080	26 006
Goods and services	14 307	9 111	6 344	5 993	5 162	5 216	7 053	5 370	5 657
Transfers and subsidies to:	-	-	44	-	-	-	18	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	44	-	-	-	18	-	-
Payments for capital assets	-	1 284	-	-	-	-	-	-	-
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	343	-	-	-	-	-	-	-
Software and other intangible	-	941	-	-	-	-	-	-	-
Total	32 086	29 951	27 923	26 882	26 023	26 139	32 925	29 450	31 663

The Programmes budget has increase by 22.5 percent for the 2018/19 financial year when compared to the previous year.

PART C LINKS TO OTHER PLANS

LINKS TO THE LONG-TERM INFRASTRUCTURE AND OTHER CAPITAL PLANS

Provincial Treasury does not have long-term projects to be implemented during the 2018/19 fiscal period. There are also no long-term infrastructure plan and other capital plans that outline the infrastructure investment needs.

CONDITIONAL GRANTS

Provincial Treasury does not have any conditional grants.

PUBLIC ENTITIES

Provincial Treasury does not have any Public Entities for which it is responsible.

PUBLIC PRIVATE PARTNERSHIPS (PPP)

Provincial Treasury manages no PPP currently.

LINKS TO OTHER DEPARTMENTS

The Provincial Treasury has a shared responsibility with the Department of Cooperative Governance and Traditional Affairs (CoGTA) to provide support to Municipalities in terms of Municipal Finance Management Act (MFMA). In order to ensure a coordinated implementation of this responsibility, an Integrated Municipal Support Plan was compiled with six objects in line with the Back to Basics Programme. CoGTA is responsible for Objects 1 – 5 (governance and service delivery related matters) and Provincial Treasury for Object 6 (Financial matters).

Provincial Treasury shares responsibility with the Office of the Premier on monitoring and evaluation of Provincial Department's performance and Public Entities, where the Office of the Premier focuses on non-financial performance and Provincial Treasury on financial performance.

ANNEXURE D

Vision

A dynamic Provincial Treasury leading in service excellence.

Mission

The equitable allocation and optimal utilization of provincial financial resources to ensure quality service delivery and better life for all through:

- Quality financial advice and support to departments, Public Entities and Municipalities.
- Efficient financial management and fiscal discipline, and
- Effective monitoring of resource utilization.

Values

We commit ourselves to the following core values:

- *Batho Pele* and *Ubuntu* principles.
- **Dedication:** To perform our tasks in a dedicated manner.
- **Excellence:** Professional excellence in performing our responsibilities.
- **Integrity:** To conduct business in a consistent, objective, honest, fair, just and trustworthy manner.
- **Accountability:** To be accountable for our actions.

STRATEGIC OUTCOME ORIENTED GOALS

Strategic Goal 1	Administrative Support Services
Goal Statement:	Provide prompt, continuous, effective and efficient administrative support to all line functions in the Department.
Justification:	Achieving sustained benefit across the Department by achieving goals and improving service delivery in terms of Departmental policies.
Links:	MTSF Priority 10: Building a developmental state including improvement of public services and strengthening democratic institutions. Compliance with legislative frameworks.
Strategic Goal 2	Ensure efficient and effective financial, ICT, and corporate governance in the Province, in line with legislation and Policies.
Goal Statement:	Provide advice, support and monitor public sector institutions on legislation and prescripts.
Justification:	To ensure Votes, Public Entities and Municipalities comply with PFMA, MFMA and other relevant legislation to support service delivery.
Links:	Strengthening performance and management of public resources in provincial departments, Public Entities and Municipalities. (PFMA, MFMA and other relevant legislation)

ANNEXURE E: TECHNICAL INDICATOR DESCRIPTION PER PROGRAMME

PROGRAMME 1: ADMINISTRATION

MECs OFFICE

TECHNICAL INDICATOR 1.1

Indicator title	Provide policy and political directives in order to achieve provincial objectives
Short definition	Provide policy and political directives in terms of Treasury functions, Table 2 Provincial and 1 Policy and Budget Statement
Purpose/importance	To determine Provincial priorities and resource allocation
Policy linked to	PFMA, MFMA
Source/collection of data	Information on resource needs as submitted by Provincial Departments, direction as derived from both SOPA and SONA and other legislative prescripts.
Means of verification	Reports tabled, Budgets on website of Provincial Treasury
Method of calculation	Table Provincial and Departmental Budgets and policy Statements
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative - for the year
Reporting cycle	Quarterly
New indicator	No
Desired performance	Provincial resource needs met in line with Provincial priorities.
Indicator responsibility	Executive Authority

TECHNICAL INDICATOR 1.2

Indicator title	Number of annual reports tabled
Short definition	Submission of 1 Annual report that gives an account of Provincial Treasury performance over a period of 12 months
Purpose/importance	To give an account of all actual output of the Provincial Treasury in relation to its plans
Policy linked to	PFMA
Source/collection of data	Annual Report
Means of verification	Reports tabled at Provincial Legislature
Method of calculation	Number of Annual Reports
Data limitations	Non-compliance to submission deadline of reports and of portfolio of evidence.
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Provide an account to oversight bodies and public about the performance of Provincial Treasury against its mandate
Indicator responsibility	Accounting Officer

TECHNICAL INDICATOR 1.3

Indicator title	Number of appropriation bills tabled
Short definition	2 Estimates of Provincial Revenue and Expenditure documents compiled and published per annum
Purpose/importance	Publish provincial budget information to stakeholders
Policy linked to	PFMA
Source/collection of data	Budget submissions from Votes
Means of verification	Bills tabled at Provincial Legislature
Method of calculation	Number of Appropriation bills tabled
Data limitations	Quality of budget submissions from departments
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Yearly
New indicator	No
Desired performance	Quality and informative documents compiled and published
Indicator responsibility	Accounting Officer

TECHNICAL INDICATOR 1.4

Indicator title	Number of policy and budget statements tabled
Short definition	1 Annual outline of the Provincial and Departmental achievements and priorities in line with allocated budget
Purpose/importance	To provide financial resources to execute Provincial and Departmental priorities
Policy linked to	PFMA
Source/collection of data	Policy and Budget Statements
Means of verification	Statements tabled in Provincial Legislature
Method of calculation	Number of Budget Policy Statements tabled
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Improved service delivery and better life for the people of Mpumalanga Province
Indicator responsibility	Accounting Officer

HEAD OF PROVINCIAL TREASURY**TECHNICAL INDICATOR 1.5**

Indicator title	Translate policies and priorities into strategies for effective service delivery
Short definition	Manage, monitor and control performance to ensure implementation of policies and priorities by submitting 5 legislative reports on implementation of strategic priorities and directives
Purpose/importance	To ensure performance within policy directives and ensure that strategies are effectively implemented in order to ensure service delivery.

Policy linked to	PFMA
Source/collection of data	Legislative prescripts, SONA and SOPA and policy directives
Means of verification	Reports submitted to Executive Authority
Method of calculation	Number of reports issued
Data limitations	None
Type of indicator	Output
Calculation type	None cumulative for the year
Reporting cycle	Monthly
New indicator	No
Desired performance	Strategies implemented and thus ensuring service delivery.
Indicator responsibility	Accounting Officer

TECHNICAL INDICATOR 1.6

Indicator title	Number of performance reports submitted
Short definition	Compilation of 4 performance reports on achievement of planned indicators of the Annual Performance Plan
Purpose/importance	Monitor compliance with PFMA
Policy linked to	PFMA
Source/collection of data	Copy of quarterly reports
Means of verification	Reports submitted to Executive Authority
Method of calculation	Number of reports issued
Data limitations	Non-compliance to submission deadline of reports and of portfolio of evidence.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Provide an account to oversight bodies and public about the performance of the Department against its mandate
Indicator responsibility	Accounting Officer

TECHNICAL INDICATOR 1.7

Indicator title	Number of annual reports submitted
Short definition	1 Annual report which provides an account of Provincial Treasury performance over a period of 12 months
Purpose/importance	To give an account of all actual output of the Provincial Treasury in relation to its plans
Policy linked to	PFMA
Source/collection of data	Copy of the Annual Report
Means of verification	Annual Report tabled
Method of calculation	Reports submitted to Executive Authority and National Treasury
Data limitations	Non-compliance to submission deadline of reports and of portfolio of evidence.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annually

New indicator	No
Desired performance	Provide an account to oversight bodies and public about the performance of the Department against its mandate
Indicator responsibility	Accounting Officer

TECHNICAL INDICATOR 1.8

Indicator title	Number of annual performance plans submitted
Short definition	The Annual Performance Plan is the document that illustrates the planned performance target and budget for the next three years as well quarterly targets on the current year.
Purpose/importance	To provide for planning for Provincial Treasuries priorities and allocation of related resources
Policy linked to	PFMA
Source/collection of data	Copy of the final Annual Performance Plan
Means of verification	Reports submitted to Executive Authority and National Treasury
Method of calculation	Quarterly reports submitted
Data limitations	Incorrected or late submission of information
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Assist the Provincial Treasury to achieve its vision and mission
Indicator responsibility	Accounting Officer

TECHNICAL INDICATOR 1.9

Indicator title	Number of risk registers approved
Short definition	Render efficient and effective management accounting,financial accounting,supply chain managent and risks management support through 1 risk register and 4 evaluation reports
Purpose/importance	To identify risks that may hinder the Provincial Treasury to achieve its objective
Policy linked to	PFMA
Source/collection of data	Prescribed legislative
Means of verification	Approved Risk Register
Method of calculation	No of Risk Registers, and No of Evaluation reports
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Sound Financial Management
Indicator responsibility	Accounting Officer

OFFICE OF THE CHIEF FINANCIAL OFFICER

TECHNICAL INDICATOR 1.10

Indicator title	Provide sound financial management and supply chain management services in Provincial Treasury
Short definition	Render efficient and effective management accounting, financial accounting, supply chain management and risks management support to ensure an unqualified audit opinion.
Purpose/importance	To provide sound financial management to the Provincial Treasury and to ensure managed procurement processes within supply chain management guidelines
Policy linked to	PFMA
Source/collection of data	Prescribed legislative framework
Means of verification	Report submitted to Provincial Treasury
Method of calculation	Number of IYMs.
Data limitations	None
Type of indicator	Output
Calculation type	None cumulative for the year
Reporting cycle	Monthly/Annually
New indicator	No
Desired performance	Sound financial management and managed supply chain processes
Indicator responsibility	Chief Financial Officer

TECHNICAL INDICATOR 1.11

Indicator title	Number of financial reports submitted in compliance with relevant legislation
Short definition	Render efficient and effective management accounting with 12 IYM reports and 1 AFS
Purpose/importance	To provide sound financial Management.
Policy linked to	PFMA
Source/collection of data	Prescribed legislative framework
Means of verification	Reports submitted to Provincial Treasury
Method of calculation	Number of IYMs and AFS
Data limitations	None
Type of indicator	Output
Calculation type	Non-Cumulative for the year
Reporting cycle	Monthly
New indicator	No
Desired performance	Sound Financial Management
Indicator responsibility	Chief Financial Officer

TECHNICAL INDICATOR 1.12

Indicator title	Number of budget documents submitted in compliance with prescripts
Short definition	Render efficient and effective management Accounting, Financial Accounting, Supply Chain Management and Risks Management support through 2 documents

Purpose/importance	Implementation of Approved budget
Policy linked to	PFMA
Source/collection of data	Budget circulars
Means of verification	Documents submitted to Provincial Treasury
Method of calculation	Number of Budget documents
Data limitations	None
Type of indicator	Output
Calculation type	Non Cumulative for the year
Reporting cycle	Budget cycle: Quartely
New indicator	No
Desired performance	Sound Financial Management
Indicator responsibility	Chief Financial Officer

TECHNICAL INDICATOR 1.13

Indicator title	Percentage of suppliers paid within 30 days of receipt of valid invoices
Short definition	Render efficient and effective management accounting, financial accounting, supply chain management and risks management support (100% of suppliers paid within 30 days) Calculation: Sum of invoices received within 30 days divided by Sum of invoices paid within 30 days multiplied by 100 equals percentage. Baseline= 210 982 452.09/210 982 452.09*100=100%
Purpose/importance	To provide sound financial management to Provincial Treasury and to ensure managed procurement processes within supply chain management guidelines
Policy linked to	PFMA
Source/collection of data	Prescribed legislative
Means of verification	Proof of payment within 30 days
Method of calculation	Percentage of Suppliers paid
Data limitations	None
Type of indicator	Output
Calculation type	Non Cumulative for the year Numerator: No of invoices paid within 30 days/ Denominator: Total number of invoices received*100=%
Reporting cycle	Monthly
New indicator	No
Desired performance	Sound financial management
Indicator responsibility	Chief Financial Officer

INTERNAL AUDIT

TECHNICAL INDICATOR 1.14

Indicator title	Provide efficient and effective internal audit services in Provincial Treasury
Short definition	Provide a responsive, value added and effective internal audit service to evaluate and improve the effectiveness of risk management, control and governance processes in the 4 Provincial Treasury programmes in 1 audit plan.
Purpose/importance	Provide an assurance and consulting service to evaluate the effectiveness of risk management, internal controls and governance in order for the Provincial Treasury to achieve its objectives. Internal audit plans are based on the risk assessment conducted for Provincial Treasury and reflect high risk areas that need to be audited and are approved by the Audit Committee.
Policy linked to	PFMA, Treasury Regulations, King IV Report, IIA Standards
Source/collection of data	Internal audit reports and audit progress reports presented both to the Audit Committee and Provincial Treasury
Means of verification	Reports submitted to Audit Committee and Provincial Treasury
Method of calculation	Number of reports issued on the execution of the audit plan.
Data limitations	None
Type of indicator	Outputs according to audit plans
Calculation type	Non Cumulative for the year
Reporting cycle	Quarterly
New indicator	No
Desired performance	Four (4) quarterly reports issued, indicating that risks are managed, governance processes functioning and controls are effective
Indicator responsibility	Chief Audit Executive

TECHNICAL INDICATOR 1.15

Indicator title	Number of quarterly progress reports submitted on implementation of the audit plan
Short definition	The 4 quarterly reports submitted indicate progress on the implementation of the audit plan, and also highlight progress on the management of strategic and high risks identified by the Provincial Treasury.
Purpose/importance	Provide an assurance and consulting service to evaluate the effectiveness of risk management, internal controls and governance in order for Provincial Treasury to achieve its objectives. Internal audit plans are based on the risk assessment conducted for the Provincial Treasury and reflect high risk areas that need to be audited and are approved by the Audit Committee.
Policy linked to	PFMA, Treasury Regulations, King IV Report, IIA Standards
Source/collection of data	Internal audit reports and audit progress reports presented both to the Audit Committee and Provincial Treasury.
Means of verification	Reports submitted to Audit Committee and Provincial Treasury.
Method of calculation	Number of reports issued on the execution of the audit plan.
Data limitations	None
Type of indicator	Outputs according to audit plans

Calculation type	Cumulative for the year
Reporting cycle	Quarterly
New indicator	No
Desired performance	Four Quarterly Reports issued, indicating that risks are managed, governance processes functioning and controls are effective
Indicator responsibility	Chief Audit Executive

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

PROVINCIAL ADMINISTRATION FISCAL DISCIPLINE

TECHNICAL INDICATOR 2.1

Indicator title	Support Provincial Votes and Public Entities to maximise and expand sustainable revenue generation and collection
Short definition	Support 12 Votes and 4 Public Entities on revenue maximisation and expansion <ul style="list-style-type: none"> • Monitor performance of revenue collection by departments • Review of tariffs annually • Review projections and provide feedback • Compile provincial revenue fund annual financial statements
Purpose/importance	Assist Votes with best practices and strategies concerning revenue management maximisation of revenue collection and management of Provincial account in terms of section 21 of the PFMA.
Policy linked to	PFMA, DoRA
Source/collection of data	Revenue projection reports, Revenue trend reports, revenue analysis reports and bank statements
Means of verification	BAS reports and feedback provided to departments
Method of calculation	Number of reports, revenue information submitted and analysed Verify revenue collected against the projections Incorrect data submitted
Data limitations	Impact
Type of indicator	Cumulative - for the year
Calculation type	Monthly, quarterly and annually
Reporting cycle	No
New indicator	Effective management of revenue fund and maximised provincial revenue collection
Desired performance	Senior Manager: Provincial Administration Fiscal Discipline
Indicator responsibility	

TECHNICAL INDICATOR 2.2

Indicator title	Number of Provincial tariff registers updated
Short definition	To compile 1 consolidated Provincial Tarrif Register
Purpose/importance	Assist departments with best practices and strategies with regards to revenue management maximisation of revenue collection
Policy linked to	PFMA
Source/collection of data	Approvals of Tarriffs Reviews
Means of verification	Tariff Register
Method of calculation	Applications received and approved
Data limitations	Incorrect information provided by Votes
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Effective revenue management and maximised provincial revenue collection
Indicator responsibility	Senior Manager: Provincial Administration Fiscal Discipline

TECHNICAL INDICATOR 2.3

Indicator title	Number of consolidated revenue reports compiled
Short definition	Monitoring revenue maximisation and expansion. (12 Reports) Monitor: <ul style="list-style-type: none"> • Verification correction on the BAS report • Site visits at cash centres • One-on-on meetings with votes and Public Entities • Issue consolidated report
Purpose/importance	Assist Votes with best practices and strategies with regards to revenue management maximisation of revenue collection
Policy linked to	PFMA
Source/collection of data	Revenue trend reports, revenue analysis reports
Means of verification	Reports submitted to Provincial Treasury
Method of calculation	Number of reports, revenue information submitted and analysed Check revenue collected against the projections Consolidate a report
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Monthly, quarterly and annually
New indicator	No

Desired performance	Submission of reports
Indicator responsibility	Senior Manager: Provincial Administration Fiscal Discipline

TECHNICAL INDICATOR 2.4

Indicator title	Number of financial statements on provincial revenue fund prepared
Short definition	The sound management of the Revenue Fund
Purpose/importance	Effective management of the Revenue Fund
Policy linked to	PFMA, DoRA, Provincial budget statement book
Source/collection of data	BAS reports, Revenue fund reports
Means of verification	BAS System
Method of calculation	Number of Revenue fund AFS submitted and revenue fund reports generated
Data limitations	Adjustments of figures by Votes
Type of indicator	Output
Calculation type	Annually
Reporting cycle	Annually
New indicator	No
Desired performance	Accurate information and clean audit
Indicator responsibility	Senior Manager: Provincial Administration Fiscal Discipline

TECHNICAL INDICATOR 2.5

Indicator title	Number of Votes and Public Entities debt reports analysed
Short definition	To analyse debtors reports of 12 Votes and 4 Public Entities and provide feedback Analyse: <ul style="list-style-type: none"> • Verifications of reports versus BAS report • Age analysis of debtors and classification • Compile a consolidated feedback report
Purpose/importance	Assist Votes with best practices and strategies with regards to revenue management maximisation of revenue collection
Policy linked to	PFMA
Source/collection of data	Reports received
Means of verification	Budget book, Analysis feedback
Method of calculation	Number of reports issued
Data limitations	Accuracy of reports submitted
Type of indicator	Output
Calculation type	Non-cumulative for the year
Reporting cycle	Annually
New indicator	No
Desired performance	Effective revenue management and maximised provincial revenue collection
Indicator responsibility	Senior Manager: Provincial Administration Fiscal Discipline

BUDGET AND EXPENDITURE MANAGEMENT

TECHNICAL INDICATOR 2.6

Indicator title	Allocation of provincial budget and monitoring the implementation
Short definition	Prepare budget and provide support and monitor 13 Votes in respect of budget and budget implementation
Purpose/importance	Ensure Votes submit credible budgets and promote effective, efficient and economic budget implementation
Policy linked to	PFMA
Source/collection of data	Budget submissions, strategic plans, Annual Performance Plans (APP), In Year Monitoring reports (IYM), monthly analysis reports and Estimates of Provincial Revenue and Expenditure (EPRE)
Means of verification	Number of reports compiled and submitted per quarter (Financial information reports)
Method of calculation	Databases, Monthly IYM reports, Annual Performance Plans as well as non-financial reports.
Data limitations	None
Type of indicator	Impact
Calculation type	Cumulative - for the year
Reporting cycle	Monthly and quarterly
New indicator	No
Desired performance	Provincial Departments to have credible budgets, expenditure estimates and effective, efficient and economic budget implementation
Indicator responsibility	Senior Manager : Budget and Expenditure Management

TECHNICAL INDICATOR 2.7

Indicator title	Number of Estimates of Provincial Revenue Expenditure documents compiled
Short definition	This involves providing Provincial budget information (2 document) to stakeholders
Purpose/importance	Publish provincial budget information to stakeholders
Policy linked to	PFMA
Source/collection of data	Budget submissions from Votes
Means of verification	Budget document
Method of calculation	Number of documents compiled
Data limitations	Quality of budget submission from departments
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly (Done twice on the 3 rd Quarter and 4 th Quarter)
New indicator	No
Desired performance	Quality and informative documents compiled and published
Indicator responsibility	Senior Manager : Budget and Expenditure Management

TECHNICAL INDICATOR 2.8

Indicator title	Number of appropriation bills compiled
Short definition	These are 2 Appropriation Bills for tabling main and adjusted budget in the Provincial Legislature
Purpose/importance	It is mainly for consideration of the Provincial budget by the Provincial Legislature for appropriation.
Policy linked to	PFMA
Source/collection of data	Budget submissions, 13 Votes, Strategic Plans, Annual Performance Plans, In Year Monitoring reports
Means of verification	Allocation letters
Method of calculation	Data bases, Personnel Forecasting Model and Estimates of Provincial Revenue and Expenditure
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative- for the year
Reporting cycle	Quarterly (Done twice on the 3 rd & 4 th Quarters)
New indicator	No
Desired performance	Provincial Departments to have credible budgets, expenditure estimates and effective, efficient and economic budget implementation
Indicator responsibility	Senior Manager : Budget and Expenditure Management

TECHNICAL INDICATOR 2.9

Indicator title	Number of consolidated Provincial In Year monitoring reports compiled and submitted
Short definition	Non-financial information and 12 In Year monitoring reports compiled and submitted
Purpose/importance	Inform stakeholders on the service delivery performance and expenditure trends of the Province
Policy linked to	PFMA
Source/collection of data	In Year monitoring reports and Quarterly Performance Reports from Votes
Means of verification	IYM reports submitted to National Treasury
Method of calculation	Number of reports compiled and submitted per month (IYM)
Data limitations	Accuracy of reports received from Votes
Type of indicator	Non-cumulative
Calculation type	Quantity of reports compiled
Reporting cycle	Monthly (IYM) and quarterly (Financial data)
New indicator	No
Desired performance	Timeous submission of accurate reports by Votes
Indicator responsibility	Senior Manager : Budget and Expenditure Management

MUNICIPAL FINANCE

TECHNICAL INDICATOR 2.10

Indicator title	Provide support and monitor Municipalities on the implementation of the MFMA
Short definition	Provide advice, support on financial management and the implementation of the MFMA to 20 municipalities
	Support <ul style="list-style-type: none"> • Collection of draft budgets • Training on new reforms issued by National Treasury • Perform a bench mark exercise on municipal draft budgets • Review the draft budgets and provide feedback to Municipalities • Issue periodical reporting circulars with timelines, as guided by National Treasury • Remind Municipalities to produce progress reports on Special Merit Cases
	Monitor <ul style="list-style-type: none"> • Prepare and issue non-compliance letters with prescripts and other National Treasury circulars • Identify unfunded and funded budgets advice on corrections • Issue reports on findings
Purpose/importance	Provides support and advice to Municipalities to have accurate and credible budgets and to improve financial management of Municipalities
Policy linked to	PFMA
Source/collection of data	Monthly reports submitted
Means of verification	Analysis reports and feedback reports
Method of calculation	Number of reports submitted and analysed
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative - for the year
Reporting cycle	Monthly, quarterly and annually
New indicator	No
Desired performance	Achievement on more Municipalities submitting accurate and credible reports and the budget within timeframes as per MFMA
Indicator responsibility	Senior Manager : Municipal Finance Management

TECHNICAL INDICATOR 2.11

Indicator title	Number of consolidated municipal budget statements compiled, published and submitted to Provincial Legislature
Short definition	Provide support and monitor the submission of Section 71 reports of MFMA by Municipalities – 4 quarterly reports
	Support <ul style="list-style-type: none"> • Collection of draft budgets • Perform a bench mark excise on municipal draft budgets • Review the draft budgets and give feedback to Municipalities • Issue periodical reporting circulars with timelines, as guided by National Treasury
	Monitor <ul style="list-style-type: none"> • Prepare and issue non-compliance letters with prescripts and other National Treasury circulars

	<ul style="list-style-type: none"> Identify unfunded and funded budgets advice on the corrections Issue reports on findings
Purpose/importance	To ensure credible monthly and quarterly reports are submitted and complying to the legislation
Policy linked to	MFMA
Source/collection of data	Municipal Budget submissions, IDP, SDBIP, In Year Monitoring reports, monthly analysis reports
Means of verification	Local Government Database
Method of calculation	Local Government Database, SDBIP as well as non-financial reports.
Data limitations	Incomplete and non-submission of reports
Type of indicator	Impact
Calculation type	Cumulative - for the year
Reporting cycle	Monthly and quarterly
New indicator	No
Desired performance	Municipalities to have credible budgets, monthly financial performance outcomes, effective, efficient and economic budget implementation
Indicator responsibility	Senior Manager : Municipal Finance Management

TECHNICAL INDICATOR 2.12

Indicator title	Number of annual draft municipal budgets analysed
Short definition	Provide policy advice, ensure municipal budget implementation and promote efficient financial resource allocation – 19 municipal budgets
Purpose/importance	Ensure Municipalities submit credible budgets and promote effective, efficient and economic budget implementation.
Policy linked to	MFMA
Source/collection of data	Municipal Budget submissions, IDP, SDBIP, In Year Monitoring reports, monthly analysis reports
Means of verification	Analysis reports
Method of calculation	Local Government Database, Monthly IYM reports, SDBIP as well non-financial reports.
Data limitations	None
Type of indicator	Impact
Calculation type	Cumulative - for the year
Reporting cycle	Annually
New indicator	No
Desired performance	Municipalities to have credible budgets, monthly financial performance outcomes, effective, efficient and economic budget implementation
Indicator responsibility	Senior Manager : Municipal Finance Management

TECHNICAL INDICATOR 2.13

Indicator title	Number of Mid-Year Budget and Performance Assessment Engagements
Short definition	Engage 20 municipalities on mid-term financial performance and provide 1 consolidated engagement feedback report
Purpose/importance	To provide early warning indicators for impending financial distress

Policy linked to	MFMA
Source/collection of data	Municipal Budget submissions, IDP, SDBIP, In Year Monitoring reports, monthly analysis reports
Means of verification	Mid-year performance engagement reports
Method of calculation	Local Government Database, Monthly IYM reports, SDBIP as well non-financial reports.
Data limitations	Incomplete and non-submission of reports
Type of indicator	Impact
Calculation type	Cumulative - for the year
Reporting cycle	Bi- Annually
New indicator	No
Desired performance	Budgets which are aligned to realistic revenue and expenditure estimates
Indicator responsibility	Senior Manager : Municipal Finance Management

TECHNICAL INDICATOR 2.14

Indicator title	Number of consolidated In Year monitoring reports submitted
Short definition	Non-financial information and 12 In Year monitoring reports compiled and submitted
Purpose/importance	Inform stakeholders on revenue and expenditure trends of the Municipalities
Policy linked to	MFMA
Source/collection of data	In Year monitoring reports and Quarterly Performance Reports from municipalities
Means of verification	IYM reports submitted to National Treasury
Method of calculation	Number of reports compiled and submitted per month (IYM)
Data limitations	Accuracy of reports received from municipalities
Type of indicator	Non-cumulative
Calculation type	Quantity of reports compiled
Reporting cycle	Monthly (IYM)
New indicator	Yes
Desired performance	Timeous submission of accurate reports by municipalities
Indicator responsibility	Senior Manager : Municipal Finance

TECHNICAL INDICATOR 2.15

Indicator title	Number of municipalities supported to improve revenue management and debt collection
Short definition	Engagement with 6 municipalities (on simplified revenue enhancement and compile a consolidated report Engagement: Analysis of revenue management of the municipalities and develop action plans. Quarterly monitoring of implementation of action plans
Purpose/importance	To improve financial viability in municipalities.
Policy linked to	MFMA
Source/collection of data	Section 71 reports and National database.
Means of verification	Section 71 reports

Method of calculation	Local Government Database.
Data limitations	Incomplete and non-submission of reports
Type of indicator	Impact
Calculation type	Cumulative - for the year
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Improvement of revenue baselines in municipalities
Indicator responsibility	Senior Manager : Municipal Finance Management

TECHNICAL INDICATOR 2.16

Indicator title	Number of municipalities monitored on implementation of Audit Response Plan based on the 2016/17 audit outcomes
Short definition	13 Municipalities supported to develop and implement audit response plans.
Purpose/importance	To improve municipal audit outcomes.
Policy linked to	MFMA
Source/collection of data	Audit reports & quarterly reports on the implementation of audit remedial plans.
Means of verification	Audit reports & quarterly reports
Method of calculation	Quantitative.
Data limitations	Non submission of annual financial statements, quality of remedial plans and capacity to implement them
Type of indicator	Output
Calculation type	Cumulative - for the year
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Improved audit outcome of municipalities
Indicator responsibility	Senior Manager : Municipal Finance Management

TECHNICAL INDICATOR 2.17

Indicator title	Number of municipalities supported on implementation of Audit Action Plans.
Short definition	7 Municipalities supported on implementation of audit action plans.
Purpose/importance	To improve municipal audit outcomes.
Policy linked to	MFMA
Source/collection of data	Audit reports & municipal audit remedial plans.
Means of verification	Audit reports & quarterly reports
Method of calculation	Quantitative.
Data limitations	Quality of remedial plans and capacity to implement them.
Type of indicator	Output
Calculation type	Cumulative - for the year
Reporting cycle	Quarterly
New indicator	Yes

Desired performance	Improved audit outcome of municipalities
Indicator responsibility	Senior Manager: Municipal Finance Management.

INFRASTRUCTURE CO-ORDINATION

TECHNICAL INDICATOR 2.18

Indicator title	Coordinate the delivery of Infrastructure in the Province.	
Short definition	This is a process of providing support and monitoring 6 Provincial Departments on infrastructure planning and delivery.	
Purpose/importance	Support	<ul style="list-style-type: none"> Assist with ad-hoc training on infrastructure and built environment standards Analyse the infrastructure challenges and advise the department on options Attend Infrastructure Committee meetings to clarify the reporting frameworks and standards
	Promote	<ul style="list-style-type: none"> Assist departments and other role-players with better understanding;
Policy linked to	Assist Votes with best practices and strategies with regards to infrastructure projects	
Source/collection of data	PFMA Monthly, Quarterly Infrastructure Reporting Model (IRM) reports submitted to National Treasury, Annual User Asset Management Plans, Quarterly Effectiveness reports	
Means of verification	Site reports	
Method of calculation	Number of reports , evaluated and submitted to National Treasury	
Data limitations	Non submission and poor quality of reports submitted by Departments	
Type of indicator	Impact	
Calculation type	Cumulative - for the year	
Reporting cycle	Monthly, quarterly and annually	
New indicator	Quarterly Effectiveness reports – now legislated in the Division of Revenue Act	
Desired performance	improved quality of properly selected prioritised, designed, constructed and maintained infrastructure	
Indicator responsibility	Senior Manager: Infrastructure Coordination	

TECHNICAL INDICATOR 2.19

Indicator title	Number of infrastructure reporting model analysis reports provided	
Short definition	Non-financial information and Project/Programme monitoring reports compiled and submitted by Infrastructure Departments. Monitoring of infrastructure implementation.(12 reports)	
Purpose/importance	Ensure that appropriate spending on infrastructure occurs.	
	Monitor	<ul style="list-style-type: none"> All Reports received and analysed and issue 12 feedback reports Analyse Infrastructure reports of the Departments Identify gaps in the implementation of the standards, regulations or acts Issue reports on findings

	Analyse	<ul style="list-style-type: none"> • Issue periodical reporting circulars with timelines • Review Infrastructure reports of stakeholders and provide inputs for improvements • Read through the document; • Make findings of the understanding of the document, possibly the future position - financially or physically • How the information presented in the document, affects other reports already submitted or statutory requirements.
Policy linked to	PFMA	
Source/collection of data	Infrastructure Reporting Module, Site visits.	
Means of verification	Operational plan activities	
Method of calculation	Number of reports submitted. Number of sites visited.	
Data limitations	Quality of information on IRM.	
Type of indicator	Economy and efficiency	
Calculation type	Cumulative for the year	
Reporting cycle	Annually	
New indicator	No	
Desired performance	Accurate reporting, prudent planning and Expenditure.	
Indicator responsibility	Senior Manager : Infrastructure Coordination	

TECHNICAL INDICATOR 2.20

Indicator title	Number of User Asset Management plan (Infrastructure plans) analysis provided.	
Short definition	User Asset Management Plan is used for Infrastructure Planning and monitoring (6 Plans)	
Purpose/importance	Monitor	<ul style="list-style-type: none"> • Analyse Infrastructure reports of the Departments • Identify gaps in the implementation of the standards, regulations or acts • Issue reports on findings • Issue periodical reporting circulars with timelines.
	Analyse	<ul style="list-style-type: none"> • Review Infrastructure reports of stakeholders and provide inputs for improvements • Read through the document • Make findings of the understanding of the document, possibly the future position – Financially or physically. • How the information presented in the document, affects other reports already submitted or statutory requirements.
Policy linked to	Reduce ad-hoc planning and increase value for money.	
Source/collection of data	PFMA User Asset Management Plans, B5 table on EPRE	
Means of verification	Feedback reports	
Method of calculation	Number	

Data limitations	None
Type of indicator	Efficiency and Economy.
Calculation type	Annual
Reporting cycle	Bi-annually
New indicator	No
Desired performance	Reduce the cost of infrastructure, and thus increase value for money.
Indicator responsibility	Senior Manager: Infrastructure Coordination

PROGRAMME 3: ASSET AND LIABILITIES MANAGEMENT

PROVINCIAL SUPPLY CHAIN MANAGEMENT

TECHNICAL INDICATOR 3.1

Indicator title	Monitor the implementation of supply chain management framework
Short definition	Oversee and monitor the implementation of Supply Chain Management prescripts by providing guidance and support to enhance sound financial management and accountability - 12 Votes, 19 Municipalities and 4 Public Entities
Purpose/importance	<p>Monitor</p> <ul style="list-style-type: none"> • Receive, analyse and provide written feedback on: <ul style="list-style-type: none"> ○ policies and procedures ○ procurement plans ○ monthly reports ○ monthly 30-day payment reports ○ audit action plans ○ deviations on SCM <p>Support</p> <ul style="list-style-type: none"> • Conduct workshops • Conduct one-on one and group discussions/ meetings <p>Analyse</p> <ul style="list-style-type: none"> • Scrutinise documents and provide findings and feedback recommendations <p>That Government commitments to improve services and infrastructure development is achieved (receive reports, review and provide feedback, training of officials, review and provide opinions and views on SCM matters)</p>
Policy linked to Source/collection of data	PFMA, MFMA, PPPFA, SCM regulations
Means of verification	Reports
Method of calculation	Reports submitted
Data limitations	Analysis of reports
Type of indicator	None
Calculation type	Outcome
Reporting cycle	Cumulative – for the year
	Monthly and quarterly

New indicator	No
Desired performance	No deviations but strict adherence to policy frameworks
Indicator responsibility	Senior Manager: Provincial Supply Chain Management

TECHNICAL INDICATOR 3.2

Indicator title	Number of votes, municipalities and public entities monitored on implementation of procurement plans.
Short definition	Oversee and monitor the implementation of Supply Chain Management prescripts by providing guidance and support to enhance sound financial management and accountability - 12 Votes, 19 Municipalities and 4 Public Entities
Purpose/importance	<p>Monitor</p> <ul style="list-style-type: none"> • Receive, analyse and provide written feedback on: <ul style="list-style-type: none"> ○ policies and procedures ○ procurement plans ○ monthly reports <p>Analyse</p> <ul style="list-style-type: none"> • Scrutinise documents and provide findings and feedback recommendations
Policy linked to	That Government's commitment to improve services and infrastructure development is achieved (receive reports, review and provide feedback)
Source/collection of data	PFMA, MFMA, PPPFA, SCM regulations Reports
Means of verification	Reports submitted
Method of calculation	Analysis of reports
Data limitations	None
Type of indicator	Outcome
Calculation type	Cumulative – for the year
Reporting cycle	Quarterly
New indicator	No
Desired performance	No deviations but strict adherence to policy frameworks
Indicator responsibility	Senior Manager: Provincial Supply Chain Management

TECHNICAL INDICATOR 3.3

Indicator title	Number of votes, municipalities and public entities monitored on timeous payments to contracted service providers (12 Votes, 20 municipalities and 4 Public Entities)
Short definition	Timeous payments to contracted service providers
Purpose/importance	To ensure timeous payment of contracted service providers by Government institutions
Policy linked to	PFMA, MFMA, Treasury Regulations, SCM Framework
Source/collection of data	Reports
Means of verification	Reports submitted
Method of calculation	Analysis of reports
Data limitations	Late/non-submission of reports

Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Monthly
New indicator	No
Desired performance	Payment of contracted suppliers within 30 day as per legislation
Indicator responsibility	Senior Manager: Provincial Supply Chain Management

TECHNICAL INDICATOR 3.4

Indicator title	Number of votes and municipalities monitored on contract management
Short definition	Proper maintenance of contracts by 3 Votes and 7 municipalities
Purpose/importance	To timeous management of contract by Government institutions
Policy linked to	PFMA, MFMA, Treasury Regulations, SCM Framework
Source/collection of data	Reports
Means of verification	Reports submitted
Method of calculation	Analysis of reports
Data limitations	Late/non-submission of reports
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Appropriate management of contracts
Indicator responsibility	Senior Manager: Provincial Supply Chain Management

PUBLIC SECTOR LIABILITIES MANAGEMENT

TECHNICAL INDICATOR 3.5

Indicator title	Provide support to comply with relevant legislation on liabilities management
Short definition	To monitor and support provincial institutions on the effective management of liabilities.
Monitor	<ul style="list-style-type: none"> • Receive and analyse: <ul style="list-style-type: none"> ◦ liabilities registers and provide written feedback
Support	<ul style="list-style-type: none"> • Conduct workshops, • Hold Meetings
Analyse	<ul style="list-style-type: none"> • Read through the document; • Make findings of the understanding of the document, possibly the future position- financially or physically. • How the information presented in the document, affects other reports already submitted or statutory requirements.

Purpose/importance	Improve provincial financial sustainability
Policy linked to	PFMA, MFMA and Treasury Regulations
Source/collection of data	Financial systems, annual reports, lease agreements, litigation reports, retention.
Means of verification	Reports and registers
Method of calculation	Analysis of reports
Data limitations	None
Type of indicator	Outcome
Calculation type	Cumulative - for the year
Reporting cycle	Quarterly
New indicator	No
Desired performance	Effective management of liabilities in the province
Indicator responsibility	Public Sector Liabilities sub-programme

TECHNICAL INDICATOR 3.6

Indicator title	Number institutions monitored on the implementation of GRAP standards for liabilities
Short definition	<p>To monitor and support provincial institutions on the management of liabilities effectively.</p> <p>Monitor</p> <ul style="list-style-type: none"> • Receive and analyse liabilities registers for compliance in terms of: <ul style="list-style-type: none"> – GRAP 13 for leases – GRAP 19 for contingent liabilities and provisions – provide written feedback <p>Support</p> <ul style="list-style-type: none"> • Hold meetings • Provide one on one capacity building /training • Make recommendations <p>Analyse</p> <ul style="list-style-type: none"> • Read through the document; • Make findings of the understanding of the document, possibly the future position- financially or physically. • How the information presented in the document, affects other reports already submitted or statutory requirements.
Purpose/importance	Is to improve provincial financial sustainability
Policy linked to	PFMA, MFMA and Treasury Regulations
Source/collection of data	Financial systems, annual reports, lease agreements, litigation reports, retention.
Means of verification	Reports and liability registers
Method of calculation	Analysis of reports
Data limitations	Unavailability of liability registers
Type of indicator	Outcome
Calculation type	Cumulative - for the year
Reporting cycle	Quarterly
New indicator	No

Desired performance	Effective management of liabilities in the province
Indicator responsibility	Public Sector Liabilities sub-programme

PHYSICAL ASSET MANAGEMENT

TECHNICAL INDICATOR 3.7

Indicator title	Provide support to comply with asset management framework
Short definition	The effective and efficient management of provincial physical assets for 12 Votes, 20 municipalities and 4 Public Entities through the implementation and maintenance of systems of internal controls.
Purpose/importance	<p>Monitor</p> <ul style="list-style-type: none"> • Receive, analyse and provide feedback on: <ul style="list-style-type: none"> ○ policies and procedures ○ asset registers ○ reconciliations reports ○ quarterly reports ○ asset management plans ○ audit action plans <p>Support</p> <ul style="list-style-type: none"> • Conduct workshops, • Conduct one-on-one and group discussions/ meetings <p>Analyse</p> <ul style="list-style-type: none"> • Scrutinise documents and provide input and feedback <p>Improved governance of physical assets in order to enhanced service delivery</p>
Policy linked to	PFMA, MFMA, GIAMA and MPAMPF
Source/collection of data	Audit reports, Asset registers, Asset Management Plans
Means of verification	Audit reports
Method of calculation	Analysis of source data
Data limitations	The reliability of information provided by Votes, Public Entities and Municipalities
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Improve the management and accounting of physical assets in the asset registers
Indicator responsibility	Senior Manager: Physical Asset Management

TECHNICAL INDICATOR 3.8

Indicator title	Number of Votes, Public Entities and Municipalities supported and monitored to comply with asset management framework
Short definition	Supporting 12 Votes, 6 Municipalities and 2 Public Entities through the implementation and maintenance of systems of internal controls.

Purpose/importance	Monitor	<ul style="list-style-type: none"> • Receive, analyse and provide feedback on: <ul style="list-style-type: none"> ○ policies and procedures ○ asset registers ○ audit action plans
	Support	<ul style="list-style-type: none"> • Provide guidance through audit steering committees • Conduct workshops, • Conduct one-on-one and group discussions/ meetings
	Analyse	<ul style="list-style-type: none"> • Scrutinise documents and provide input and feedback
Policy linked to	Improved governance of physical assets in order to enhanced service delivery	
Source/collection of data	PFMA, MFMA, GIAMA and MPAMPF	
Means of verification	Audit reports, Asset registers, Asset Management Plans	
Method of calculation	Feedback reports	
Data limitations	Analysis of source data	
Type of indicator	The reliability of information provided by Votes, Public Entities and Municipalities	
Calculation type	Output	
Reporting cycle	Non-cumulative	
New indicator	Quarterly	
Desired performance	No	
Indicator responsibility	Improve the management and accounting of physical assets in the asset registers	
	Senior Manager: Physical Asset Management	

TECHNICAL INDICATOR 3.9

Indicator title	Number of votes supported on inventory management
Short definition	Monitor, support and the implementation of the legislative frameworks on inventory management (PFMA, Treasury Regulations) in Votes – Argiculture, Rural Development, Land and Environmental Affairs, Education, Public Works, Roads and Transport Department of Cooperative Governance and Traditional Affairs, Community Safety, Security and Liaison and Culture, Sport and Recreation
Purpose/importance	Receive, analysis and provide feedback on inventory management
	Support <ul style="list-style-type: none"> • Receive, analyse and provide feedback on: <ul style="list-style-type: none"> ○ policies and procedures ○ inventory registers ○ reconciliations reports ○ quarterly reports • Conduct workshops, • Conduct one-on-one and group discussions/ meetings • Scrutinise documents and provide input and feedback
Policy linked to	PFMA
Source/collection of	Audit reports, Inventory Registers

data	
Source/collection of data	Inventory registers, financial reports, financial statements
Means of verification	Reports
Method of calculation	Analysis of reports
Data limitations	None
Type of indicator	Outcome
Calculation type	Non-Cumulative
Reporting cycle	Monthly, quarterly and annually
New indicator	No
Desired performance	Improve the management and accounting of inventory management
Indicator responsibility	Senior Manager: Physical Asset Management

INTERLINKED FINANCIAL SYSTEMS

TECHNICAL INDICATOR 3.10

Indicator title	Provide business support on Transversal systems
Short definition	To provide business support on transversal systems – 12 Votes
Purpose/importance	Improve compliance to systems rules, regulations that then assist in the executives' decision-making.
	Monitor <ul style="list-style-type: none"> Print and analyse system reports and provide written feedback: <ul style="list-style-type: none"> ○ trial balance, ○ balanced scorecard ○ Audit trail reports ○ Resource Allocation Control Facility (RACF) reports
	Support <ul style="list-style-type: none"> • Operate helpdesk • End user support • Training • Workshops • One-on-one visits
	Analyse <ul style="list-style-type: none"> Scrutinise documents and provide input and feedback;
Policy linked to	PFMA, PSA, Treasury Regulations, MISS
Source/collection of data	Reports
Means of verification	Reports and registers
Method of calculation	Analysis of source data
Data limitations	None
Type of indicator	Outcome
Calculation type	Cumulative monthly

Reporting cycle	Monthly and quarterly
New indicator	No
Desired performance	Improved management of transversal systems
Indicator responsibility	Senior Manager: Interlinked Financial Systems

TECHNICAL INDICATOR 3.11

Indicator title	Number of votes monitored on optimal utilisation of the Persal and Logis
Short definition	Monitoring of the 12 Votes on the management and utilisation of transversal systems through obtaining, reviewing, consolidating and submitting 4 quarterly progress reports to management per annum
Purpose/importance	Improve compliance to systems rules, regulations that then assist in the executives' decision-making.
	Monitor <ul style="list-style-type: none"> Analyse system reports and provide written feedback: <ul style="list-style-type: none"> Balanced scorecard NMIR Compliance utilisation
	Support <ul style="list-style-type: none"> Operate helpdesk End user support Training Workshops
	Analyse <ul style="list-style-type: none"> Scrutinise documents and provide input and feedback;
Policy linked to	PFMA, PSA, Treasury Regulations, MISS and POPI, NMIR
Source/collection of data	Reports
Means of verification	Reports and registers
Method of calculation	Analysis of source data
Data limitations	Unavailability of network
Type of indicator	Outcome
Calculation type	Cumulative monthly
Reporting cycle	Monthly and quarterly
New indicator	No
Desired performance	Improved management of transversal systems
Indicator responsibility	Senior Manager: Interlinked Financial Systems

TECHNICAL INDICATOR 3.12

Indicator title	Number of Votes monitored on access security profiles
Short definition	Monitoring of the 12 Votes on the access security profiles of transversal systems through obtaining, reviewing, consolidating and submitting 4 quarterly reports to management per annum.
Purpose/importance	Improved the use of transversal systems to ensure proper allocation and data utilisation
	Monitor <ul style="list-style-type: none"> Analyse system reports and provide written feedback on:

	<ul style="list-style-type: none"> ○ Audit trail reports ○ Resource Allocation Control Facility (RACF) reports
	<ul style="list-style-type: none"> • Operate helpdesk • End user support
Support	Scrutinise documents and provide input and feedback;
Analyse	
Policy linked to Source/collection of data	PFMA, PSA, IT Governance MISS and POPI, RACF reports, Systems reports, Balance Score Card, NMIR
Means of verification	System Reports
Method of calculation	Analysis of source data
Data limitations	None
Type of indicator	Outcome
Calculation type	Cumulative monthly
Reporting cycle	Quarterly
New indicator	No
Desired performance	Improve the utilisation of transversal systems to ensure proper allocation of data
Indicator responsibility	Senior Manager: Interlinked Financial Systems

INFORMATION TECHNOLOGY

TECHNICAL INDICATOR 3.13

Indicator title	Provide an enabling environment and systems for sound corporate governance of ICT in Mpumalanga Province
Short definition	To install and support ICT infrastructure to 12 Votes within the Mpumalanga Provincial Government Monitor and support the implementation of ICT Governance Framework in 12 Votes and 20 municipalities
Purpose/importance	Improve ICT infrastructure to optimise operational efficiency
	Provide <ul style="list-style-type: none"> • Install and manage ICT networks
	Monitor
	Receive and analyse reports on: <ul style="list-style-type: none"> • Network availability • Governance framework implementation • Audit outcomes
	Support <ul style="list-style-type: none"> • Operate helpdesk • End user support • ICT networks • Workshops on application of systems
	Analyse

Policy linked to Source/collection of data	<ul style="list-style-type: none"> • Scrutinise documents and provide input and feedback; • Make findings of the understanding of the document; <p>How the information presented in the document, affects other reports already submitted or statutory requirements. PFMA , MFMA, MISS, IT Governance framework Reports</p>
Means of verification	Reports and registers
Method of calculation	Number of report issued and analysed
Data limitations	None
Type of indicator	Outcome
Calculation type	Cumulative - for the year
Reporting cycle	Daily, monthly and quarterly
New indicator	No
Desired performance	Improved operational efficiency through Information Communication Technology
Indicator responsibility	Senior Manager: Information Technology

TECHNICAL INDICATOR 3.14

Indicator title	Percentage Up-time of ICT Network infrastructure
Short definition	Install and support Network connectivity in 12 Votes
Purpose/importance	<p>To manage and support IT network infrastructure effectively without unnecessary downtime and loss of productivity. Sum of quarterly uptime percentage divided by the number of sites equals to average uptime percentage.</p> <p>Average = 95%</p> <ul style="list-style-type: none"> • Install and manage ICT networks <p>Receive and analyse reports on:</p> <ul style="list-style-type: none"> • Network availability <p>Support</p> <ul style="list-style-type: none"> • ICT networks
Policy linked to Source/collection of data	PFMA, IT Governance Framework, SITA Act, MISS Network Reports,
Means of verification	System generated report on percentage of up-time of system
Method of calculation	Network uptime statistics as per agreed service levels
Data limitations	Unavailability of network
Type of indicator	Output
Calculation type	Cumulative, System generated reports expressed in percentage (%) Sum of quarterly uptime percentage divided by the number of sites equals to average uptime percentage. Average=98.07% (Provide actual of current year as baseline)
Reporting cycle	Monthly
New indicator	No

Desired performance	Reduced downtime and maximize productivity.
Indicator responsibility	Senior Manager: Information Technology

TECHNICAL INDICATOR 3.15

Indicator title	Percentage of calls resolved
Short definition	Provision of responsive IT End-User support (Logging of calls, attending to calls at the Help Desk, Conducting quality assurance on calls, providing training on production applications, conducting IT security awareness) Numerator = number of calls attended to Denominator: number of calls logged Baseline= $5322/5364 \times 100 = 99\%$
Purpose/importance	To manage IT resources more effectively without unnecessary downtime and loss of productivity.
Policy linked to	PFMA, IT Governance Frameworks
Source/collection of data	Reports from HELP DESK System
Means of verification	System report
Method of calculation	Calls done within the agreed service level
Data limitations	Unavailability of network
Type of indicator	Output
Calculation type	Cumulative, Numerator = number of calls attended in 8 hours/Denominator: number of calls logged Baseline= $5322/5364 \times 100 = 99\%$
Reporting cycle	Daily
New indicator	No
Desired performance	Reduced downtime and maximize productivity.
Indicator responsibility	Senior Manager: Information Technology

TECHNICAL INDICATOR 3.16

Indicator title	Number of Votes and Municipalities monitored on IT Governance
Short definition	Assist with the development of action plans (9 Municipalities and 6 Votes), monitor the outcomes of the information technology audits and progress done on implementation, measured bi-annually.
Purpose/importance	Assist Votes and Municipalities to obtain a higher level of maturity on IT governance and to maintain a positive audit on IT (Implementation of IT framework and audit action plans) Support: <ul style="list-style-type: none"> • Return quarterly feedback to MANCO • Assist with IT Risk assessment workshops, • Visit Stakeholders on a one-on-one basis. • Compliance to Information Communication Technology policies and standards)
Policy linked to	PFMA, MFMA, IT Governance Framework, MISS

Source/collection of data	Audit reports
Means of verification	Audit Reports
Method of calculation	Analysis of source data
Data limitations	The reliability of information provided by Votes and Municipalities
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Higher level of maturity and positive audit outcomes
Indicator responsibility	Senior Manager: Information Technology

Programme 4: Financial Governance

ACCOUNTING SERVICES

TECHNICAL INDICATOR 4.1

Indicator title	Provide Advisory services, support and monitor public sector institutions in terms of accounting standards and financial statements to ensure accountability
Short definition	Provide advisory services, support and monitor 12 Votes, 20 Municipalities and 4 Public Entities in terms of accounting standards and financial statements. <ul style="list-style-type: none"> • Training on financial statements and accounting standards • Analyse the trial balances and advise the Departments on issues to be corrected • Attend audit steering committee meetings to clarify the reporting framework and accounting standards • Issue periodical reporting circulars with timelines • Review Financial Statements and Interim Financial Statements of stakeholders and provide inputs for improvements
Purpose/importance	To provide guidance and support on Accounting standards and financial statements to enable full disclosure and compliance to accounting standards
Policy linked to	PFMA and GRAP Standards
Source/collection of data	Trial balance reports, Interim Financial Statements and Annual Financial Statements submitted by Votes, Municipalities and Public Entities
Means of verification	Reports
Method of calculation	Analysis of source data
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative - for the year

Reporting cycle	Monthly, quarterly and annually
New indicator	No
Desired performance	Improved compliance to Accounting standards and reporting frameworks by Votes, Municipalities and Public Entities
Indicator responsibility	Senior Manager: Accounting Services

TECHNICAL INDICATOR 4.2

Indicator title	Number of Votes and Public Entities trained, advised and supported on accounting standards and financial statements
Short definition	Provide advisory services, support and monitor 12 Votes, and 4 Public Entities in terms of accounting standards and financial statements. Trained <ul style="list-style-type: none"> • Training on financial statements and accounting standards Advised <ul style="list-style-type: none"> • Analyse the trial balances and advise the Departments on issues to be corrected • Issue periodical reporting circulars with timelines Supported <ul style="list-style-type: none"> • Attend audit steering committee meetings to clarify the reporting framework and accounting standards • Review Financial Statements and Interim Financial Statements of stakeholders and provide inputs for improvements
Purpose/importance	To provide guidance and support on Accounting standards and financial statements to enable full disclosure and compliance to accounting standards
Policy linked to	PFMA and GRAP Standards
Source/collection of data	Trial balance reports, Interim Financial Statements and Annual Financial Statements submitted by Votes, Municipalities and Public Entities
Means of verification	Reports
Method of calculation	Analysis of source data
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative - for the year
Reporting cycle	Monthly, quarterly and annually
New indicator	No
Desired performance	Improved compliance to Accounting standards and reporting frameworks by Votes, Municipalities and Public Entities
Indicator responsibility	Senior Manager: Accounting Services

TECHNICAL INDICATOR 4.3

Indicator title	Number of Votes and Public Entities received feedback on Interim Financial Statements analysed
Short definition	This is a process of casting, verifying and checking completeness of figures and accounting policies on the 12 Votes and 2 Public Entities and provide feedback reports. <ul style="list-style-type: none"> • Check accuracy of figures • Tally the related figures such as cash and cash equivalent

TECHNICAL INDICATOR 4.3

Purpose/importance	<ul style="list-style-type: none"> Check the inclusion of all disclosure notes <p>To ensure the following:</p> <ul style="list-style-type: none"> Meet reporting requirements Improve quality of IFS disclosure Improved Audit outcomes Improve timely submission of AFS
Policy linked to Source/collection of data	PFMA Interim Financial Statements for Votes and Public Entities and Internal Audit reports
Means of verification	Interim Financial Statements
Method of calculation	None
Data limitations	Non-submission of IFS
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Accurate Financial Statements
Indicator responsibility	Senior Manager: Accounting Services

TECHNICAL INDICATOR 4.4

Indicator title	Number of Municipalities supported and monitored on preparation of financial statements and audit processes
Short definition	It is a process guided by the GRAP standards for 14 Municipalities
Purpose/importance	To provide guidance and support on Accounting standards and financial statements to enable full disclosure and compliance to accounting standards
	<p>Support</p> <ul style="list-style-type: none"> Support on the use of the AFS template Training on financial statements and accounting standards Attend audit steering committee meetings to clarify the reporting framework and accounting standards <p>Guidance</p> <ul style="list-style-type: none"> Advise on allocations Advise on accounting policies, standards and interpretation Issue periodical reporting circulars with timelines
Policy linked to Source/collection of data	MFMA and GRAP Standards Trial balance reports, Interim financial statements and annual financial statements submitted by Municipalities
Means of verification	Reports
Method of calculation	Analysis of source data
Data limitations	None

Type of indicator	Output
Calculation type	Cumulative - for the year
Reporting cycle	Bi-annually
New indicator	No
Desired performance	Improved compliance to Accounting standards and reporting frameworks by Municipalities
Indicator responsibility	Senior Manager: Accounting Services

TECHNICAL INDICATOR 4.5

Indicator title	Number of Consolidated annual financial statements for Votes and Public Entities tabled in the Provincial Legislature
Short definition	It's a process of compiling one set of consolidated financial statements and tabling to the Provincial Legislature in line with Section 19 of the Public Finance Management Act, No. 1 of 1999
Purpose/importance	To promote accountability in public sector institutions through consolidation of financial statements To comply with the PFMA, No. 1 of 1999
Policy linked to	PFMA
Source/collection of data	Annual financial statements submitted by Votes and Public Entities
Means of verification	AFS
Method of calculation	Analysis of source data
Data limitations	None submission of AFS
Type of indicator	Output
Calculation type	Cumulative - for the year
Reporting cycle	Quarterly
New indicator	No
Desired performance	Improved reporting and timely submission of consolidated financial statements
Indicator responsibility	Senior Manager: Accounting Services

NORMS AND STANDARDS

TECHNICAL INDICATOR 4.6

Indicator title	Improve the systems of internal controls in public sector institutions
Short definition	Utilise available sources of information to monitor the implementation of remedial actions to improve the systems of internal controls
Purpose/importance	Strengthen the internal control systems and reduce the level of non-compliance
Policy linked to	PFMA and MFMA
Source/collection of data	Remedial action plans of Votes, Municipalities and Public Entities
Means of verification	Action plans
Method of calculation	Analysis of source data
Data limitations	None
Type of indicator	Output

Calculation type	Cumulative - for the year
Reporting cycle	Monthly, quarterly and annually
New indicator	No
Desired performance	Improved internal controls and compliance with legislation and improved corporate governance
Indicator responsibility	Senior Manager: Norms and Standards

TECHNICAL INDICATOR 4.7

Indicator title	Number of Votes monitored on the remedial action plans for Financial Management
Short definition	Monitor the improvement of financial management controls in 8 Votes and provide recommendations
Purpose/importance	Improve systems of internal control
Policy linked to	PFMA
Source/collection of data	MPAT and audit findings
Means of verification	Progress reports
Method of calculation	Analysis of source data
Data limitations	Non-completion of the action plans
Type of indicator	Output
Calculation type	Cumulative - for the year
Reporting cycle	Annually
New indicator	Yes
Desired performance	To improve internal control systems in Departments
Indicator responsibility	Senior Manager: Norms and Standards

TECHNICAL INDICATOR 4.8

Indicator title	Number of Action plans analysed for completeness on audit findings for Votes and Public Entities
Short definition	Analyse audit action plans received from 12 Votes and 4 Public Entities to determine if all issues in the audit management letters and audit reports have been included (completeness analysis) and that the action plans include all actions, activities, root causes and measurable due dates (content analysis).
Purpose/importance	All matters raised will be addressed
Policy linked to	PFMA
Source/collection of data	AG action plans
Means of verification	Remedial action plans analysed
Method of calculation	Analysis of source data
Data limitations	Non-completion of the action plans
Type of indicator	Output
Calculation type	Cumulative – for the year
Reporting cycle	Quarterly
New indicator	Yes

Desired performance	To improve internal control systems in Votes and Public Entities
Indicator responsibility	Senior Manager: Norms and Standards

TECHNICAL INDICATOR 4.9

Indicator title	Number of Votes and Public Entities monitored on audit findings action plans (Human Resource Management)
Short definition	Monitored: Follow up on AG (Human Resource Management) outstanding issues for 5 Votes and 2 Public Entities informed by the audit outcomes and findings and provide feedback to Accounting Officers / Authorities
Purpose/importance	Improved systems of internal control
Policy linked to	PFMA
Source/collection of data	AG action plans
Means of verification	Monthly progress reports
Method of calculation	Analysis of source data
Data limitations	Non-completion of the action plans and progress reports
Type of indicator	Output
Calculation type	Cumulative- for the year
Reporting cycle	Quarterly
New indicator	No
Desired performance	To improve internal control systems in Votes and Public Entities
Indicator responsibility	Senior Manager: Norms and Standards

TECHNICAL INDICATOR 4.10

Indicator title	Number of Action plans analysed for completeness on audit findings for 20 Municipalities
Short definition	Analyse audit action plans received from 20 Municipalities to determine if all issues in the audit management letters and audit reports have been included (completeness analysis) and that the action plans include all actions, activities, root causes and measurable due dates (content analysis).
Purpose/importance	All matters raised will be addressed
Policy linked to	MFMA
Source/collection of data	AG action plans
Means of verification	Remedial action plans analysed
Method of calculation	Analysis of source data
Data limitations	Non-completion of the action plans
Type of indicator	Output
Calculation type	Cumulative – for the year
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	To improve internal control systems in Municipalities
Indicator responsibility	Senior Manager: Norms and Standards

TECHNICAL INDICATOR 4.11

Indicator title	Number of Municipalities monitored on audit findings action plans (Human Resource Management)
Short definition	Monitored: Follow up on AG (Human Resource Management) outstanding issues for 9 Municipalities informed by the audit outcomes and findings and provide feedback reports to Accounting Officers
Purpose/importance	Improved systems of internal control
Policy linked to	MFMA
Source/collection of data	AG action plans
Means of verification	Monthly progress reports
Method of calculation	Analysis of source data
Data limitations	Non-completion of the action plans and progress reports
Type of indicator	Output
Calculation type	Cumulative- for the year
Reporting cycle	Quarterly
New indicator	No
Desired performance	To improve internal control systems in Municipalities
Indicator responsibility	Senior Manager: Norms and Standards

TECHNICAL INDICATOR 4.12

Indicator title	Number of risk assessment progress reports for Votes, Public Entities and Municipalities monitored
Short definition	4 Votes, 2 Public Entities and 6 Municipalities' risk assessment reports monitored <ul style="list-style-type: none">• Analyse risk assessment reports to identify that risk response plans were developed and implemented• Identify gaps• Issue reports on findings and recommendations for improvement to Accounting Officers / Authorities
Purpose/importance	Improved systems of internal control
Policy linked to	PFMA and MFMA
Source/collection of data	Risk assessment reports of Votes, Public Entities and Municipalities
Means of verification	Analysis of risk assessment reports and risk response plans
Method of calculation	Actual implementation
Data limitations	None
Type of indicator	Output
Calculation type	Non-Cumulative - for the year
Reporting cycle	Annually
New indicator	Yes
Desired performance	To improve risk assessment processes and increase internal audit coverage
Indicator responsibility	Senior Manager: Norms and Standards

PROVINCIAL RISK MANAGEMENT

TECHNICAL INDICATOR 4.13

Indicator title	Facilitate implementation of risk management processes
Short definition	Provide guidance and support to 12 Votes, 20 Municipalities and 4 Public Entities on Enterprise Risk Management Processes
Purpose/importance	Improve the risk management processes and reduce the level of non-compliance
Policy linked to	PFMA, MFMA and Risk Management standards
Source/collection of data	Risk assessment reports and Risk Management Committee Evaluation Reports
Means of verification	Reports
Method of calculation	Analysis of source data
Data limitations	None submission of inputs by stakeholders
Type of indicator	Output
Calculation type	Cumulative - for the year
Reporting cycle	Monthly/Quarterly and Annually
New indicator	No
Desired performance	Improved the Risk Management Maturity levels and processes
Indicator responsibility	Manager: Provincial Risk Management

TECHNICAL INDICATOR 4.14

Indicator title	Number of Revised Enterprise Risk Management (ERM) framework reviewed / issued
Short definition	This is a process, which involves review, updating and issuing one Provincial ERM Framework.
Purpose/importance	Improve the risk management processes and reduce the level of non-compliance
Policy linked to	PFMA, MFMA and Risk Management standards
Source/collection of data	Risk assessment reports and Risk Management Committee Evaluation Reports
Means of verification	Reports
Method of calculation	Analysis of source data
Data limitations	None submission of inputs by stakeholders
Type of indicator	Output
Calculation type	Cumulative - for the year
Reporting cycle	Monthly/Quarterly and Annually
New indicator	No
Desired performance	Improved the Risk Management Maturity levels and processes
Indicator responsibility	Manager: Provincial Risk Management

TECHNICAL INDICATOR 4.15

Indicator title	Number of Votes, Public Entities and Municipalities monitored on implementation of the Provincial Risk Management Framework
Short definition	The Provincial Risk Management framework, methodology and guideline is the tool that involves the following: <ul style="list-style-type: none"> • Evaluation of the effectiveness of Risk Management Committees • Evaluation of Risk Assessment reports and provide feedback • 5 Votes, 2 Public Entities and 8 Municipalities monitored on implementation of the Framework • Provide hands-on support with the performance of risk assessments on request
Purpose/importance	Promote uniformity and standardise Risk management processes in the Province
Policy linked to	PFMA, MFMA and Risk Management standards
Source/collection of data	Risk Assessment Reports and Top Ten High Risk Areas
Means of verification	Reports
Method of calculation	Analysis of source data
Data limitations	None submission of reports by stakeholders and none implementation of the recommendations
Type of indicator	Output
Calculation type	Cumulative - for the year
Reporting cycle	Monthly/Quarterly and Annually
New indicator	No
Desired performance	Effective implementation of the Provincial Enterprise Risk Management Framework and guidelines.
Indicator responsibility	Manager: Provincial Risk Management

TECHNICAL INDICATOR 4.16

Indicator title	Number of Guidelines on Risk Management processes reviewed / issued
Short definition	This involves developing, reviewing, updating and issuing one Guideline on Risk management processes for the 12 Votes, 20 Municipalities and 4 Public Entities.
Purpose/importance	Improve the risk management processes and reduce the level of non-compliance
Policy linked to	PFMA and MFMA
Source/collection of data	Risk assessment reports and Risk Management Committee Evaluation Reports
Means of verification	Reports
Method of calculation	Analysis of source data
Data limitations	None submission of inputs by stakeholders
Type of indicator	Output
Calculation type	Cumulative - for the year
Reporting cycle	Monthly/Quarterly and Annually
New indicator	No
Desired performance	Improved the Risk Management Maturity levels and processes
Indicator responsibility	Manager: Provincial Risk Management

PROVINCIAL INTERNAL AUDIT

TECHNICAL INDICATOR 4.17

Indicator title	Support public sector institutions to improve on internal audit processes
Short definition	A process that provides guidance, capacity building, and coordination and evaluate the effectiveness of internal audit functions and internal audit committees.
Purpose/importance	Monitor and provide support and capacity building to 12 Votes, 20 Municipalities and 4 Public Entities to fully implement standardised internal audit processes <ul style="list-style-type: none"> Analyse internal audit plans by using template designed Attend Audit Committee meetings Evaluate the proceedings of the meeting in terms of the following standards: <ul style="list-style-type: none"> Composition and quality; Understanding Business and Risks; Oversight of Internal and external auditors; Process and procedures; Communication Issue reports to Accounting Officers / Authorities with recommendations for improvements Strengthen the internal audit processes and reduce the level of non-compliance
Policy linked to Source/collection of data	PFMA, MFMA
Means of verification	Internal audit plans and reports issued and completed evaluation questionnaire for Audit Committees
Method of calculation	Audit plans
Data limitations	Analysis of source data
Type of indicator	None
Calculation type	Output
Reporting cycle	Cumulative - for the year
New indicator	Monthly, quarterly and annually
Desired performance	No
Indicator responsibility	Improved internal audit processes and corporate governance Assistant Manager: Provincial Internal Audit

TECHNICAL INDICATOR 4.18

Indicator title	Percentage of internal audit plans that were received, analysed
Short definition	<div> 100% internal audit plans received </div> <ul style="list-style-type: none"> All internal audit plans received and analysed Sum of plans received divided by Sum of plans analysed multiply by 100 equals to total Percentage Baseline= $27/27/100=100\%$ Number expected= 12 Votes, 20 Municipalities and 4 Public Entities

TECHNICAL INDICATOR 4.18

	<ul style="list-style-type: none">• Bi-annually (1st quarter Municipalities and 4th quarter Votes and Public Entities))• Receive Internal Audit Plans (100% of Internal Audit plans received and analysed refers to all internal audit plans submitted)• Analyse the plans by using template designed• Issue reports on findings• Maintain register of Internal audit plans received, analysed and feedback provided
Purpose/importance	Improve audit coverage in the Province
Policy linked to	PFMA, MFMA and Treasury Regulations
Source/collection of data	Internal Audit plans received from Votes, Municipalities and Public Entities
Means of verification	Audit plans
Method of calculation	Analysis in terms of predetermined questionnaire
Data limitations	None submission of Internal Audit plans by Votes, Municipalities and Public Entities on the required time frame
Type of indicator	Output
Calculation type	Cumulative - for the year
Reporting cycle	Bi -Annually
New indicator	No
Desired performance	Improved internal audit processes and corporate governance
Indicator responsibility	Assistant Manager: Provincial Internal Audit

TECHNICAL INDICATOR 4.19

Indicator title	Number of Municipalities with functional audit committees
Short definition	This is a framework that is used to assess and improve the effectiveness of the audit committees within the governance structures
Purpose/importance	<ul style="list-style-type: none">• Attend Audit Committee meetings• Evaluate the proceedings of the meeting in terms of the following standards:<ul style="list-style-type: none">○ Composition and quality;○ Understanding business and risks;○ Oversight of Internal and external auditors;○ Process and procedures:○ Communication• Issue reports to Accounting Officers with recommendations for improvements
Policy linked to	MFMA
Source/collection of data	Audit Committee meetings
Means of verification	Audit plans
Method of calculation	Analysis in terms of predetermined questionnaire

TECHNICAL INDICATOR 4.19

Data limitations	None
Type of indicator	Output
Calculation type	Cumulative - for the year
Reporting cycle	Bi -Annually
New indicator	No
Desired performance	Improved internal audit processes and corporate governance
Indicator responsibility	Assistant Manager: Provincial Internal Audit

TECHNICAL INDICATOR 4.20

Indicator title	Number of evaluations performed on the effectiveness of Audit Committees
Short definition	This framework is used to assess and improve the effectiveness of the audit committees within the governance structures.
Purpose/importance	<ul style="list-style-type: none"> Attend Audit Committee meetings Evaluate the proceedings of the meeting in terms of the following standards: <ul style="list-style-type: none"> Composition and quality; Understanding business and risks; Oversight of Internal and external auditors; Process and procedures; Communication Issue feedback reports to Accounting Officers / Authorities with recommendations for improvements
Policy linked to	PFMA
Source/collection of data	Audit Committee meetings
Means of verification	Audit reports
Method of calculation	Observation of audit committee meeting proceedings and predetermined questionnaire
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative for the year
Reporting cycle	Monthly
New indicator	No
Desired performance	Improved internal audit processes and corporate governance
Indicator responsibility	Assistant Manager: Provincial Internal Audit

TECHNICAL INDICATOR 4.21

Indicator title	Number of Internal Audit assessments performed on readiness of Quality Assurance Review
Short definition	This is a tool that is used to assess the effectiveness of the internal audit function, when performing their work in accordance with the definition of internal audit, code of ethics and internal audit methodology.
Purpose/importance	Perform Quality Assurance Reviews and issue 1 report with recommendations for improvement
Policy linked to	PFMA / MFMA
Source/collection of data	Standards for the Professional Practice of Internal Auditing, Internal Audit Manual, Internal Audit units
Means of verification	Reports
Method of calculation	Compliance with IIA Standards
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative for the year
Reporting cycle	Quarterly
New indicator	No
Desired performance	Improve the compliance to IIA Standards
Indicator responsibility	Assistant Manager: Provincial Internal Audit

TECHNICAL INDICATOR 4.22

Indicator title	Number of follow-ups conducted on the implementation of Quality Assurance review recommendations
Short definition	This is a tool that is used to assess the effectiveness of the internal audit function, when performing their work in accordance with the definition of internal audit, code of ethics and internal audit methodology.
Purpose/importance	1 follow-up report on previously raised recommendations.
Policy linked to	PFMA / MFMA
Source/collection of data	Standards for the Professional Practice of Internal Auditing, Internal Audit Manual, Internal Audit units
Means of verification	Reports
Method of calculation	Compliance with IIA Standards
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative for the year
Reporting cycle	Quarterly
New indicator	No
Desired performance	Improve the compliance to IIA Standards
Indicator responsibility	Assistant Manager: Provincial Internal Audit

ANNEXURE F: CHANGES TO PLANNING DOCUMENTS

Changes as reported in the APP 2016/17:

a) CHANGES TO STRATEGIC PLAN'S STRATEGIC GOALS

The strategic goals were revised and reduced to two (2) goals, which are more explanatory of the mandate of the Provincial Treasury.

Previous Strategic Goals:

Strategic Goal 1	Administrative support
Goal Statement	Provide prompt, continuous, effective and efficient administrative support to all line functions in the Department.
Justification	Achieving sustained benefit across the Department by achieving goals and improving service delivery in terms of Departmental policies.
Links	MTSF priority 12: An efficient, effective and development orientated public service. Compliance to PSA, PMFA, MFMA, MTSF and other related legislative frameworks.
Strategic Goal 2	Maintain fiscal discipline in the province
Goal Statement	Provide quality advice and support on Provincial and Municipal Fiscal policy, Budget and expenditure management and economic impact of provincial public policy and expenditure and Infrastructure Coordination.
Justification	To ensure that there is service delivery in the province through efficient resources allocation and sound financial management practices.
Links	MTSF priority 9: responsive, accountable, effective and efficient developmental local government system and the PFMA, MFMA, MTSF, NDP, Vision 2030 and MEGDP
Strategic Goal 3	Asset and Liabilities support
Goal Statement	Monitor and support the implementation of Transversal Systems, Information Technology Services, Assets, Liabilities, Public Private Partnerships and Provincial Supply Chain management to votes, public entities and municipalities, to achieve full compliance to applicable legislative frameworks in the next five years.
Justification	To ensure votes, public entities and municipalities comply with PFMA, MFMA and other relevant legislations to support service delivery.
Links	Strengthening performance and management of public resources in provincial departments, public entities and municipalities. MTSF priority 9: responsive, accountable, effective and efficient developmental local government system, PFMA, MFMA & other relevant legislations
Strategic Goal 4	Efficient and effective financial and corporate governance
Goal Statement	Ensure efficient and effective financial and corporate governance in the province in line with legislation by 2014.

Justification	Improved compliance to prescribed frameworks and legislation by Departments, public entities and municipalities
Links	MTSF priority 9: responsive, accountable, effective and efficient developmental local government system and the PFMA, MFMA, MTSF, NDP, Vision 2030 and MEGDP

New Strategic Goals:

Strategic Goal 1	Administrative support
Goal Statement	Provide prompt, continuous, effective and efficient administrative support to all line functions in the Provincial Treasury.
Justification	Achieving sustained benefit across the Provincial Treasury by achieving goals and improving service delivery in terms of Departmental policies.
Links	MTSF priority 12: An efficient, effective and development orientated public service. Compliance to PSA, PMFA, MFMA, MTSF and other related legislative frameworks.
Strategic Goal 2	Efficient and effective financial, ICT, and corporate governance in the Province
Goal Statement	Ensure efficient and effective financial, ICT, and corporate governance in the Province, in line with Legislation and Policies.
Justification	Improved compliance to prescribed frameworks and legislation by Departments, public entities and municipalities
Links	MTSF priority 9: responsive, accountable, effective and efficient developmental local government system and the PFMA, MFMA, MTSF, NDP, Vision 2030 and MEGDP

b) CHANGES TO STRATEGIC PLAN'S STRATEGIC OBJECTIVES

The new strategic objectives are more explanatory of the mandate the Provincial Treasury and in line with name change.

Programme 1: Office of the Chief Financial Officer

Old: Strategic Objective 1 :	Provide sound financial and supply chain management services to the Department
Objective Statement	Render efficient and effective management accounting, financial accounting, supply chain management and risks management support by 12 financial reports
Baseline	12 IYM reports and 1 annual financial statement
Justification	Sound financial management as prescribed in PFMA

Links	MTSF priority 12: An efficient, effective and development oriented public service. Compliance to PSA, PMFA, MFMA, MTSF and other related legislative frameworks.
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New: Strategic Objective 1:	Provide sound Financial Management and Supply Chain Management services in Provincial Treasury
Objective Statement	Render efficient and effective management accounting, financial accounting, supply chain management and risks management support to ensure an unqualified audit opinion
Baseline	Unqualified audit opinion (12 IYM reports and 1 annual financial statement)
Justification	Sound financial management as prescribed in PFMA
Links	MTSF priority 12: An efficient, effective and development oriented public service. Compliance to PSA, PMFA, MFMA, MTSF and other related legislative frameworks.

Programme 1: Internal Audit

Old: Strategic Objective 1 :	Provide efficient and effective internal audit services in the Department
Objective Statement	Provide a responsive, value added and effective internal audit service to evaluate and improve the effectiveness of risk management, control and governance processes in the 4 department programmes in 1 audit plan
Baseline	Internal Audit conducts its activities in accordance with an approved risk based audit plan and in compliance with the IIA Standards
Justification	Section 38(1)(a)(ii) of the PFMA requires each department to have a system of internal audit under the control and direction of an Audit Committee
Links	MTSF priority 12: An efficient, effective and development oriented public service. Compliance to PSA, PMFA, MFMA, MTSF and other related legislative frameworks.

New: Strategic Objective 1:	Provide efficient and effective internal audit services in Provincial Treasury
Objective Statement	Provide a responsive, value added and effective internal audit service to evaluate and improve the effectiveness of risk management, control and governance processes in the 4 department programmes in 1 audit plan
Baseline	Internal Audit conducts its activities in accordance with an approved risk based audit plan and in compliance with the IIA Standards
Justification	Section 38(1)(a)(ii) of the PFMA requires each department to have a system of internal audit under the control and direction of an Audit Committee
Links	MTSF priority 12: An efficient, effective and development oriented public service. Compliance to PSA, PMFA, MFMA, MTSF and other related legislative frameworks.

Programme 2: Economic Analysis

Old:	Conduct socio-economic research to inform Provincial and Municipal planning and budget process
Strategic Objective 1:	
Objective Statement	Provide quality and accurate annual socio-economic reports that inform provincial and municipal fiscal policy development and the annual budget processes, thereby contributing to the provincial growth and development strategy – 20 quarterly, 4 bi-annual and 5 annual reports
Baseline	Publication of quarterly, bi-annual and annual socio-economic reports on provincial and municipal level
Justification	Socio-economic research reports should be essential for developing and implementing policy, determining budget priorities and should also quantify the impact of public policy and spending on the quality of life of provincial citizens
Links	PFMA, MFMA, MTSF, NDP, Vision 2030, MEGDP and MTSF priority 9 & 12.

New:	Economic Analysis under Sustainable Resource Management has been transferred to the Department of Economic Development and Tourism following a function shift
Removed	

Programme 2: Provincial Administration Fiscal Discipline

Old:	Support Provincial Votes to maximise and expand sustainable revenue generation and collection in the Province, effective management of provincial revenue fund
Strategic Objective 1:	
Objective Statement	Support Provincial Votes to maximise and expand sustainable revenue generation and collection in the province in 12 votes
Baseline	Support 12 votes
Justification	Ensure revenue generation and collection
Links	Public Finance Management Act, Medium Term Strategic Framework, Division of Revenue Act MTSF priority 12: An efficient, effective and development oriented public service.

New:	Support Provincial Votes to maximise and expand sustainable revenue generation and collection
Strategic Objective 1:	
Objective Statement	Support Provincial Votes to maximise and expand sustainable revenue generation and collection in the province in 12 votes
Baseline	Support 12 votes
Justification	Ensure revenue generation and collection
Links	Public Finance Management Act, Medium Term Strategic Framework, Division of Revenue Act MTSF priority 12: An efficient, effective and development oriented public service.

Programme 2: Budget and Expenditure Management

Old:	Promote effective and optimal financial resource allocation and expenditure management for Provincial Government
Strategic Objective 1:	
Objective Statement	To prepare budget and monitor budget implementation in 13 votes
Baseline	13 Provincial votes
Justification	Ensure preparation of provincial budget and that votes spend according to their plans and within allocated funds
Links	Public Finance Management Act, Medium Term Strategic Framework, Division of Revenue Act MTSF priority 12: An efficient, effective and development oriented public service.

New:	Allocation of Provincial budget and monitoring the implementation.
Strategic Objective 1:	
Objective Statement	To prepare budget and monitor budget implementation in 13 votes
Baseline	13 Provincial votes
Justification	Ensure preparation of provincial budget and that votes spend according to their plans and within allocated funds
Links	Public Finance Management Act, Medium Term Strategic Framework, Division of Revenue Act MTSF priority 12: An efficient, effective and development oriented public service.

Programme 2: Municipal Finance

Old:	
Municipal Finance	
Strategic Objective 1	Provide support and monitor municipalities on the implementation of the MFMA
Objective Statement	Provide advice, support on financial management and the implementation of MFMA to 21 municipalities
Baseline	Provide support and monitor 21 municipalities
Justification	Ensure the fiscal discipline and enhancement of service delivery in the municipalities
Links	MTSF priority 9: responsive, accountable, effective and efficient developmental local government system. Compliance to PMFA, MFMA, MTSF and legislative frameworks.

New:	
Municipal Finance	
Strategic Objective 1	Provide support and monitor municipalities on the implementation of the MFMA
Objective Statement	Provide advice, support on financial management and the implementation of MFMA to 20 municipalities

New:	
Municipal Finance	
Baseline	Provide support and monitor 20 municipalities
Justification	Ensure the fiscal discipline and enhancement of service delivery in the municipalities
Links	MTSF priority 9: responsive, accountable, effective and efficient developmental local government system. Compliance to PMFA, MFMA, MTSF and legislative frameworks.

Programme 2: Infrastructure Co-ordination

Old:	Promote Provincial Efficiency in Financial Planning and Implementation of Infrastructure Delivery Management System (IDMS)
Strategic Objective 1:	
Objective Statement	Provide support and monitor 7 provincial departments, and 3-delegated District municipalities.
Baseline	Currently supporting 7 infrastructure departments.
Justification	Infrastructure is directly linked to Provincial Economic Growth.
Links	National Development Plan; Public Finance Management Act; Division of Revenue Act; Provincial Growth and Development Strategy; Mpumalanga Infrastructure Delivery Management System. MTSF priority 12: An efficient, effective and developmental oriented public service.

New:	Coordinate the delivery of Infrastructure in the Province.
Strategic Objective 1:	
Objective Statement	Provide support and monitor 7 provincial departments
Baseline	Currently supporting 7 infrastructure departments.
Justification	Infrastructure is directly linked to Provincial Economic Growth.
Links	National Development Plan; Public Finance Management Act; Division of Revenue Act; Provincial Growth and Development Strategy; Mpumalanga Infrastructure Delivery Management System. MTSF priority 12: An efficient, effective and developmental oriented public service.

Programme 3: Provincial Supply Chain Management

Old:	Monitor and support the implementation of Supply Chain Management Framework
Strategic Objective 1	
Objective Statement	Oversee and monitor the implementation of Supply Chain Management framework by providing guidance and support to enhance sound financial management and accountability.- 12 Votes, 21 municipalities and 4 public entities
Baseline	12 Votes, 21 municipalities and 4 Public Entities
Justification	Improve compliance on supply chain management framework

Links	MTSF priority 12: An efficient, effective and development orientated public service. MTSF priority 9: responsive, accountable, effective and efficient developmental local government system. Compliance to PFMA, MFMA, MTSF and legislative frameworks.
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New: Strategic Objective 1	Monitor the implementation of Supply Chain Management framework
Objective Statement	Oversee and monitor the implementation of Supply Chain Management framework by providing guidance and support to enhance sound financial management and accountability.- 12 Votes, 20 municipalities and 4 public entities
Baseline	12 Votes, 20 municipalities and 4 Public Entities
Justification	Improve compliance on supply chain management framework
Links	MTSF priority 12: An efficient, effective and development orientated public service. MTSF priority 9: responsive, accountable, effective and efficient developmental local government system. Compliance to PFMA, MFMA, MTSF and legislative frameworks.

Old: Strategic Objective 2	Coordinate identified Public Private Partnership projects
Objective Statement	This involves creating and conducting awareness on Public Private Partnerships and support in the implementation of the framework through 4 progress reports
Baseline	2 projects
Justification	Enhancing service delivery and infrastructure development.
Links	MTSF priority 12: An efficient, effective and development orientated public service. MTSF priority 9: responsive, accountable, effective and efficient developmental local government system. Compliance to PFMA, MFMA, MTSF and legislative frameworks.

New: Removed	Removed from the APP included in the Operational Plan as it is more activity based
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Financial Assets Management : Function shift to <i>Provincial Administration Fiscal Discipline</i>	
Old Strategic Objective 1	Monitor and support the management of financial assets
Objective Statement	To monitor and support the management of cash in the province in 12 Votes and Provincial Legislature
Baseline	12 Votes and Provincial Legislature

Financial Assets Management : Function shift to <i>Provincial Administration Fiscal Discipline</i>	
Justification	Timely availability of cash to ensure that votes pay their service providers
Links	MTSF priority 12: An efficient, effective and development orientated public service. MTSF priority 9: responsive, accountable, effective and efficient developmental local government system. Compliance to PFMA, MFMA, MTSF and legislative frameworks.
New: Removed	Functions shifted to <i>Provincial Administration Fiscal Discipline</i>

Programme 3: Public Sector Liabilities Management

Old: Strategic Objective 1:	Monitor and support the management of Public Sector Liabilities
Objective Statement	To monitor and support provincial institutions on the effective management of liabilities in 12 Votes, 21 municipalities and 4 Public Entities.
Baseline	12 votes, 21 municipality and 4 Public Entities
Justification	Improve compliance to liabilities management guidelines
Links	MTSF priority 12: An efficient, effective and development orientated public service. MTSF priority 9: responsive, accountable, effective and efficient developmental local government system. Compliance to PFMA, MFMA, MTSF and legislative frameworks.

New: Strategic Objective 1:	Provide support to comply with relevant Legislation on liabilities management
Objective Statement	To monitor and support provincial institutions on the effective management of liabilities in 12 Votes, 20 municipalities and 4 Public Entities.
Baseline	12 votes, 20 municipality and 4 Public Entities
Justification	Improve compliance to liabilities management guidelines
Links	MTSF priority 12: An efficient, effective and development orientated public service. MTSF priority 9: responsive, accountable, effective and efficient developmental local government system. Compliance to PFMA, MFMA, MTSF and legislative frameworks.

Programme 3: Physical Asset Management

Old: Strategic Objective 1:	Monitor and support the management of physical assets
Objective Statement	To monitor and support provincial institutions on the effective management of physical asset in 12 Votes, 21 municipalities and 4 Public Entities
Baseline	12 Votes, 21 municipalities and 4 Public Entities

Justification	Improve compliance to physical asset management framework
Links	MTSF priority 12: An efficient, effective and development orientated public service. MTSF priority 9: responsive, accountable, effective and efficient developmental local government system. Compliance to PFMA, MFMA, MTSF and legislative frameworks.

New: Strategic Objective 1: Objective Statement	Provide support to comply with asset management framework
Baseline	To monitor and support provincial institutions on the effective management of physical asset in 12 Votes, 20 municipalities and 4 Public Entities
Justification	12 Votes, 20 municipalities and 4 Public Entities
Links	Improve compliance to physical asset management framework
	MTSF priority 12: An efficient, effective and development orientated public service. MTSF priority 9: responsive, accountable, effective and efficient developmental local government system. Compliance to PFMA, MFMA, MTSF and legislative frameworks.

Programme 3: Interlinked Financial Systems

Old: Strategic Objective 1: Objective Statement	Monitor and support the management and utilisation of transversal systems
Baseline	To monitor and support provincial institutions on the effective management of physical asset in 12 Votes, 21 municipalities and 4 Public Entities
Justification	12 Votes, 21 municipalities and 4 Public Entities
Links	Improve compliance to physical asset management framework
	MTSF priority 12: An efficient, effective and development orientated public service. MTSF priority 9: responsive, accountable, effective and efficient developmental local government system. Compliance to PFMA, MFMA, MTSF and legislative frameworks.

New: Strategic Objective 1: Objective Statement	Provide business support on transversal systems
Baseline	To monitor and support provincial institutions on the effective management of physical asset in 12 Votes, 20 municipalities and 4 Public Entities
Justification	12 Votes, 20 municipalities and 4 Public Entities
Links	Improve compliance to physical asset management framework
	MTSF priority 12: An efficient, effective and development orientated public service. MTSF priority 9: responsive, accountable, effective and efficient developmental local government system. Compliance to PFMA, MFMA, MTSF and legislative frameworks.

Programme 3: Information Technology

Old:	Provide Information Communication Technology (ICT) services in the Mpumalanga Provincial
Strategic Objective 1:	
Objective Statement	To provide ICT infrastructure to 12 Votes; Monitor and support the implementation of ICT Governance Framework in 12 Votes and 21 municipalities
Baseline	12 votes and 21 municipalities
Justification	Improve operational efficiency by applying ICT as strategic enabler to accelerate service delivery
Links	MTSF priority 12: An efficient, effective and development orientated public service. MTSF priority 9: responsive, accountable, effective and efficient developmental local government system. Compliance to PFMA, MFMA, MTSF and legislative frameworks.

New:	Provide an enabling environment and systems for sound corporate governance of ICT in Mpumalanga Province
Strategic Objective 1:	
Objective Statement	To provide ICT infrastructure to 12 Votes; Monitor and support the implementation of ICT Governance Framework in 12 Votes and 20 municipalities
Baseline	12 votes and 20 municipalities
Justification	Improve operational efficiency by applying ICT as strategic enabler to accelerate service delivery
Links	MTSF priority 12: An efficient, effective and development orientated public service. MTSF priority 9: responsive, accountable, effective and efficient developmental local government system. Compliance to PFMA, MFMA, MTSF and legislative frameworks.

Programme 4: Provincial Risk Management

Old:	Facilitate effective implementation of Risk Management processes
Strategic Objective 1	
Objective Statement	Monitor, Support and build capacity in 12 Votes, 4 Public Entities and 21 Municipalities on effective implementation of Risk Management processes
Baseline	12 Votes 4 Public Entities and 21 Municipalities
Justification	Effective implementation of Risk Management processes to improve the maturity levels and promote good governance
Links	MTSF priority 12: An efficient, effective and development orientated public service. MTSF priority 9: responsive, accountable, effective and efficient developmental local government system. Compliance to PMFA, MFMA, MTSF and legislative frameworks.

New:	Facilitate effective implementation of Risk Management processes
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Strategic Objective 1	
Objective Statement	Monitor, Support and build capacity in 12 Votes, 4 Public Entities and 20 Municipalities on effective implementation of Risk Management processes
Baseline	12 Votes 4 Public Entities and 20 Municipalities
Justification	Effective implementation of Risk Management processes to improve the maturity levels and promote good governance
Links	MTSF priority 12: An efficient, effective and development orientated public service. MTSF priority 9: responsive, accountable, effective and efficient developmental local government system. Compliance to PMFA, MFMA, MTSF and legislative frameworks.

Programme 4: Provincial Internal Audit

Old:	Improve the effectiveness of Internal Audit processes
Strategic Objective 1	
Objective Statement	Monitor, support and build capacity in 12 votes, 21 municipalities and 5 public entities on internal audit processes.
Baseline	12 Votes, 4 Public Entities and 21 Municipalities
Justification	Strengthen the internal audit processes and reduce the level of non-compliance
Links	MTSF priority 12: An efficient, effective and development orientated public service. MTSF priority 9: responsive, accountable, effective and efficient developmental local government system. Compliance to PMFA, MFMA, MTSF and legislative frameworks.

New:	Support public sector institutions to improve on internal audit processes
Strategic Objective 1	
Objective Statement	Monitor, support and build capacity in 12 votes, 20 municipalities and 4 public entities on internal audit processes.
Baseline	12 Votes, 4 Public Entities and 20 Municipalities
Justification	Strengthen the internal audit processes and reduce the level of non-compliance
Links	MTSF priority 12: An efficient, effective and development orientated public service. MTSF priority 9: responsive, accountable, effective and efficient developmental local government system. Compliance to PMFA, MFMA, MTSF and legislative frameworks.

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