

**Western Cape Government
Provincial Treasury**

**Annual Performance Plan
2014/15 – 2016/17**

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Foreword

In December 2013, we bade farewell to the father of our nation, Mr Nelson Rolihlahla Mandela. Although Madiba is no longer with us, we remain steadfast in pursuing his dream of a country in which the service delivery needs of all people are met and in which citizens have the wherewithal to thrive. As the Western Cape Treasury, we have an important role to play in ensuring that the budget of our Province is distributed and monitored in a manner which supports this.

Although our economy is on the mend following the worst economic downturn of recent history, we are still facing tough times. In the year ahead, we will meet our fiscal challenges, which include accomplishing more than ever before with less, through our commitment to further improving our systems and processes, and by maximising the potential of our people.

Going into the 2014/15 fiscal year, we have a really good team and one of the better Provincial Treasury outcomes in the country, a result of five years of hard work and a stable political environment. We have already begun to achieve results as witnessed through the MTEC, MGRO and CGRO processes with departments and municipalities planning and spending more effectively than before.

In the 2013 Medium Term Budget Policy Statement, we set out the Western Cape Government's medium to long-term strategy to further improve on service delivery within our means. This strategy has been reflected as a mind map (metacog) which was put together after a thorough interrogation of our past experiences and current situation, as well as a determined effort to better deliver on our future desired environment. In a nutshell, it outlines the critical interventions Western Cape departments will need to make in the years to come to achieve a growing economy that leads to reduced poverty, rising incomes and a better quality of life for all.

The Provincial Treasury Annual Performance Plan for 2014/15 is our part of this plan in action. Through it, I am confident that this Department will continue to play its part in making Tata Madiba's dream of quality service delivery to all a reality in our Province.

I would like to wish all my colleagues in the Provincial Treasury the very best as they work toward this goal.



ALAN WINDE
MINISTER OF FINANCE, ECONOMIC DEVELOPMENT AND TOURISM

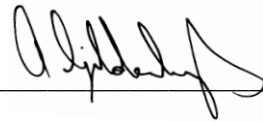
OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan

- Was developed by the management of the Western Cape Provincial Treasury under the guidance of Minister Alan Winde.
- Was prepared in line with the current Strategic Plan of the Western Cape Provincial Treasury.
- Accurately reflects the performance targets which the Western Cape Provincial Treasury will endeavour to achieve given the resources made available in the budget for 2014/15.

A Gildenhuys (Mr)
Chief Financial Officer

Signature



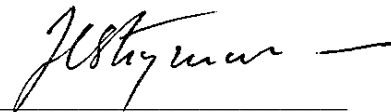
A Smit (Ms)
Director: Strategic and
Operational Management Support

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JC Stegmann (Dr)
Accounting Officer

Signature



Approved by

A Winde (Mr)
Executive Authority

Signature



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Abbreviations

ACFS	Annual Consolidated Financial Statements
AFS	Annual Financial Statements
AG	Auditor-General
AGSA	Auditor-General of South Africa
AO	Accounting Officer
APP	Annual Performance Plan
BAS	Basic Accounting System
BEE	Black Economic Empowerment
CAE	Chief Audit Executive
C-AMP	Custodian Asset Management Plan
Ce-I	Centre for e-Innovation
CFO	Chief Financial Officer
CGRO	Corporate Governance Review and Outlook
COE	Compensation of Employees
CRO	Chief Risk Officer
CSC	Corporate Services Centre
CSRM	Corporate Services Relations Management
DORA	Division of Revenue Act
DotP	Department of the Premier
EPRE	Estimates of Provincial Revenue and Expenditure
FMC	Financial Management Capability
FARMCO	Fraud and Risk Management Committee
GAP	Governance Action Plan
GRAP	Generally Recognised Accounting Practice
IA	Internal Audit
ICT	Information and Communication Technology
IPS	Integrated Procurement Solution
IDMS	Infrastructure Delivery Management System
IFMS	Integrated Financial Management System
IYM	In-Year Monitoring
LG	Local Government
LG MTEC	Local Government Medium Term Expenditure Committee
LOGIS	Logistical Information System
MAM	Moveable Asset Management
MEC	Member of the Executive Council
MERO	Municipal Economic Review and Outlook
MFMA	Municipal Finance Management Act

MGRO	Municipal Governance Review and Outlook
MPAT	Management Performance Assessment Tool
MTBPS	Medium Term Budget Policy Statement
MTEC	Medium Term Expenditure Committee
MTEF	Medium Term Expenditure Framework
NT	National Treasury
NTR	National Treasury Regulations
OPRE	Overview of Provincial Revenue and Expenditure
PERO	Provincial Economic Review and Outlook
PFMA	Public Finance Management Act
PG MTEC	Provincial Government Medium Term Expenditure Committee
PI	Performance Indicator
PSO	Provincial Strategic Objective
PT	Provincial Treasury
PTI	Provincial Treasury Instruction
QPR	Quarterly Performance Report
SCM	Supply Chain Management
SCOA	Standard Chart of Accounts
SDIP	Service Delivery Improvement Plan
SDBIP	Service Delivery Budget Implementation Plan
SEP	Socio-Economic Profile
SMME	Small, Medium and Micro Enterprise
SMSS	Strategic Management Support Service
SOMS	Strategic and Operational Support Services
SOP	Standard Operating Procedures
TOR	Terms of Reference
U-AMP	User Asset Management Plan
WC	Western Cape
WCG	Western Cape Government
WCGRB	Western Cape Gambling and Racing Board
WCSD	Western Cape Supplier Database

PART A: STRATEGIC OVERVIEW

The Provincial Treasury's Vision, Mission and professed Values are as follow:

1. Vision

Effective governance that delivers a better life for our people.

2. Mission

To build a skilled and caring organisation that drives our commitment to good governance, accountability and the efficient use of our financial resources to achieve optimum service delivery impact.

3. Values

The Provincial Treasury (PT) cherishes the following values:

Courtesy - We undertake to always be courteous to our stakeholders and co-employees by having empathy, consideration and respect for them.

Honesty and Integrity - We undertake to conduct ourselves in a professional manner by embracing truthfulness and trust; treating everyone with dignity and respect – as we wish to be treated ourselves.

Openness and Transparency - We undertake to conduct business openly through honest and meaningful consultation with stakeholders and communication of reliable information.

Prompt declaration of conflict of interest - We undertake to promptly disclose/declare and recuse ourselves from any situation in which we are in a position to exploit our official capacity for our personal benefit, directly or indirectly.

Fairness - We undertake to operate in a manner that is fair and just.

Ethics - We adhere to morally acceptable standards in all that we do. We will acquaint ourselves with the ethical values, rules and regulations applicable within our workplace.

Loyalty - We commit to remain loyal to our organisational values and our colleagues within an ethical environment.

4. Legislative and other mandates

4.1 Constitutional mandates

The constitutional mandate of the Provincial Treasury is derived from Chapter 13 of the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) and Chapter 7 of the Western Cape Provincial Constitution. In the main, this encompasses determining measures to ensure transparency, accountability and expenditure control within the Province. This includes the introduction of proper accounting practices, expenditure classifications and treasury norms and standards.

4.2 Legislative mandates

The following primary legislation drives the mandate of the Provincial Treasury:

a. The Public Finance Management Act (PFMA), 1999 (Act 1 of 1999)

The Provincial Treasury is established in terms of section 17 of the **PFMA (Act 1 of 1999)**. Section 18 of the PFMA assigns the functions and powers of the Provincial Treasury including, *inter alia*, the following: preparing and exercising control over the implementation of the provincial budget; promoting and enforcing transparency and effective management in respect of revenue, expenditure, assets and liabilities of provincial departments and provincial public entities; ensuring that the WCG's fiscal policies do not materially and unreasonably prejudice national economic policies; issuing of provincial treasury instructions not inconsistent with the PFMA; enforcing the PFMA and any prescribed national and provincial norms and standards; complying with the annual Division of Revenue Act (DORA); monitoring and assessing the implementation by provincial entities of national and provincial norms and standards; assisting provincial departments and provincial public entities in building their capacity for efficient, effective and transparent financial management; investigating any system of financial management and internal control applied by a provincial department or a provincial public entity; intervening by taking appropriate steps to address serious or persistent material breach of the PFMA by a provincial department or provincial public entity; promptly providing any information required by National Treasury (NT) in terms of the PFMA and doing anything further that is necessary to fulfil its responsibilities effectively.

b. The Municipal Finance Management Act (MFMA), 2003 (Act 56 of 2003)

In terms of section 5(4) of the **MFMA, 2003 (Act 56 of 2003)** the Provincial Treasury must, *inter alia*: monitor compliance with the MFMA by municipalities and municipal entities in the Province; and monitor the preparation of municipal budgets, the monthly outcomes of these budgets and the submission of reports by municipalities as required in terms of the MFMA. Furthermore, it may assist municipalities in the preparation of their budgets; further exercise any powers and perform any duties delegated to it by the National Treasury in terms of the MFMA; and take appropriate steps if a municipality or municipal entity in the Province commits a breach of the MFMA.

4.3 Policy mandates

The following policy mandates are primarily responsible for driving the work of the Provincial Treasury:

a. National Development Plan

The Provincial Treasury must assist and support provincial departments and municipalities to build a capable state which is able to enhance socio-economic opportunities; support the development of expertise, better systems and processes to reduce inefficiencies and enhance a high adherence to ethics; and build a government that is accountable to its people.

b. Medium Term Strategic Framework

National Outcome 9: A responsive, accountable, effective and efficient local government system and National Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship – The Provincial Treasury must assist and support provincial departments and municipalities to improve their management practices, financial practices and operations systems.

Provincial Strategic Objective (PSO) 12: Building the best-run regional government in the world – The Provincial Treasury must assist provincial departments and municipalities to improve financial management, both from a conformance and performance perspective.

c. National Treasury Regulations (NTRs)

The planned implementation date of a new set of NTRs is 1 April 2014. Provincial Treasury has provided commentary on the draft regulations. Indeed, many of the draft regulations have already been included in the draft Provincial Treasury Instructions (PTIs) which were kept in abeyance until the revised NTRs were promulgated. As the revised NTRs are similar in nature to the latest set of PTIs, the transition is likely to be smooth in the Western Cape (WC). However, any nuances will need to be analysed and the practical considerations thereof will be addressed at the various institutionalised forums.

4.4 Planned policy initiatives

Over the past couple of financial years, a range of new initiatives have been introduced under the banners of the LG MTEC and PG MTEC processes, Corporate Governance Review and Outlook (CGRO) process and Municipal Governance Review and Outlook (MGRO) process. These initiatives, which are aimed at supporting the National Development Plan, National Outcomes 9 and 12 and Provincial Strategic Objective 12, will be further refined over the forthcoming Medium Term Expenditure Framework (MTEF) cycle.

Under the MTEC banner, these include further steps to improve cost efficiencies and impact of expenditures within both the municipal and provincial spheres. Amongst others, we have devised a metacog through which we aim to categorise and assess the WCG's expenditure on set socio-economic objectives. We have also developed a set of minimum standards to govern, and thereby improve, expenditure management practices.

To further aid the CGRO and MGRO governance objectives, the following policy developments will receive further attention:

- Standard Operating Procedures (SOP) and guidelines will be developed and institutionalised to create a culture of compliance;
- Cash flow management guidelines with improved cash flow planning and implementation, particularly as it relates to conditional grant funding, will be devised;
- Municipal investment and borrowing policies will be developed;
- Within the Province the Western Cape Infrastructure Delivery Management System (WC IDMS) will be further rolled out and strengthened and quality User-Asset Management Plans (U-AMP) and Custodian-Asset Management Plans (C-AMP) will be institutionalised;
- The continuation of Transversal Projects, initiated during the 2013 MTEF and housed within the Provincial Treasury Vote as the transversal mechanism to give effect to specific Government policy priorities, to transversally supports the outcomes of the Provincial Strategic Objectives (PSOs) and the provincial budget policy objectives as set out in the 2014 - 2017 WC MTBPS; in essence to contribute to improving the effectiveness and efficiency of government services;
- Institutionalise compliance to SCM legislation, policy and procedures, as well cost effectiveness, value for money and strategic sourcing objectives;
- Working together with National Treasury to optimise the current suite of financial systems, whilst at the same time assisting with the design and ultimate roll-out of the integrated and revamped IFMS;
- Improving the Financial systems environment by strengthening internal controls including the roll-out of biometric access solution across the suite of financial systems and improving data integrity across the provincial and municipal sphere;
- Providing support to Departments on the recently issued Modified Cash Standard and Accounting Manual to facilitate the eventual transition to fully implement accrual accounting;
- Promotion of effective governance as a joint responsibility between the Provincial Parliament, Provincial Executive, Municipal Councils and Accounting Officers as this is the foundation on which all programmes, projects and initiatives intrinsically depend;
- Further development, integration and roll-out of MGRO and CGRO criteria across all PT service programmes in collaboration with departments and municipalities towards higher levels of governance; and

- The strengthening of the internal control environment, inclusive of execution in accordance with standardised policy framework and training.

5. Updated situational analysis

5.1 Performance delivery environment

There is a clear and cyclical correlation between economic growth and socio-economic outcomes (living standards). Improving growth and job creation requires a matrix of policies and programmes which recognise this interdependence.

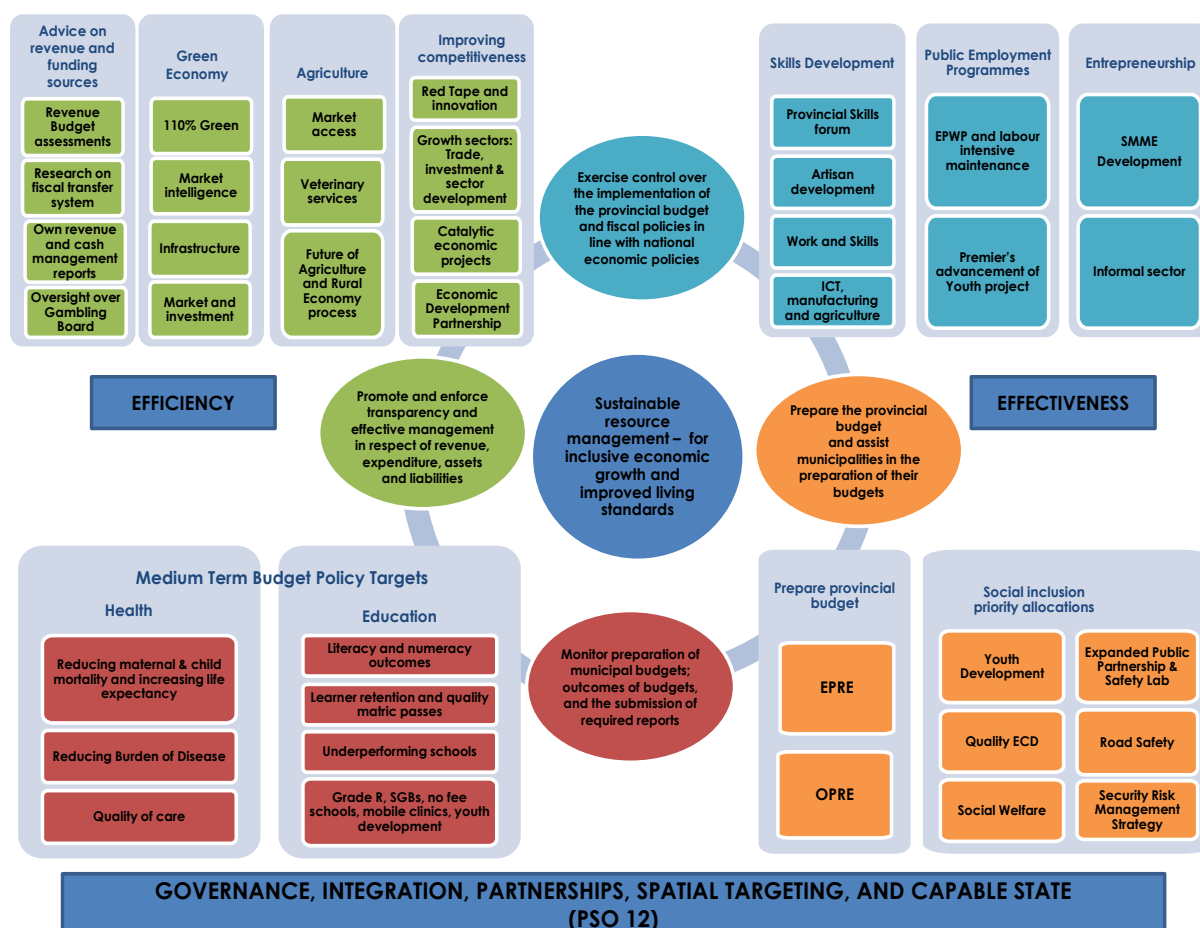
In support of achieving improved socio-economic outcomes, the provincial budget policy framework has been designed to manage risk and maintain stability in a constrained economic environment, while simultaneously building a foundation for inclusive economic growth.

Developments in the global and national economic environment present associated risks as well as greater socio-economic challenges. These circumstances have implications for the sustainability of government resources and call for increased emphasis on efficiency, innovation and effectiveness in how we deliver goods and services to our clients. Improving governance is a further critical element in the delivery of efficient and effective public expenditure.

In order to improve the sustainability of the WCG's financial resources, the following challenges must be addressed:

- Constrained fiscal environment in terms of revenue sources and revenue collection;
- Effective allocation of available provincial and municipal resources in a manner which is responsive to socio-economic development objectives and governance requirements;
- Improving expenditure management practices;
- Better infrastructure planning and delivery;
- Effective retention of institutional memory and improving knowledge management;
- Optimal utilisation of available financial management systems to ensure data integrity and effective financial reporting;
- Full conformance with financial management regulatory requirements; and
- Adequacy and effectiveness of internal controls in the management of revenue, expenditure, cash, budget and infrastructure (immoveable assets).

Taking the above into account, the Sustainable Resource Management programme aims to efficiently and effectively manage fiscal resources towards achieving inclusive growth and improved living standards. The metacog below has been devised to demonstrate the projects and initiatives which support the policy mandates of the PT and address the delivery environment within which we currently find ourselves:



As reflected in the metacog above, effective governance is the foundation upon which all programmes, projects and initiatives intrinsically depend. Although this is a joint responsibility between the Legislature, Executive, Councils and Accounting Officers (AOs) within the Province, the three main drivers are the Departments of the Premier, Local Government and Provincial Treasury.

Within the latter, this responsibility is primarily vested in the Branch: Governance and Asset Management. Underpinning all of Treasury's efforts are the transversal financial systems, which in their current state of (under)development are both an asset and hindrance at the same time.

Currently, there are three major systems which are out-dated: Basic Accounting System (BAS), Personnel and Salary Administration System (PERSAL) and Logistical Information System (LOGIS). These systems are maintained by National Treasury, with the Provincial Treasury being responsible for user account management and effective system utilisation.

The various systems, although very stable, are still managed on a stand-alone basis and not as a single integrated solution. Because the National Treasury has been focused on developing and implementing one single Integrated Financial Management System (IFMS) to cover the core financial functions listed in the table below, they have also not been sufficiently upgraded over time to meet financial governance requirements:

FINANCIAL FUNCTION	SCOPE
Financial Management	Revenue, expenditure, assets, liabilities, bank management, general ledger, budget execution, cash management, financial reporting
Supply Chain Management	Demand, logistics, disposal
Procurement Management	Quotes, bids, supplier management, order management, contract management, purchase requisitions, invoice receipting
Human Resource Management	Recruitment, assumption of duty, performance management, exit management, skills development, employee wellness
Payroll	Salaries, benefits, allowances, deductions
Business Intelligence	Data consolidation, trend analysis and reporting

Unfortunately, all indications are that the roll out of an integrated system will not be achieved within the foreseeable future. This is problematic as institutions are experiencing major constraints in accurately reporting on all of the financial functions indicated above. The absence of an integrated financial system means that numerous financial activities still have to be performed manually or on separate sub-systems, which is not only time-consuming but also compromises the integrity and interlinking of data.

In an attempt to partially close the gap between the current systems and the envisaged IFMS, the Provincial Treasury has initiated the following:

- Development and implementation of an E-Procurement system;
- An update of the current Western Cape Supplier Database (WCSD);
- Roll-out of LOGIS to all provincial sites;
- Centralisation of all user account functions;
- Procurement of a Biometric Access Solution to improve security and access to sensitive data transactions; and
- In collaboration with the National Treasury, the introduction of critical enhancements to the current systems as an interim measure.

At a minimum, the below enhancements to the current financial management suite must be undertaken:

BAS	Provision for recurring payments, COE projections, multiple year projections, selective release of payments, cashflow blocking
PERSAL	Provision for leave for parts of a day, online verification of payroll
LOGIS	Integration with IPS/WCSD, linkage with South African Revenue Services (SARS), barcode functionality, manual credit transfer indicator, centralised item record maintenance
E-Procurement	Registration of non-private companies/organisations on the Western Cape Supplier Database, invitation of bids exceeding R500 000, procure and implementation of contract management solution

The primary responsibility of the accounting sections of the Provincial Treasury is to present a consolidated or detailed set of credible financial performance figures. To achieve this, the units are highly dependent on adequate systems and the integrity of data transactions.

The system environment and data integrity across government do not adequately allow for this function to be fulfilled. As discussed, the provincial and national spheres struggle with out-dated systems and system management support processes, whilst the municipal sphere, with some exceptions, is challenged with a plethora of systems that are not properly integrated or managed and that will mostly not be able to comply with the latest Standard Chart of Accounts (SCOA) without significant enhancements.

In addition, the accounting standards are ever changing, and have become increasingly demanding and complex. This is a highly technical environment and the lag time to deal effectively with issues is extensive, normally spanning months. The Provincial Treasury cannot act or give guidance in isolation; it is dependent on direction from the standard setters, particularly the Accounting Standards Board and National Treasury.

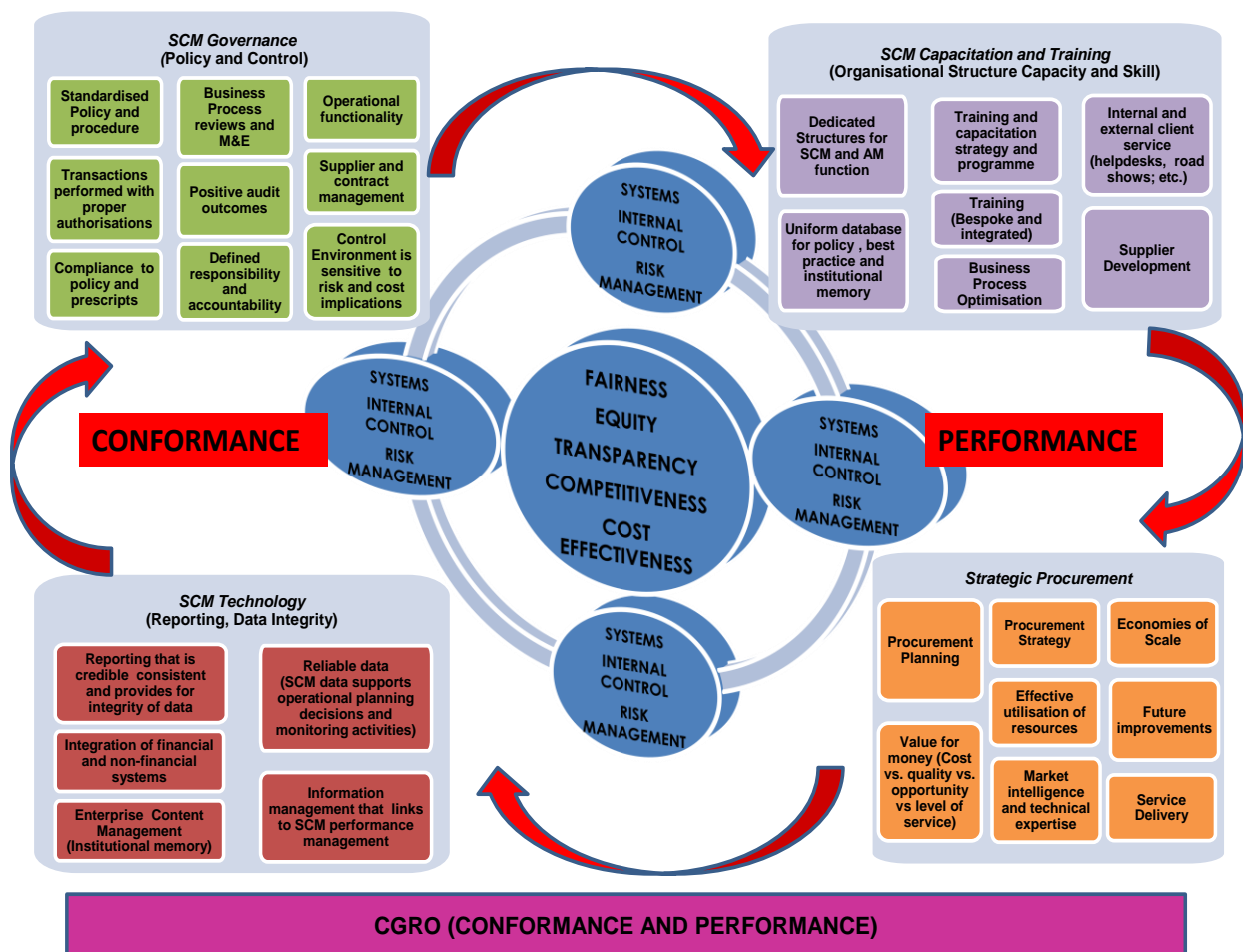
There is yet to be established an effective mechanism to deal with differences of opinion between entities and assurance providers. In the interim, Provincial Treasury lends hands-on support to those entities to minimise differences of opinion at the local level.

Further support is directed to all accounting staff within the Province and municipalities, inclusive of continuous training. However, the litmus test for the efficacy of training initiatives is the integrity and completeness of the annual financial statements as assessed by the Auditor-General (AG). Before submission of these statements, entities are advised and encouraged to implement the guidance and training provided. The ultimate decision to do so lies with the relevant accounting officer/authority.

Another key risk area that has taken up a considerable amount of time and effort is that of Supply Chain Management (SCM).

Over time, inadequate institutionalised compliance to SCM legislation, policies and procedures, in addition to the above-mentioned system inadequacies, has resulted in disparate expenditure trends. This has made the achievement of cost effectiveness, value for money and competitive and transparent tender processes challenging. Additionally, the increasingly complex SCM legislative environment and out-dated legislative provisions have engendered further difficulties in this environment.

In response, the Provincial Treasury, in conjunction with departments, has instituted a strategy to improve supply chain and asset management. This strategy is depicted below.



To date, SCM governance has been addressed by the issuing of Provincial Treasury Instructions (PTIs), an Accounting Officer System for SCM, standard operating procedures, procurement templates and check lists. Departmental PTI implementation plans, which stretch in some cases over 3 years, have been developed and are monitored by the SCM Unit. The long awaited National Treasury Regulations which are imminently due will further contribute to a clearer and more consistent governance environment.

Supply Chain Management Technology enablers are necessary to drive governance. To this extent, substantive work has been done to improve the Western Cape Supplier Database and implement a fully-fledged e-procurement system. Work still needs to be done on the acquisition of data analysis tools.

Strategic Procurement has already been initiated by including procurement planning as part of the 2014/15 budget cycle. In addition, a Strategic Sourcing Specialist has been appointed to strengthen the current capacity of the Provincial Treasury and departments with the aim of facilitating transversal contracts and bulk buying.

A number of critical interventions to improve the capacity of SCM staff in the Province will be undertaken in 2014/15. These include bolstering SCM units through a focus on training of SCM staff and the recruitment of competent staff.

Secondly, within the local government sphere, the PT's role regarding SCM is to provide oversight in the application of Chapter 11 of the MFMA, and its regulations, and further provide assistance and guidance on asset management and infrastructure procurement.

In essence, this strategy mirrors the Provincial one, including networking through the SCM Forum, bespoke interventions, MGRO initiatives, SCM and asset management assessments, all of which have accentuated the need for constant improvements within municipalities. SCM training courses have been developed in conjunction with selected municipalities and training of SCM officials and councillors is already underway. There will be a strong emphasis on SCM systems and procurement planning within the municipalities during the 2014/15 financial year.

The fundamental challenge facing municipalities within the SCM space is the fact that the SCM regulations are also becoming out-dated. The current SCM regulations are institutionally designed to focus on basic procurement of goods and services, whilst the more challenging procurement aspects, such as economic impact and accelerated procurement, require further attention. This will be taken up with National Treasury in due course.

5.2 Organisational environment

The current organisational structure was approved by the Minister for Finance, Economic Development and Tourism in November 2011. The structure makes provision for two branches. The Branch: Fiscal and Economic Services is responsible for managing the provincial and municipal fiscal resources effectively, and the Branch: Governance and Asset Management is responsible for facilitating the effective and efficient management of assets and financial systems to promote accountability in financial activities and compliance with financial norms and standards. Each branch is headed by a Deputy Director General. Strategic, operational and financial management support services are provided by the Directorates Financial Management and Strategic and Operational Management Support.

The total staff establishment consists of 324 posts (excluding the minister). During the period 1 April 2013 to 31 December 2013, 38 staff members were appointed and 16 staff members left the employment of the Provincial Treasury. The vacancy rate of the PT as at 31 December 2013 was 15 per cent, excluding interns and contract employees who are additional to the establishment.

The tables below depict the employment and vacancies per programme and salary bands as at 31 December 2013.

Table 1 Employment and vacancies by programme, 31 December 2013

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment	Vacancy rate including additional employees
Administration	65	53	18.5%	2	15.4%
Sustainable Resource Management	132	110	16.7%	8	10.6%
Asset Management	76	64	15.8%	6	7.9%
Financial Governance	51	48	5.9%	6	0%
Total	324	275	15.1%	22	8.3%

Table 2 Employment and vacancies by salary bands, 31 December 2013

Salary bands	Number of posts on approved establishment	Number of posts filled	Vacancy rate	Number of employees additional to the establishment	Vacancy rate including additional employees
SL 1 - 2 ¹	2	1	50.0%	0	50.0%
SL 3 - 5	23	17	26.1%	0	26.1%
SL 6 - 8	52	44	15.4%	21	0%
SL 9 - 12	222	193	13.1%	1	12.6%
SL 13 - 16	25	20	20.0%	0	20.0%
U6	324	275	15.1%	22	8.3%

The Provincial Treasury operates in both the PFMA and MFMA space. It is therefore essential to achieve the right staff mix with the right staff structure so that we may provide maximum value to our clients.

The CGRO and MGRO processes have accelerated change within the Treasury – they have allowed us to reflect on the changing landscape with the aim of adding value to our clients. Provincial Treasury needs to provide the platform for sharing ideas, innovation, and solution driven outcomes, which will be championed in the established local forums, and at national forums. This requires refining our staff structure, looking at our resident skills set and ensuring that we re-engineer our processes to ensure that we remain effective and efficient.

¹ SL - Salary Level

The functions of the Provincial Treasury are specialised and depend on skilled resources to ensure the delivery of services. This requires purposeful coordination and management of the informational assets of the Department. The enhancement of our Information and Communication Technology (ICT) systems presents us with numerous opportunities to integrate, analyse and distribute informational assets which will ultimately support the achievement of our strategic goals.

The following nine strategic ICT initiatives have been identified to assist the Provincial Treasury:

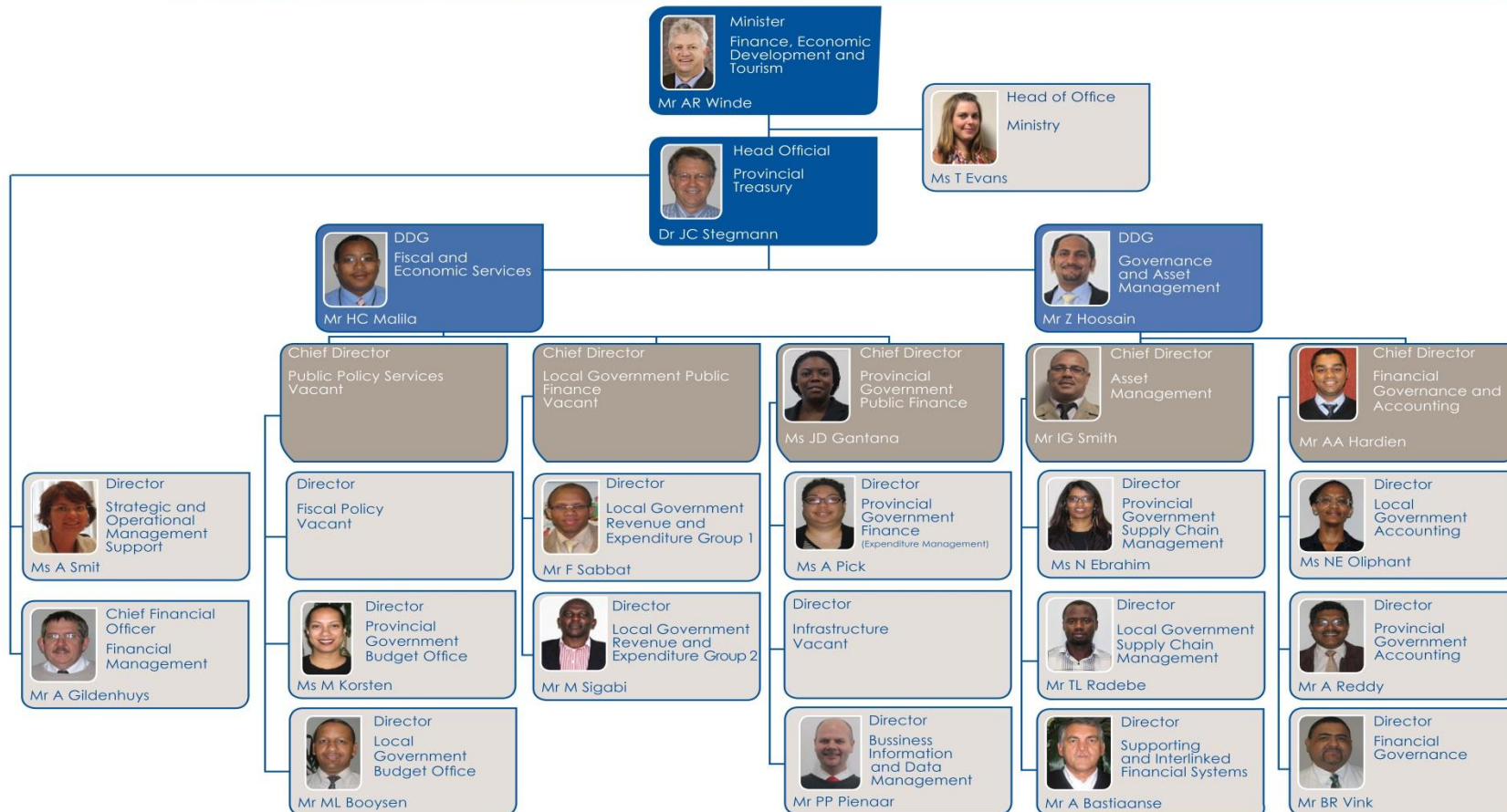
1. Integrated Budget and Management Solution;
2. Integrated Provincial Performance Management;
3. Integrated Financial Management Solution (IFMS);
4. My Content (Ex Enterprise Content Management);
5. Departmental ICT equipment/software refresh;
6. Government Review and Outlook (CGRO);
7. Internal Control;
8. Strategic Sourcing (Transversal Project); and
9. Business Intelligence.

The organisational organogram below depicts the management structure.



BETTER TOGETHER.

Organisational Organogram



5.3 Description of the strategic planning process

To compile the 2013/14 Annual Performance Plan (APP), element, sub-programme and programme managers undertook a process of simplifying their deliverables to improve measurability and clarity of purpose. Enhancements were also made to accommodate for the changes required by Accounting Officers, Chief Financial Officers (CFOs), the Auditor-General, Internal Audit (IA) and the Provincial Treasury itself. Amongst others, this led to the development of the CGRO and MGRO processes. Furthermore, the In-Year Monitoring (IYM), LG MTEC and PG MTEC processes were reviewed to improve their desired impact and ensure their linkage to the CGRO and MGRO processes as well as relevant performance indicators.

The 2014/15 planning process further built on the above. The departmental annual strategic review session took place in August 2013. Prior to the session, each directorate was asked to determine clear deliverables with set due dates for their internal functions, as well as per vote (PFMA) or municipality (MFMA). It was also required to state the person responsible (at deputy director as minimum) for the achievement of each deliverable, as well as the impact that was sought.

At the session, the management group was divided into two streams, i.e. PFMA and MFMA. As step one each stream with Budgets (MTEC and IYM) as backbone/hook was asked to link their activities to achieve full synergy, integration and impact and eliminate all duplications and conflicting schedules/impact. As a second step with SCM and Asset Management as the main backbone/hook the groups went through the same process describe as above.

Thereafter, the two processes were consolidated. The recording, monitoring and coordinating and documenting (supporting evidence) requirements were clarified, and the agenda frameworks for the designated committee system were compiled. Final accountability and other interpersonal arrangements to ensure success were determined, as were the ICT and administrative and document management requirements of the two streams.

Following this, the transversal deliverables to be attained, as well as the process to ensure attainment of set deliverables, were determined for both the PFMA and MFMA streams. Thereafter, the MFMA stream looked at mechanisms and processes to deal with crises without upsetting the delivery plan for the year and derived in priority order the transfer payment requirements per municipality.

The PFMA stream designed and institutionalised corporate best practices to attain higher Management Performance Assessment Tool (MPAT) 4 levels within the Provincial Treasury in financial governance, performance management and people management. As a last step, both streams finalised their main strategic deliverables for 2014 to 2017.

Between August and November, the Branch Heads, together with their staff, drafted and reviewed the APP per sub-programme in support of the overall reviewed deliverables/objectives per unit. Technical indicator descriptions were also finalised.

This culminated in a final review session of the entire APP on 28 and 29 November 2013 by the top management, supported by the Budget Office: Provincial Government and the Strategic Management Support Services Unit.

6. Strategic outcome orientated goals of the Department

The strategic outcome orientated goals of the Department were streamlined from 12 to 4 to better represent desired outcomes and linkages with the actual Budget Programme.

Programme 1 – Administration

Strategic outcome orientated Goal 1	Efficient and effective departmental governance support services.
Goal statement	Efficient and effective departmental governance support services to enable the Department to deliver on its service delivery goals.

Programme 2 – Sustainable Resource Management

Strategic outcome orientated Goal 2	Effective and efficient sustainable resource management of provincial and municipal fiscal resources.
Goal statement	Effective and efficient sustainable resource management of provincial and municipal fiscal resources which includes preparing and managing the provincial budget, assisting in the preparation of municipal budgets and monitoring the implementation of these so as to promote socio-economic development.

Programme 3 – Asset Management

Strategic outcome orientated Goal 3	Effective and efficient financial system, supply chain and movable asset governance within the provincial and municipal spheres.
Goal statement	Effective and efficient financial system, supply chain and movable asset governance within the provincial and municipal spheres by assisting departments and municipalities to build capacity and instilling good governance practices.

Programme 4 – Financial Governance

Strategic outcome orientated Goal 4	Accountability through substantive reflection of financial activities of the Province as well as compliance with financial norms and standards.
Goal statement	Accountability through substantive reflection of financial activities of the Province as well as compliance with financial norms and standards through the establishment of sound financial governance within the provincial and municipal spheres.

7. Overview of 2013 budget and MTEF estimates

Table 3 Summary of payments and estimates

Programme R'000	Outcome			Main appro- priation 2013/14	Adjusted appro- priation 2013/14	Revised estimate 2013/14	Medium-term estimate			
	Audited 2010/11	Audited 2011/12	Audited 2012/13				% Change from Revised estimate			
							2014/15	2013/14	2015/16	2016/17
1. Administration	33 214	31 138	35 462	45 476	42 892	42 892	44 886	4.65	48 067	51 311
2. Sustainable Resource Management	42 327	61 331	70 898	336 111	83 969	83 969	520 318	519.65	442 420	713 634
3. Asset Management	33 710	30 706	33 934	39 811	47 747	47 747	53 923	12.93	57 670	58 429
4. Financial Governance	18 249	19 444	21 989	24 807	26 786	26 786	29 171	8.90	31 555	33 746
Total payments and estimates	127 500	142 619	162 283	446 205	201 394	201 394	648 298	221.91	579 712	857 120

Note:

Programme 1: MEC total remuneration package: R1 652 224 with effect from 1 April 2013.

Programme 2: Sub-programme 2.5: Transversal Projects, created in 2013/14, will continue over the 2014 MTEF and has been included under Programme 2 as the transversal mechanism to give effect to specific Government policy priorities to support the outcomes of the Provincial Strategic Objectives (PSOs) and the provincial budget policy objectives as set out in the 2014 - 2017 WC MTBPS, i.e. to contribute to improving the effectiveness and efficiency of government services. The details are set out below:

Projects	2014/15	2015/16	2016/17
Provincial priority allocations (Transversal Projects) in 2014 MTEF	429 385	343 970	608 870
Regional based socio-economic projects	25 000	35 000	51 855
Improvement of internal control (across departments) and biometric access control	30 500	37 690	55 794
Municipal support (strengthening of governance)	20 000	25 000	30 000
Broadband	353 885	246 280	471 221

Economic classification R'000	Outcome			Main appro- priation 2013/14	Adjusted appro- priation 2013/14	Revised estimate 2013/14	Medium-term estimate			
	Audited 2010/11	Audited 2011/12	Audited 2012/13				% Change from Revised estimate			
							2014/15	2013/14	2015/16	2016/17
Current payments	123 563	135 303	147 052	173 674	179 070	179 070	196 690	9.84	212 123	223 515
Compensation of employees	89 297	94 973	107 182	128 023	129 619	129 619	146 221	12.81	156 537	167 803
Goods and services	34 246	40 301	39 870	45 651	49 451	49 451	50 469	2.06	55 586	55 712
Interest and rent on land	20	29								
Transfers and subsidies to	736	4 640	11 795	267 769	17 311	17 311	446 738	2 480.66	362 456	628 200
Provinces and municipalities		3 450	8 250	256 598	10 850	10 850	435 385	3 912.76	350 970	616 241
Departmental agencies and accounts		83	2 411	10 326	5 523	5 523	10 406	88.41	10 488	10 908
Non-profit institutions	100									
Households	636	1 107	1 134	845	938	938	947	0.96	998	1 051
Payments for capital assets	3 089	2 633	3 404	4 762	4 944	4 944	4 870	(1.50)	5 133	5 405
Machinery and equipment	3 054	2 633	3 404	4 762	4 944	4 944	4 870	(1.50)	5 133	5 405
Heritage assets	35									
Of which: "Capitalised Goods and services" included in Payments for capital assets	3 089	2 633	3 404	4 762	4 944	4 944	4 870	(1.50)	5 133	5 405
Payments for financial assets	112	43	32		69	69		(100.00)		
Total economic classification	127 500	142 619	162 283	446 205	201 394	201 394	648 298	221.91	579 712	857 120

PART B: STRATEGIC OBJECTIVES

Programme 1 – Administration

Programme description

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

Strategic outcome orientated goal

Strategic outcome orientated Goal 1	Efficient and effective departmental governance support services.
Goal statement	Efficient and effective departmental governance support services to enable the Department to deliver on its service delivery goals.

Sub-programme 1.1: Office of the Minister

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

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

Strategic objective

1. Strategic Objective	To provide efficient and effective ministerial support services.
Objective statement	To provide efficient and effective ministerial support services to make a positive impact in society.
Baseline	4 operational plan assessment reports.

Strategic objective annual targets for 2014/15

Strategic objective Performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
1.	Number of consolidated performance and conformance assessment reports	New strategic objective indicator	New strategic objective indicator	New strategic objective indicator	4 operational plan assessment reports	4	4	4

Risk management

Risk: Non-compliance to legislative requirements as a result of the late submission of or poor quality of data provided by departments.

Mitigation: The risk will mainly be mitigated by implementing a standard operating procedure for stakeholder relations between the two departments and the Ministry.

Programme performance indicators and annual targets for 2014/15

Programme performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
1.1	Number of analytical reports on predetermined sections of the operational plan	New PI	New PI	New PI	New PI	4	4	4
1.2	Number of reports on the fulfilment of the MEC of Finance's statutory requirements as defined by the PFMA	New PI	New PI	New PI	New PI	4	4	4
1.3	Number of reports on the fulfilment of the MEC of Finance's oversight role over municipal finances as defined by the MFMA	New PI	New PI	New PI	New PI	4	4	4

Quarterly targets for 2014/15

Performance indicator		PSO linkage	Reporting period	Annual target 2014/15	Quarterly targets			
					1 st	2 nd	3 rd	4 th
1.1	Number of analytical reports on predetermined sections of the operational plan	PSO 12	Quarterly	4	1	1	1	1
1.2	Number of reports on the fulfilment of the MEC of Finance's statutory requirements as defined by the PFMA	PSO 12	Quarterly	4	1	1	1	1

Performance indicator		PSO linkage	Reporting period	Annual target 2014/15	Quarterly targets			
					1 st	2 nd	3 rd	4 th
1.3	Number of reports on the fulfilment of the MEC of Finance's oversight role over municipal finances as defined by the MFMA	PSO 12	Quarterly	4	1	1	1	1

Sub-programme 1.2: Management Services

Purpose: To provide strategic and operational management support services.

This sub-programme includes the Head Official of Treasury and the Directorate Strategic and Operational Management Support (SOMS). It is responsible for guiding and coordinating the delivery of the activities of the Provincial Treasury and for providing strategic and operational support services.

The Directorate SOMS consists of three (3) sections: Strategic Management Support Services (SMSS), Corporate Services Relations Management (CSRM) and the Office of the Head Official.

SMSS is responsible for the facilitation of the departmental strategic planning process and for developing, monitoring, reporting on and evaluating the overall performance of the Provincial Treasury. Additionally, the implementation of tailored performance management policies and procedures, inclusive of planning, monitoring and reporting on performance, will be the main focus of this unit over the new MTEF.

The CSRM Unit is responsible for the management of the Provincial Treasury's working relationship with the Corporate Services Centre (CSC). This unit coordinates and drives the rendering of human capital support services to the Provincial Treasury in terms of the provisions of the current Service Level Agreement with the CSC.

The Office of the Head Official provides secretarial and administrative support to the Department. It also renders departmental communications-, events management- and language services.

Strategic objective

2. Strategic Objective	To provide strategic and operational management support services.
Objective statement	To provide strategic and operational support services to the Department that complies fully with all prescripts and departmental standards.
Baseline	Audit outcome for 2012/13 and MPAT 2013/14.

Strategic objective annual targets for 2014/15

Strategic objective Performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
2.	Number of material Human Resource Management and Performance Management audit findings	New strategic objective indicator	New strategic objective indicator	New strategic objective indicator	New strategic objective indicator	0	0	0

Risk management

Risk: Material findings concerning the usefulness of performance information in the annual performance report.

Mitigation: The risk will mainly be mitigated by improving the planning, monitoring and reporting processes and assessing all inputs against a predetermined checklist.

Risk: Inadequate service delivery by the CSC.

Mitigation: The risk will mainly be mitigated by the monthly monitoring and reporting on the compliance with the agreed Service Schedules.

Programme performance indicators and annual targets for 2014/15

Programme performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
2.1	Number of prescribed performance plans and reports submitted	New PI	New PI	New PI	6	7	6	6
2.2	Number of reports on compliance with the CSC Services Schedules	New PI	New PI	New PI	12	12	12	12

Quarterly targets for 2014/15

Performance indicator		PSO linkage	Reporting period	Annual target 2014/15	Quarterly targets			
					1 st	2 nd	3 rd	4 th
2.1	Number of prescribed performance plans and reports submitted	PSO 12	Quarterly	7	1	2	1	3
2.2	Number of reports on compliance with the CSC Services Schedules	PSO 12	Quarterly	12	3	3	3	3

Sub-programme 1.4: Financial Management²

Purpose: To provide effective financial management to the Department.

This sub-programme is the responsibility of the CFO who is appointed in terms of Chapter 2 of the NTRs and reports directly to the AO. The main duties of this sub-programme are spread across four sections:

- The Management Accounting section is responsible for the compilation of the annual and adjusted budgets, monitoring and control of expenditure via the IYM process and compilation of the departmental annual report;
- The Financial Accounting section is responsible for maintaining an effective payments system, compiling the annual financial statements and maintaining the ledger accounts of the Department;
- The SCM section is responsible for providing and developing the SCM database, maintaining and safeguarding assets and providing administrative support in respect of the acquisition of goods and services and specified auxiliary services; and
- The Internal Control section which must ensure that effective internal control measures are in place throughout the Department, particularly in high-risk areas, also the prevention of adverse internal and external audit findings and provision of secretariat services to the Fraud and Risk Management Committee (FARMCO).

Strategic objective

3. Strategic Objective	To provide sound financial administrative services to the Department.
Objective statement	To provide sound financial administrative services in respect of financial and management accounting, supply chain management services and internal control.
Baseline	Audit outcome for 2012/13 and MPAT 2013/14.

Strategic objective annual targets for 2014/15

Strategic objective indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
3.	Number of material financial management audit findings	New strategic objective indicator	New strategic objective indicator	New strategic objective indicator	Clean audit outcome	0	0	0

² Sub-programme 1.3: Corporate Services was shifted to the Department of the Premier as part of the modernisation process during 2010/11.

Sub-programme 1.5: Internal Audit - The Provincial Treasury does not have a separate internal audit unit and uses the internal audit component of the Province, which is now vested in the Department of the Premier.

Risk management

Risk: Material misstatement on Annual Financial Statements (AFS).

Mitigation: The risk will be mitigated by implementing; maintaining and full adherence to all financial prescripts in order to receive clean audit outcomes.

Risk: Lack of joint responsibility to manage internal control and compliance.

Mitigation: The risk will be mitigated by a concerted and continuous drive by Financial Management to obtain high levels of joint accountability within the Department.

Programme performance indicators and annual targets for 2014/15

Programme performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
3.1	Number of IYM reports and budgets submissions	New PI	New PI	New PI	16	16	16	16
3.2	Number of Corporate Governance Review and Outlook reports	New PI	New PI	New PI	4	4	4	4

Quarterly targets for 2014/15

Performance indicator		PSO linkage	Reporting period	Annual target 2014/15	Quarterly targets			
					1 st	2 nd	3 rd	4 th
3.1	Number of IYM reports and budgets submissions	PSO 12	Monthly	16	3	4	5	4
3.2	Number of Corporate Governance Review and Outlook reports	PSO 12	Quarterly	4	1	1	1	1

Reconciling performance targets with the Budget and MTEF

Expenditure estimates

Table 4 Administration

Sub-programme R'000	Outcome						Medium-term estimate			
	Audited 2010/11	Audited 2011/12	Audited 2012/13				% Change from Revised estimate			
				Main appro- priation 2013/14	Adjusted appro- priation 2013/14	Revised estimate 2013/14	2014/15	2013/14	2015/16	2016/17
1. Office of the Minister	4 776	4 926	5 284	6 228	6 488	6 488	6 268	(3.39)	6 749	7 196
2. Management Services	5 818	7 766	9 918	12 253	12 864	12 864	13 406	4.21	14 520	15 693
3. Corporate Services	3 602									
4. Financial Management	19 018	18 446	20 260	26 995	23 540	23 540	25 212	7.10	26 798	28 422
Total payments and estimates	33 214	31 138	35 462	45 476	42 892	42 892	44 886	4.65	48 067	51 311

Note:

Sub-programme 1.1: MEC total remuneration package: R1 652 224 with effect from 1 April 2013.

Sub-programme 1.3: Corporate Services was shifted to the Department of the Premier as part of the modernisation process during 2010/11.

Sub-programme 1.5: The Provincial Treasury does not have a separate internal audit unit and uses the internal audit component of the Province, which is now vested in the Department of the Premier.

Economic classification R'000	Outcome			Main appro- priation Adjusted appro- priation Revised estimate			Medium-term estimate			
	Audited 2010/11	Audited 2011/12	Audited 2012/13				% Change from Revised estimate			
	2013/14	2013/14	2013/14	2014/15	2013/14	2015/16	2016/17			
Current payments	29 277	27 279	30 910	39 869	36 963	36 963	39 069	5.70	41 936	44 855
Compensation of employees	19 514	18 356	19 576	24 318	24 210	24 210	26 308	8.67	28 123	30 145
Goods and services	9 743	8 894	11 334	15 551	12 753	12 753	12 761	0.06	13 813	14 710
Interest and rent on land	20	29								
Transfers and subsidies to	736	1 183	1 116	845	916	916	947	3.38	998	1 051
Departmental agencies and accounts	83									
Non-profit institutions	100									
Households	636	1 100	1 116	845	916	916	947	3.38	998	1 051
Payments for capital assets	3 089	2 633	3 404	4 762	4 944	4 944	4 870	(1.50)	5 133	5 405
Machinery and equipment	3 054	2 633	3 404	4 762	4 944	4 944	4 870	(1.50)	5 133	5 405
Heritage assets	35									
Of which: "Capitalised Goods and services" included in Payments for capital assets	3 089	2 633	3 404	4 762	4 944	4 944	4 870	(1.50)	5 133	5 405
Payments for financial assets	112	43	32	69			(100.00)			
Total economic classification	33 214	31 138	35 462	45 476	42 892	42 892	44 886	4.65	48 067	51 311

Performance and expenditure trends

The increase of R9.678 million from R33.214 million in 2010/11 to R42.892 million in 2013/14 (revised estimate), equates to an average nominal increase of 8.9 per cent per annum (three year period). The annual average nominal growth of 6.16 per cent from the revised estimate of R42.892 million in 2013/14 to R51.311 million in 2016/17 is due to mainly inflation adjustments. Limited provision has also been made for strengthening core corporate requirements towards meeting increasing demands bestowed on the Department. Telephone costs have been decentralised to all other programmes and sub-programmes. The bulk of the transfers within the programme are for external bursars.

Programme 2 – Sustainable Resource Management

Programme description

Purpose: To ensure the effective and efficient management of provincial and municipal financial resources.

Strategic outcome orientated goal

Strategic outcome orientated Goal 2	Effective, efficient and sustainable management of provincial and municipal fiscal resources.
Goal statement	Effective, efficient and sustainable management of provincial and municipal fiscal resources which includes preparing and managing the provincial budget, assisting in the preparation of municipal budgets and monitoring the implementation of these so as to promote socio-economic development.

Programme structure

Sub-programme 2.1: Programme support

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

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

Strategic objective

4. Strategic Objective	To provide management and administrative support to the programme.
Objective statement	To provide management and administrative support to the programme by building the required staff competencies through training and development, and ensuring the delivery of the operational plans.
Baseline	Training and operational programme plans.

Strategic objective annual targets for 2014/15

Strategic objective Performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
4.	Percentage of programme performance indicator targets achieved	New PI	New PI	New PI	New PI	100%	100%	100%

Risk management

Risk: Operational requirements may necessitate a shift in prioritising the achievement of specific objectives, specifically in respect of training initiatives.

Mitigation: Planning and scheduling of training initiatives will be done in advance, immediately after finalisation of the corporate schedule.

Programme performance indicators and annual targets for 2014/15

Programme performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
4.1	Number of staff attended training initiatives	New PI	New PI	New PI	108	120	120	120
4.2	Number of progress reports on the implementation of the Operational Plan	New PI	Developed, implemented and monitored operational plan	An operational plan that builds on the APP, QPR and dashboard requirements delivery	Completion of operational plan by May 2013	12	12	12
4.3	Number of Intervention reports on organisational culture and climate	New PI	New PI	New PI	New PI	4	4	4

Quarterly targets for 2014/15

Performance indicator		PSO linkage	Reporting period	Annual target 2014/15	Quarterly targets			
					1 st	2 nd	3 rd	4 th
4.1	Number of staff attended training initiatives	PSO 12	Quarterly	120	30	30	30	30
4.2	Number of progress reports on the implementation of the Operational Plan	PSO 12	Monthly	12	3	3	3	3
4.3	Number of Intervention reports on organisational culture or climate	PSO 12	Quarterly	4	1	1	1	1

Sub-programme 2.2: Fiscal Policy³

Purpose: To advise on the sustainability and management of provincial and municipal funding sources and exploring the full use of available revenue resources.

Functions of the unit include conducting research into the national transfer system, inclusive of the funding formula that underpins the provincial and local government allocations (equitable share and conditional grants).

The unit reports on provincial own revenue performance, evaluates current revenue trends and revenue efficiency advancements towards promoting the effective management of revenue. Research into provincial own revenue includes further work on the casino licencing regime.

Attention will be given to the development of an assessment framework with which to assess municipal service charges in terms of sustainability, transparency and credibility.

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

This unit is also responsible for departmental oversight of- and management of transfer payments to the Western Cape Gambling and Racing Board (WCGRB) towards the effective and efficient regulation of the gaming industry in the Province.

³ Sub-programme 2.2: Economic Analysis has been fully integrated into Budget Management: Provincial Government. Prior to 2011/12 the estimates for Immoveable Asset Management and Liability Management, included under Fiscal Policy, are reflected under Programme 3.

Strategic objective

5. Strategic Objective	To advise on the sustainability and management of provincial and municipal funding sources.
Objective statement	To advise on the sustainability and management of provincial and municipal funding sources to improve the conformance and performance of provincial and municipal revenue.
Baseline	14 Provincial MTEC 1 and MTEC 2 and 12 LG MTEC 3 budget assessment reports.

Strategic objective annual targets for 2014/15

Strategic objective Performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
5.	Number of revenue and cash management assessment reports	Research into revenue collection mechanisms	Assessments of departmental provincial own revenue trends and submitted policies	Refinement of research into revenue collection mechanisms and provide recommendations including follow-up on recommendations	9	10	10	10

Risk management

Risk: The susceptibility of National transfers (equitable share and conditional grants) and provincial own revenue to the macro-economic environment and/or census information and the phasing in of the Provincial Equitable Share. These variables have the potential to undermine national transfers to provinces and local government.

Mitigation: Developing and implementing a risk aversion fiscal framework to minimise risks to the revenue envelop and to help ensure a sustainable spending trajectory over the medium term supportive of the PSOs.

Programme performance indicators and annual targets for 2014/15

Programme performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
5.1	Number of research reports on the Provincial and Local Government Fiscal Transfer System	Research, input and testing of new provincial fiscal framework	Research, review of provincial funding model and input into the fiscal transfer system for provinces. Commenced with initial work on Local Government Equitable Share	Research, review of provincial funding model and input into the fiscal transfer system for provinces and local government	1	2	2	2
5.2	Number of Provincial Own Revenue and Municipal Cash Management reports	New PI	New PI	New PI	8	8	8	8
5.3	Number of reports on the performance of the WCGRB	Assessment tool measuring compliance and implementation	Governance Review not achieved	Quarterly Performance reports of the WCGRB assessed.	4	4	4	4

Quarterly targets for 2014/15

Performance indicator		PSO Linkage	Reporting period	Annual target 2014/15	Quarterly targets			
					1 st	2 nd	3 rd	4 th
5.1	Number of research reports on the Provincial and Local Government Fiscal Transfer System	PSO 12	Bi-Annually	2	-	1	-	1
5.2	Number of Provincial Own Revenue and Municipal Cash Management reports	PSO 12	Quarterly	8	2	2	2	2
5.3	Number of reports on the performance of the WCGRB	PSO 12	Quarterly	4	1	1	1	1

Sub-programme 2.3: Budget Management

Element: Provincial Government Budget Office

Purpose: To promote optimal allocative efficiency and effectiveness of resource allocations in preparing the provincial budget and provide socio-economic analysis and advice that informs budget policy and the budget allocation process.

The Provincial Government Budget Office undertakes socio-economic and budget policy related research, in order to prepare the provincial budget policy and inform the budget allocations. This includes analysis of policy options to ensure budget proposals are properly costed and are in line with the budget policy framework. The unit also evaluates provincial budget documentation for conformance and responsiveness to make recommendations to improve the impact and effectiveness (the attainment of desired outcomes, objectives and results) of the provincial budget.

Strategic Objective

6. Strategic Objective	To improve the socio-economic impact and allocative efficiency of the provincial budget.
Objective statement	To improve the socio-economic impact and allocative efficiency of the provincial budget and the effective implementation thereof by tabling an approved Overview of Provincial Revenue and Expenditure (OPRE) in line with the provincial budget policy framework informed by the Provincial Economic Review and Outlook (PERO).
Baseline	Provincial Overview and Estimates of Provincial Revenue and Expenditure (Budget Overview) 2014 tabled by March 2014.

Strategic objective annual targets for 2014/15

Strategic objective Performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
6.	Timeous publication of the Overview of Provincial Revenue and Expenditure	New PI	New PI	New PI	Overview of Provincial Review and Expenditure tabled by March 2014	March 2015	March 2016	March 2017

Risk management

Risk: Lack of credible, relevant and up to date socio-economic information.

Mitigation: Credible socio-economic information is important to inform budget policy and recommendations on budget allocations. Socio-economic information, including relevant economic updates is undertaken by specialist service providers with the required standard of expertise, capacity, knowledge and experience and is translated by Budget Office staff to feed into the budgetary processes and publications.

Programme performance indicators and annual targets 2014/15

Programme performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
6.1	Number of provincial allocative efficiency and effectiveness assessment reports	13 APPs of departments and public entities assessed for alignment with budget	APPs of all votes assessed and remedial actions identified	14 APPs and budget submissions assessed and with recommendations to the provincial MTEC	28	28	28	28
6.2	Timeous publication of the PERO	PERO 2010 published in November 2010	PERO 2011 published in September 2011	PERO 2012 published in September 2012	October 2013	October 2014	October 2015	October 2016
6.3	Timeous publication of the Medium Term Budget Policy Statement	New PI	New PI	New PI	Medium Term Budget Policy Statement tabled by November 2013	November 2014	November 2015	November 2016

Quarterly targets for 2014/15

Performance indicator		PSO Linkage	Reporting period	Annual target 2014/15	Quarterly targets			
					1 st	2 nd	3 rd	4 th
6.1	Number of provincial allocative efficiency and effectiveness assessment reports	PSO 12	Bi-annually	28	-	-	14	14
6.2	Timeous publication of the PERO	PSO 12	Annually	October 2014	-	-	October 2014	-
6.3	Timeous publication of the Medium Term Budget Policy Statement	PSO 12	Annually	November 2014	-	-	November 2014	-

Element: Local Government Budget Office

Purpose: To promote allocative efficiency and effectiveness of resource allocations by coordinating the municipal budget process and providing socio-economic analysis and advice that informs municipal budget policies and the budget allocation process.

The Local Government Budget Office undertakes socio-economic and budget policy related research in order to assess municipal budgets and the budget allocations. The unit also evaluates municipal budget documentation for conformance and responsiveness to make recommendations to improve the impact and effectiveness (the attainment of desired outcomes, objectives and results) of municipal budgets.

Strategic Objective

7. Strategic Objective	To improve the socio-economic impact and allocative efficiency of municipal budgets.
Objective statement	To improve the socio-economic impact and allocative efficiency of municipal budgets and the effective implementation thereof by conducting socio-economic analysis and annual assessments of municipal budgets and municipal budget related documents informed by the Municipal Economic Review and Outlook (MERO).
Baseline	30 municipal allocative efficiency and effectiveness assessments reports through the 2013 LG MTEC process between April and May 2013.

Strategic objective annual targets for 2014/15

Strategic objective indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
7.	Number of municipal allocative efficiency and effectiveness assessments reports	30 municipal budgets assessed for responsiveness	30 municipal budgets assessed for responsiveness	74 quarterly SDBIP Performance reports submitted & 28 Annual Reports assessed	30	30	30	30

Risk management

Risk: Late tabling and adoption of municipal budgets and non- or late submission of budgetary related documents including Annual Reports, Quarterly and Mid-year Service Delivery reports.

Mitigation: Timeous tabling, adoption and submission of municipal budgets that conforms to the prescribed guidelines and requirements is a pre-requisite to measure the responsiveness and performance of annual budget and reporting thereon in the SDBIPs, mid-year reports and annual reports. Non-compliance is mitigated through issuing clear guidelines for the tabling, adoption, submission and reporting guidelines for development of municipal budgets, SDBIPs, Mid-year reports and Annual Reports and support to municipalities.

Risk: Lack of credible, relevant and up to date social and economic information at a municipal level.

Mitigation: Credible socio-economic information is important to inform the compilation of municipal budgets and strategic plans. A lack of this information would result in less responsive municipal budgets. The risk is mitigated through the sourcing of up to date socio-economic information, regular research and economic updates by specialist service providers with the required standard of expertise, capacity, knowledge and experience as well as staff to inform the municipal budgetary processes.

Programme performance indicators and annual targets 2014/15

Programme performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
7.1	Percentage Quarterly Performance Reports assessed	New PI	New PI	New PI	100%	100%	100%	100%
7.2	Number of SEP-LG publications	Compile SEP-LG for 5 districts and City of Cape Town	Compile SEP-LG for 5 districts and City of Cape Town	Release of working papers on Socio-Economic Profiles for 5 districts and Metro	6	6	6	6
7.3	Number of MERO publications	New PI	New PI	Publication of 2013 Municipal Economic Review and Outlook	1	1	1	1

Quarterly targets for 2013/14

Performance indicator		PSO Linkage	Reporting period	Annual target 2014/15	Quarterly targets			
					1 st	2 nd	3 rd	4 th
7.1	Percentage Quarterly Performance Reports assessed	PSO 12	Quarterly	100	100%	100%	100%	100%
7.2	Number of SEP-LG publications	PSO 12	Annually	6	-	-	6	-
7.3	Number of MERO publications	PSO 12	Annually	1	-	-	1	-

Sub-programme 2.4: Public Finance**Element: Provincial Government Finance**

Purpose: To compile a credible and sustainable main and adjustments budget, and to guide and monitor the efficient implementation thereof.

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

A key focus area is to improve on the efficiency of expenditure management in departments through working paper reviews of selected expenditure items and expenditure analytics, which will assist and inform strategic sourcing of goods and services. Furthermore, in line with improving financial management, the unit will facilitate the standardisation of expenditure management processes (standard operating procedures) via the Management Accounting Forum (MAF), a sub-committee of the CFO's Forum.

Strategic Objective

8. Strategic Objective	To improve the conformance, credibility, sustainability and guide and monitor the efficient implementation of the provincial budget.
Objective statement	To improve the conformance, credibility and sustainability of the provincial budget by assessing expenditure composition and trends within departments and table an approved Estimates of Provincial Revenue and Expenditure. To monitor the implementation of the budget by assessing conformance, accountability, data integrity, and efficiency.
Baseline	Estimates of Provincial Revenue and Expenditure tabled by March 2014.

Strategic objective annual targets for 2014/15

Strategic objective Performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
8.	Timeous tabling of the Estimates of Provincial Revenue and Expenditure	26 PG MTEC Assessment reports	All votes' budgets assessed against credibility criteria and departments assisted and capacitated through establishing standards providing guidance and training	All votes and entities budget submissions assessed against a framework for conformance, credibility and sustainability	March 2014	March 2015	March 2016	March 2017

Risk management

Risk: Data integrity of information recorded as expenditure by departments. These inaccuracies are mainly due to a skills deficit with the application of the transversal financial management systems and a lack of a uniform understanding and recording of expenditure items.

Mitigation: Improvement of data via integrated intervention involving Systems, Financial Accounting and Management Accounting in the Treasury, as well as departments, to achieve standardisation in the utilisation of expenditure items.

Programme performance indicators and annual targets for 2014/15

Programme performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
8.1	Number of provincial budget efficiency and credibility assessment reports	26 PG MTEC assessment reports	14 provincial budgets assessed and remedial actions identified	Developed a framework on conformance, credibility and sustainability of the budget and 14 provincial budgets assessed and remedial steps actioned	28	28	28	28
8.2	Timeous tabling of Adjusted Estimates of Provincial Expenditure	New PI	New PI	November 2012	November 2013	November 2014	November 2015	November 2016
8.3	Number of quarterly reports on the implementation of the budget to Cabinet and Parliament	New PI	New PI	4	4	4	4	4

Quarterly targets for 2014/15

Performance indicator		PSO Linkage	Reporting period	Annual target 2014/15	Quarterly targets			
					1 st	2 nd	3 rd	4 th
8.1	Number of provincial budget efficiency and credibility assessment reports	PSO 12	Bi-annually	28	-	-	14	14
8.2	Timeous tabling of Adjusted Estimates of Provincial Expenditure	PSO 12	Annually	November 2014	-	-	November 2014	-
8.3	Number of quarterly reports on the implementation of the budget to Cabinet and Parliament	PSO 12	Quarterly	4	1	1	1	1

Element: Local Government Finance (Groups 1 and 2)

Purpose: To assist municipalities to prepare a credible and sustainable main and adjustments budget, to guide and monitor the efficient implementation thereof and to drive the implementation of the MFMA.

The element consists of two directorates which concentrate on improving the conformance, credibility and sustainability of municipal budgets by promoting efficient budget implementation and developing the functional ability of municipalities through the implementation of standards, knowledge sharing and training.

These directorates will further focus on improving general reporting requirements, including data integrity within municipalities and financial assistance will be provided to selected municipalities as informed by LG MTEC and MGRO processes.

The directorates will during this financial year produce an efficiency review working paper on selected municipal expenditure items.

Funding has been provided over the 2014 MTEF for municipal governance improvement initiatives as part of transversal projects within Programme 2.5, to be distributed upon agreement with Vote 14: Local Government on specific deliverables underpinned by project implementation plans, only to be released in the 2014 Adjusted Estimates and future MTEFs.

Strategic Objective

9. Strategic Objective	To improve the conformance, credibility and sustainability of municipal budgets and monitor and support municipalities and municipal entities with the efficient implementation thereof.
Objective statement	To improve the conformance, credibility and sustainability of municipal budgets and monitor and support municipalities and municipal entities with the efficient implementation thereof through monthly and quarterly reporting to Cabinet and Parliament.
Baseline	4 quarterly reports on the implementation of the municipal budget to Cabinet and Parliament.

Strategic objective annual targets for 2014/15

Strategic objective Performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
9.	Number of quarterly reports on the implementation of the municipal budget to Cabinet and Parliament	New PI	New PI	New PI	4	4	4	4

Risk management

Risk: Challenges with the integrity of information as received from the municipalities impedes on the quality of reports.

Mitigation: Data integrity on in-year reports are monitored as part of the monthly in-year monitoring process and checked against predetermined assessment criteria. Challenges with regards to in-year reporting are communicated in formal letters to Chief Financial Officers and discussed at the Municipal Accountants Forum.

Risk: Non-compliance by municipalities with the legislative reporting requirements.

Mitigation: Non-compliance letters are issued to the accounting officers of defaulting municipalities in which they are requested to institute remedial measures.

Programme Performance Indicators and annual targets for 2014/15

Programme Performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
9.1	Number of monthly IYM assessment reports on the implementation of the municipal budget	30 monthly IYM reports and 12 monthly consolidated reports	30 monthly IYM reports and 12 monthly consolidated reports	30 monthly and 4 quarterly reports aligned to framework on financial reporting	372	372	372	372
9.2	Number of reports on MFMA implementation	New PI	Implementation of selected MFMA priorities	Assessment on MFMA implementation against framework and recommendations made to municipalities	4	4	4	4

Quarterly targets for 2014/15

Performance indicator		PSO Linkage	Reporting Period	Annual Target 2014/15	Quarterly Targets			
					1 st	2 nd	3 rd	4 th
9.1	Number of monthly IYM assessment reports on the implementation of the municipal budget	PSO 12	Monthly	372	93	93	93	93
9.2	Number of reports on MFMA implementation	PSO 12	Quarterly	4	1	1	1	1

Element: Infrastructure

Purpose: To promote the effective and efficient delivery and maintenance of physical infrastructure through institutionalising and standardising good practice methodologies, tools and systems.

A key and renewed focus area of this unit will be to build on the foundation laid and initiative started during 2013/14 to roll out and conduct assessments on the institutionalisation of the Western Cape Infrastructure Delivery Management System (WCIDMS) for the Departments of Education and Health (as client departments) and Transport and Public Works (as the Implementing Agent). This will include the assessment of User Asset Management Plans (U-AMPs), Custodian Asset Management Plans (C-AMPs) and Construction Procurement strategies to ensure effective and efficient delivery. The roll out of the WC IDMS will be extended to Roads and Human Settlements. The unit is also responsible for the monitoring and enhancement of infrastructure spending of designated departments and advocating infrastructure delivery improvement processes.

Strategic Objective

10. Strategic Objective	To institutionalise and standardise good practice methodologies, tools and systems for efficient and effective physical infrastructure delivery and maintenance.
Objective statement	To institutionalise and standardise good practice methodologies, tools and systems for efficient and effective physical infrastructure delivery and maintenance through strengthening the institutionalisation of WC IDMS-principles in departments for effectively deliver on planning and construction of projects.
Baseline	3 assessments conducted on the institutionalisation of WC IDMS at the Departments of Education; Health (Client departments), Transport and Public Works (Branch: Public Works and Branch: Roads) to improve infrastructure delivery.

Strategic objective annual targets for 2014/15

Strategic objective Performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
10.	Number of assessments on the institutionalisation of the WC IDMS	Revised strategic objective	Revised strategic objective	Rolling out the approved WC IDMS (HR, business processes and procurement framework)	3	4	5	5

Risk management

Risk: Failure to implement the infrastructure delivery management system (IDMS) which could compromise effective infrastructure delivery.

Mitigating: Addressed through the institutionalisation of good practice, systems, tools and building capacity.

Programme performance indicators and annual targets for 2014/15

Programme performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
10.1	Number of U-AMPs/C-AMPs assessed	Assessment on User Asset Management Plans (U-AMPs) and conducted and feedback provided to 13 departments and Provincial Parliament	Assessment on User Asset Management Plans (U-AMPs) conducted and feedback provided	Quality Infrastructure Plans (U-AMPs and C-AMPs) aligned with national, provincial, local government and private sector investments initiatives, and department Strategic Plans and APPs	28	28	28	28
10.2	Number of infrastructure expenditure reports assessed	16 infrastructure Expenditure Reports of Education, Public Works and Roads and Health that are compliant to DORA	16 infrastructure Expenditure Reports (Roads & Transport, Public Works, Education and Health) were submitted in compliance with the Division of Revenue Act (DORA)	16 infrastructure Expenditure Reports of Education, Public Works, Roads and Health aligned to infrastructure reporting framework	16	16	16	16
10.3	Number of infrastructure project delivery assessments	New PI	New PI	3 project assessments in respect of impact (economic, social, job creation, etc.)	6	10	10	10

Quarterly targets for 2014/15

Performance indicator		PSO Linkage	Reporting period	Annual target 2014/15	Quarterly targets			
					1 st	2 nd	3 rd	4 th
10.1	Number of U-AMPs/C-AMPs assessed	PSO 12	Bi-annually	28	-	14	-	14
10.2	Number of infrastructure expenditure reports assessed	PSO 12	Quarterly	16	4	4	4	4
10.3	Number of infrastructure project delivery assessments	PSO 12	Bi-annually	10	-	5	-	5

Element: Business Information and Data Management

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

This element consists of four main sections:

- Records management is responsible for managing the centralised filing system aiming for conformance to the Archives and Records Service prescripts.
- Data management is responsible for the management of data sets in support of PT strategic goals.
- The client interface section deal with the coordination of departmental and municipal MTEC processes and document flow (hard and electronic) and data collating units.
- The latter is supported by the data collating section managing the Provincial Treasury's database and the technical refinement of treasury publications and working papers.

The four sections will form an integral part in driving the development of the knowledge information management system for the Provincial Treasury. This will include steps to improve accuracy and completeness of financial information and economic data to facilitate proper decision making, monitoring and credible reporting.

Strategic Objective

11. Strategic Objective	To render an effective data information management service.
Objective statement	To render an effective data information management service by providing financial and performance information on a central depository to enable proper decision making and credible publications.
Baseline	One central depository

Strategic objective annual targets for 2014/15

Strategic objective Performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
11.	An available central depository	New strategic objective	New strategic objective	New strategic objective	Revised strategic objective	1	1	1

Risk management

Risk: Inadequate safeguarding and dissemination of information within the Provincial Treasury.

Mitigation: Proper use of the centralised depository (hard copy and electronic copy) and monitoring the adherence to guidelines and applicable legislative prescripts.

Programme performance indicators and annual targets 2014/15

Programme performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
11.1	Number of datasets managed	New PI	Revised PI	Revised PI	4	4	4	4
11.2	Number of budget process plans managed	New PI	Revised PI	Revised PI	3	3	3	3
11.3	Timeous submission of the approved ICT plan	New PI	New PI	New PI	New PI	Feb 2015	Feb 2016	Feb 2017

Quarterly targets for 2014/15

Performance indicator		PSO Linkage	Reporting period	Annual target 2014/15	Quarterly targets			
					1 st	2 nd	3 rd	4 th
11.1	Number of datasets managed	PSO 12	Quarterly	4	4	4	4	4
11.2	Number of budget process plans managed	PSO 12	Quarterly	3	1	-	1	1
11.3	Timeous submission of the approved ICT plan	PSO 12	Annually	Feb 2015	-	-	-	Feb 2015

Sub-programme 2.5: Transversal Projects

Purpose: To promote effective and efficient management, coordination and intergovernmental cooperation of transversal special programmes in the Western Cape Government (WCG).

The Transversal Projects Sub-programme, initiated during the 2013 MTEF and housed within the Provincial Treasury Vote as the transversal mechanism to give effect to specific Government policy priorities, will continue over the 2014 MTEF. The sub-programme transversally supports the outcomes of the Provincial Strategic Objectives (PSOs) and the provincial budget policy objectives as set out in the 2014 - 2017 WC MTBPS; in essence to contribute to improving the effectiveness and efficiency of government services.

Provincial priority allocations provided for under this sub-programme caters for programmes and projects where uncertainty exists in terms of implementation, which subject to clear implementation plans, funds will only be shifted in the Adjusted Estimates.

Externally to Vote 3, it caters for the strengthening of Regionally based socio-economic projects (RSEP) and Broadband, whilst internally it provides for the improvement in internal controls, including biometric access control (within and across departments) and for municipal support, based on MGRO and LG MTEC findings, aimed at strengthening governance within municipalities.

The extract below sets out the projects and allocations provided for under the Sub-programme 2.5:

Projects	2014/15	2015/16	2016/17
Provincial priority allocations (Transversal Projects) in 2014 MTEF	429 385	343 970	608 870
Regional based socio-economic projects	25 000	35 000	51 855
Improvement of internal control (across departments) and biometric access control	30 500	37 690	55 794
Municipal support (strengthening of governance)	20 000	25 000	30 000
Broadband	353 885	246 280	471 221

Strategic Objective

12. Strategic Objective	To coordinate and provide financial support to transversal programmes/projects.
Objective statement	To coordinate and provide financial support to programmes/projects that is of a transversal and strategic nature in the Western Cape Government.
Baseline	Financial support to 5 special project/programme initiatives.

Strategic objective annual targets for 2014/15

Strategic objective Performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
12.	Number of strategic projects/programmes that receive financial support	New PI	New PI	New PI	5	4	4	4

Risk management

Risk: The development of coordinated delivery plans are not completed comprehensively and timeously. Achieving coordination in delivery of plans across the departments may not happen as planned.

Mitigation: Funds will be released in the Adjusted Estimates based on clear and executable delivery plans. The outputs and expenditure will be monitored quarterly.

Programme performance indicators and annual targets for 2014/15

Programme performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
12.1	Number of strategic projects/programmes assessments	New PI	New PI	New PI	5	4	4	4

Quarterly targets for 2014/15

Performance indicator		PSO Linkage	Reporting period	Annual target 2014/15	Quarterly targets			
					1 st	2 nd	3 rd	4 th
12.1	Number of strategic projects/programmes assessments	PSO 12	Annually	4	-	-	4	-

Reconciling performance targets with the Budget and MTEF

Expenditure estimates

Table 5 Sustainable Resource Management

Sub-programme R'000	Outcome			Main appro- priation 2013/14	Adjusted appro- priation 2013/14	Revised estimate 2013/14	Medium-term estimate			
	Audited 2010/11	Audited 2011/12	Audited 2012/13				% Change from Revised estimate			
							2014/15	2013/14	2015/16	2016/17
1. Programme Support	3 024	3 848	5 897	7 038	5 435	5 435	6 395	17.66	6 811	7 255
2. Fiscal Policy	3 663	6 693	11 117	19 312	13 943	13 943	21 366	53.24	22 241	23 468
Fiscal Policy	3 663	6 693	8 706	8 986	8 420	8 420	10 960	26.65	11 753	12 560
Western Cape Gambling and Racing Board			2 411	10 326	5 523	5 523	10 406	88.41	10 488	10 908
3. Budget Management	13 749	16 784	14 304	15 949	14 969	14 969	18 093	20.87	20 058	21 412
Provincial Government Budget Office	8 606	10 845	7 766	8 529	7 418	7 418	9 269	24.95	10 031	10 715
Local Government Budget Office	5 143	5 939	6 538	7 420	7 551	7 551	8 824	16.86	10 027	10 697
4. Public Finance	21 891	34 006	39 580	41 214	49 622	49 622	45 079	(9.16)	49 340	52 629
Provincial Government Finance	12 832	11 310	6 778	7 576	7 403	7 403	8 501	14.83	9 097	9 735
Local Government Finance Group 1	4 154	8 408	8 839	10 458	11 157	11 157	7 745	(30.58)	8 252	8 806
Local Government Finance Group 2	4 905	8 522	13 701	10 511	17 446	17 446	12 860	(26.29)	14 309	15 185
Infrastructure		5 766	5 161	5 549	6 708	6 708	7 675	14.42	8 220	8 805
Business Information and Data Management			5 101	7 120	6 908	6 908	8 298	20.12	9 462	10 098
5. Transversal Projects				252 598			429 385		343 970	608 870
Total payments and estimates	42 327	61 331	70 898	336 111	83 969	83 969	520 318	519.65	442 420	713 634

Note:

Sub-programme 2.2: Prior to 2011/12 the estimates for Immoveable Asset Management and Liability Management included under Fiscal Policy are reflected under Programme 3: Table 6.3.

Sub-programme 2.3: The Sub-programme: Economic Analysis has been fully integrated into Budget Management: Provincial Government.

Sub-programme 2.5: Transversal Projects, created in 2013/14, will continue over the 2014 MTEF as the transversal mechanism to give effect to specific Government policy priorities to support the outcomes of the Provincial Strategic Objectives (PSOs) and the provincial budget policy objectives as set out in the 2014 - 2017 WC MTBPS, i.e. to contribute to improving the effectiveness and efficiency of government services. The details are set out below:

Projects	2014/15	2015/16	2016/17
Provincial priority allocations (Transversal Projects) in 2014 MTEF	429 385	343 970	608 870
Regional based socio-economic projects	25 000	35 000	51 855
Improvement of internal control (across departments) and biometric access control	30 500	37 690	55 794
Municipal support (strengthening of governance)	20 000	25 000	30 000
Broadband	353 885	246 280	471 221

Economic classification R'000	Outcome			Main appro- priation 2013/14	Adjusted appro- priation 2013/14	Revised estimate 2013/14	Medium-term estimate			
	Audited 2010/11	Audited 2011/12	Audited 2012/13				% Change from Revised estimate			
							2014/15	2013/14	2015/16	2016/17
Current payments	42 327	57 874	60 228	69 187	67 579	67 579	74 527	10.28	80 962	86 485
Compensation of employees	28 360	39 715	45 953	54 045	53 643	53 643	62 880	17.22	67 328	72 151
Goods and services	13 967	18 159	14 275	15 142	13 936	13 936	11 647	(16.43)	13 634	14 334
Transfers and subsidies to		3 457	10 670	266 924	16 390	16 390	445 791	2 619.90	361 458	627 149
Provinces and municipalities		3 450	8 250	256 598	10 850	10 850	435 385	3 912.76	350 970	616 241
Departmental agencies and accounts			2 411	10 326	5 523	5 523	10 406	88.41	10 488	10 908
Households		7	9		17	17		(100.00)		
Total economic classification	42 327	61 331	70 898	336 111	83 969	83 969	520 318	519.65	442 420	713 634

Performance and expenditure trends

The programme has increased from R42.327 million in 2010/11 to R83.969 million in the 2013/14 (revised estimate), which equates to an average nominal growth of 25.65 per cent per annum. The growth relates to the increasing implementation requirements of the Municipal Financial Management Act (MFMA) and associated provisioning of resources to enhance fiscal prudence. The allocation over the 2014 MTEF period will further increase from R83.969 million in 2013/14 revised estimate to R520.318 million in 2014/15 as a result of the priority funding allocations of R429.385 million that are ring-fenced in 2014/15 under the Sub-programme 2.5: Transversal Projects. The growth from 2013/14 (revised estimate) of R83.969 million to R713.634 million in 2016/17 reflects an annual average growth of 104.07 per cent over the three year period.

Programme 3 – Asset Management

Programme description

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

Strategic outcome orientated goal

Strategic outcome orientated Goal 3	Effective and efficient financial system, supply chain and movable asset governance within the provincial and municipal spheres.
Goal statement	Effective and efficient financial system, supply chain and movable asset governance within the provincial and municipal spheres by assisting departments and municipalities to build capacity and instilling good governance practices.

Programme structure

Sub-programme 3.1: Programme Support

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

This sub-programme includes the head and support services of the Branch: Governance and Asset Management (who is responsible for both Programmes 3 and 4) and the Chief Director: Asset Management. It also provides resources for the structured training and development of the staff attached to the programme.

Strategic Objective

13. Strategic Objective	To provide management and administrative support to the programme.
Objective statement	To provide management and administrative support to the programme by building the required staff competencies through training and development, and ensuring the delivery of the operational plans.
Baseline	Training and operational programme plans.

Strategic objective annual targets for 2014/15

Strategic objective Performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
13.	Percentage of programme performance indicator targets achieved	New PI	New PI	New PI	New PI	100%	100%	100%

Risk management

Risk: Operational requirements may necessitate a shift in prioritising the achievement of specific objectives, specifically in respect of training initiatives.

Mitigation: Planning and scheduling of training initiatives will be done in advance, immediately after finalisation of the corporate schedule.

Programme performance indicators and annual targets for 2014/15

Programme performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
13.1	Number of staff attended training initiatives	New PI	New PI	New PI	160	70	70	70
13.2	Number of progress reports on the implementation of the Operational Plan	New PI	Developed, implemented and monitored operational plan	An operational plan that builds on the APP, QPR and dashboard requirements delivery	Completion of operational plan by May 2013	12	12	12
13.3	Number of Interventions reports on organisational culture or climate	New PI	New PI	New PI	New PI	4	4	4

Quarterly targets for 2014/15

Performance indicator		PSO linkage	Reporting period	Annual target 2014/15	Quarterly targets			
					1 st	2 nd	3 rd	4 th
13.1	Number of staff attended training initiatives	PSO 12	Quarterly	70	15	20	20	15
13.2	Number of progress reports on the implementation of the Operational Plan	PSO 12	Monthly	12	3	3	3	3
13.3	Number of Interventions reports on organisational culture or climate	PSO 12	Quarterly	4	1	1	1	1

Sub-programme 3.2: Supply Chain Management**Element: Supply Chain Management: Provincial Government**

Purpose: To provide policy direction and facilitating the effective and efficient management of supply chain and asset management practices.

This unit is responsible for driving, assessing and assisting provincial institutions in the effective and efficient management of supply chain and moveable asset management in terms of the PFMA. This, amongst others, includes enforcing good governance practices and compliance to SCM and movable asset management policies and prescripts; ensuring data integrity and reporting through SCM systems capacity building and training initiatives to improve SCM processes.

In addition, strategic procurement to improve efficiencies and value for money will be promoted through better procurement planning and the implementation of strategic sourcing and transversal contract methodologies.

Operational SCM skills and knowledge will be facilitated in institutions through bespoke training interventions, via helpdesks and road shows.

Various platforms will be used to engage with suppliers and to ensure that they are capacitated and better understand the provincial SCM environment.

Structured support programmes will be rolled out to departments through the Corporate Governance Review and Outlook (CGRO) process.

Strategic Objective

14. Strategic Objective	To provide policy direction and facilitating the effective and efficient management of supply chain and asset management practices in departments.
Objective statement	To provide policy direction and facilitating the effective and efficient management of supply chain and asset management practices through better procurement planning, capacity building, business process enhancement, for efficiency gains and enhancing relationships with suppliers.
Baseline	13 departments assisted to manage supply chain and moveable asset management.

Strategic objective annual targets for 2014/15

Strategic objective Performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
14.	Number of departments assisted to improve management of supply chain and movable assets	New strategic objective	6 departments attaining a Level 3+ financial capability	10 departments achieved the majority of Level 3	13 departments	13	13	13

Risk management

Risk: Lack of adequate technical skill and capacity in respect of the ever expanding supply chain and asset management competencies required to improve efficiencies and effectiveness within the disciplines.

Mitigation: Review of the unit's capacity and alignment to the NT competency dictionaries for SCM and asset management. Fast tracking appointments and buy - in capacity through outsourcing certain requirements.

Risk: Inadequate departmental structures to deal with and supply chain and asset management from a technical operational and strategic level.

Mitigation: Fast track SCM Blueprint implementation at Provincial level and broker commitment with the CSC to meet requirements.

Risk: Lack of integration between financial management systems due to the delay/lack of implementation of the national IFMS system has placed the risk on the Province to resort to its own management of risk to improved financial management, internal controls and mitigation against adverse audit outcomes.

Mitigation: Implementation of a data analytics business intelligence tool to assist in supporting strategic sourcing initiatives that will afford efficiencies and improved performance in respect of procurement processes and initiatives in the Province.

Programme performance indicators and annual targets for 2014/15

Programme performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
14.1	Number of departments assisted with the implementation of the Accounting Officer (AO) System	Development of a generic AO System and alignment to changes in National Policy	Generic AO System refined	General AO System could not be implemented as a review of the NTR instructions not finalised	13	13	13	13
14.2	Number of SCM assessment reports	New PI	New PI	New PI	New PI	13	13	13
14.3	Number of business cases for strategic sourcing implementation	New PI	New PI	New PI	2	3	4	4
14.4	Number of supplier engagement sessions held to develop and educate suppliers	2 supplier open day	2 supplier open days concluded	1 supplier open day and 5 supplier database registration initiative concluded	4	4	4	4

Quarterly targets for 2014/15

Performance indicator		PSO Linkage	Reporting period	Annual target 2014/15	Quarterly targets			
					1 st	2 nd	3 rd	4 th
14.1	Number of departments assisted with the implementation of the Accounting Officer System	PSO 12	Quarterly	13	2	3	5	3
14.2	Number of SCM assessment reports	PSO 12	Quarterly	13	3	4	3	3
14.3	Number of business cases for strategic sourcing implementation	PSO 12	Bi-annually	3	-	2	-	1
14.4	Number of supplier engagement sessions held to develop and educate suppliers	PSO 12	Quarterly	4	1	1	1	1

Element: Supply Chain Management: Local Government

Purpose: To provide policy guidance and facilitating the effective and efficient management of supply chain and asset management practices.

This unit is responsible for driving, assessing and assisting municipalities towards the effective and efficient management of supply chain and asset management in terms of the MFMA. This, amongst others, includes encouraging good governance practices and compliance to SCM policy and prescripts; investigation of any system of control or financial management impacting on SCM and asset management; improving data integrity and transparency on SCM reporting; and providing training, assistance and guidance to municipalities in improving their SCM processes.

Better construction procurement planning will be promoted, fostering of closer linkages with budget planning to increase efficiency in spending and value for money.

Operational SCM skills and knowledge will be improved in municipalities to enhance the ability to analyse and translate complex legislative and policy requirements. Structured support programmes will be rolled out to municipalities through the MGRO process.

Strategic Objective

15. Strategic Objective	To provide policy guidance and facilitating the effective and efficient management of supply chain and asset management practices in municipalities.
Objective statement	To provide policy guidance and facilitating the effective and efficient management of supply chain and asset management practices through better procurement planning, capacity building, business process enhancement, for efficiency gains and enhancing relationships with suppliers.
Baseline	30 municipalities assisted to manage supply chain and asset management.

Strategic objective annual targets for 2014/15

Strategic objective Performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
15.	Number of municipalities assisted to improve management of supply chain and assets	New strategic objective performance indicator	5 municipalities attaining a Level 3 financial capability	15 municipalities attaining a Level 2+ (2.3) financial capability	30	30	30	30

Risk management

Risk: Only the National Treasury is mandated to issue SCM policy and developments thereto, which are outside the PT's domain, but which might not address specific SCM requirements imposing long-term systemic risks. Municipalities are currently unable to conform to all laws and regulations in the SCM environment.

Mitigation: The unit will promote proper policy development within the municipalities through the SCM forums and reference groups. Similarly best practice guidelines will be issued to raise awareness in terms of section 117 of the MFMA and Schedule 1(11) of the Municipal Systems Act (MSA). There will also be a continuous testing of controls through assessments and MGRO reviews, undertaking of various projects to develop best practice strategies on areas which pose performance and good governance risk to municipal operations. PT will further influence the National Treasury to develop SCM norms and standards to track good governance. Municipal Policy reforms will be driven through planning and fostering better relationships with municipalities.

Risk: Lack of suitable municipal specific training to enhance municipal performance.

Mitigation: Rolling out of PT training programme for municipalities which is aimed at improving SCM and financial management competencies. The modular approach to training will be used to target the different job categories within the municipal SCM environment and to meet PT requirements and NT competency levels.

Risk: Lack of adequate technical skill and capacity in respect of the ever expanding supply chain and asset management competencies required to improve efficiencies and effectiveness within the disciplines, particularly with the major focus on construction procurement.

Mitigation: Review of the unit's capacity and alignment to the National Treasury competency dictionaries for SCM and asset management. Re-align the unit to give effect to the strategic focus areas, and be able to respond to municipal needs effectively. Buy - in capacity through outsourcing certain requirements.

Programme performance indicators and annual targets for 2014/15

Programme performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
15.1	Number of municipal SCM and MAM Virtuous Cycle assessment reports	7 SCM Compliance Assessments	SCM Virtuous Cycle Assessments were concluded at 10 municipalities and MGRO action plans concluded and implemented	SCM Virtuous Cycle Assessments or impact assessments at designated municipalities and action plans monitored	17	20	22	22
15.2	Number of municipalities assisted with construction procurement planning	New PI	New PI	New PI	Revised PI	3	5	5

Programme performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
15.3	Number of structured municipal training interventions	6 bespoke SCM training interventions	Concluded TOR with USB-ED Approved Project Plan Work shopped draft training material with 7 pilot municipalities	SCM and MAM Virtuous Cycle training interventions devised against developed standards and competencies	6	8	10	10

Quarterly targets for 2014/15

Performance indicator		PSO Linkage	Reporting period	Annual target 2014/15	Quarterly targets			
					1 st	2 nd	3 rd	4 th
15.1	Number of municipal SCM and MAM Virtuous Cycle assessment reports	PSO 12	Quarterly	20	7	5	3	5
15.2	Number of municipalities assisted with construction procurement planning	PSO 12	Annually	3	-	-	-	3
15.3	Number of structured municipal training interventions	PSO 12	Quarterly	8	-	3	3	2

Sub-programme 3.4: Supporting and Interlinked Financial Systems⁴

Purpose: Provide for the implementation, management and oversight of provincially operated financial systems and transition to new or replacement systems.

This sub-programme aims to improve financial system management in the Province by training of system users in accordance with their system profiles; maintenance of effective user account management; the further development of integrated training interventions to promote the correct and optimal use of financial systems; and steps to enhance the validity and veracity of data.

In addition, the focus will be on enhancing the current financial management suite to facilitate for e-procurement supplier management, contract management, and to improve budget management and financial reporting.

⁴ Sub-programme 3.3: Liabilities Management was shifted from Programme 3: Assets and Liabilities Management to Fiscal Policy under the Programme 2: Sustainable Resources Management.

Strategic Objective

16. Strategic Objective	To provide for the implementation, management and oversight of provincially operated financial systems and the transition to new or replacement systems.
Objective Statement	To provide for the implementation, management and oversight of provincially operated financial systems and the transition to new or replacement systems through training of users in accordance with their system profiles, effective user account management and the optimal utilisation of systems.
Baseline	14 votes assisted to effectively utilise the suite of financial systems.

Strategic objective annual targets for 2013/14

Strategic objective Performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
16.	Number of votes assisted to effectively utilise the suite of financial systems	2 departments achieving a Level 3+ financial capability rating	4 votes notwithstanding stricter assessment criteria and corporatisation of HR functions	7 votes achieving a Level 3+ financial capability rating	14	14	14	14

Risk management

Risk: Not all system users are formally trained in at least their system profiles which negatively impact on integrity of data and optimal utilisation of the systems.

Mitigation: Training gaps of system users are provided to departments on a quarterly basis to nominate users in accordance with the bi-annual training programme. On receipt of nominations users with training gaps are accommodated as priority.

Risk: Supply Chain Management Sub-systems not complying with minimum legislative and user requirements

Mitigation: In discussion with departments to roll out of LOGIS to the remaining non-LOGIS institutions, to ensure standardisation of systems, compliance to the minimum legislative and user requirements and eventual programmatic migration to the IFMS.

Programme performance indicators and annual targets for 2014/15

Programme performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
16.1	Number of institutions provided with an effective user account management service	91 departments/institutions provided with effective user account management	Target achieved, with the exception of Department of Health (PERSAL) which will be taken over by 1 June 2012	All departments/institutions	118	118	119	119

Programme performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
16.2	Number of new departments where the biometric access solution is implemented	New PI	New PI	Investigate, implement and procure a biometric access system on a test basis	0	3	5	6
16.3	Number of new sites to which LOGIS have been rolled out	New PI	New PI	New PI	6	5	1	-
16.4	Number of votes where the Integrated Procurement Solution (IPS) is implemented	New PI	New agreement with our current service provider Quadrem for the development of a new on-line web-based solution	IPS developed to address supplier management, quotations and bids	14	14	-	-

Quarterly targets for 2014/15

Performance indicator		PSO Linkage	Reporting period	Annual target 2014/15	Quarterly targets			
					1 st	2 nd	3 rd	4 th
16.1	Number of institutions provided with an effective user account management service	PSO 12	Quarterly	118	118	118	118	118
16.2	Number of new departments where the biometric access solution is implemented	PSO 12	Bi-annually	3	-	-	2	1
16.3	Number of new sites to which LOGIS have been rolled out	PSO 12	Bi-annually	5	-	-	2	3
16.4	Number of votes where the Integrated Procurement Solution (IPS) is implemented	PSO 12	Quarterly	14	2	7	5	-

Reconciling performance targets with the Budget and MTEF

Expenditure estimates

Table 6 Asset Management

Sub-programme R'000	Outcome						Medium-term estimate				
	Audited 2010/11	Audited 2011/12	Audited 2012/13				% Change from Revised estimate	2014/15	2013/14	2015/16	2016/17
				Main appro- priation 2013/14	Adjusted appro- priation 2013/14	Revised estimate 2013/14					
1. Programme Support	998	1 054	1 861	3 560	3 592	3 592	4 113	14.50	4 388	4 681	
2. Supply Chain Management	15 373	9 614	10 033	11 774	14 342	14 342	19 367	35.04	21 089	20 412	
Supply Chain Management: Provincial Government	8 925	9 614	6 781	7 145	9 426	9 426	12 674	34.46	13 189	11 937	
Supply Chain Management: Local Government			3 252	4 629	4 916	4 916	6 693	36.15	7 900	8 475	
Immovable Asset Management	6 448										
3. Liabilities Management	2 535										
4. Supporting and Interlinked Financial Systems	14 804	20 038	22 040	24 477	29 813	29 813	30 443	2.11	32 193	33 336	
Total payments and estimates	33 710	30 706	33 934	39 811	47 747	47 747	53 923	12.93	57 670	58 429	

Note:

Sub-programme 3.3: Liabilities Management was shifted from Programme 3: Assets and Liabilities Management to Fiscal Policy under the Programme 2: Sustainable Resources Management.

Economic classification R'000	Outcome			Main appro- priation 2013/14	Adjusted appro- priation 2013/14	Revised estimate 2013/14	Medium-term estimate			
	Audited 2010/11	Audited 2011/12	Audited 2012/13				% Change from Revised estimate			
							2014/15	2013/14	2015/16	2016/17
Current payments	33 710	30 706	33 930	39 811	47 747	47 747	53 923	12.93	57 670	58 429
Compensation of employees	25 201	19 815	22 456	27 533	28 462	28 462	31 411	10.36	33 690	36 134
Goods and services	8 509	10 891	11 474	12 278	19 285	19 285	22 512	16.73	23 980	22 295
Transfers and subsidies to	4									
Households	4									
Total economic classification	33 710	30 706	33 934	39 811	47 747	47 747	53 923	12.93	57 670	58 429

Performance and expenditure trends

The programme has increased by R14.037 million from R33.710 million in 2010/11 to R47.747 million (revised estimate) in 2013/14, with an average nominal growth of 12.30 per cent per annum. This is due to the steps taken to increase the oversight and guidance over supply chain management and financial systems management. Over the MTEF period the allocation will increase by an average nominal growth of 6.96 per cent per annum from R47.747 million (revised estimate) in 2013/14 to R58.429 million in 2016/17. This is mainly due to further roll out and implementation of financial systems, as well as the strengthening of the supply chain management in municipalities. Furthermore, strategic sourcing/procurement strategies will be developed for certain commodities to enhance Supply Chain Management (SCM) efficiencies.

Programme 4 – Financial Governance

Programme Description

Purpose: To promote accountability through substantive reflection of financial activities of the Province and municipalities as well as compliance with financial norms and standards.

Strategic outcome orientated goal

Strategic outcome orientated Goal 4	Accountability through substantive reflection of financial activities of the Province as well as compliance with financial norms and standards.
Goal statement	Accountability through substantive reflection of financial activities of the Province as well as compliance with financial norms and standards through the establishment of sound financial governance within the provincial and municipal spheres.

Programme structure

Sub-programme 4.1: Programme Support

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

This sub-programme includes the Chief Director: Financial Governance and Accounting/ Provincial Accountant-General and provides resources for structured training and development of staff attached to the programme.

Strategic Objective

17. Strategic Objective	To provide management and administrative support to the programme.
Objective statement	To provide management and administrative support to the programme by building the required staff competencies through training and development, and ensuring the delivery of the operational plans.
Baseline	Training and operational programme plans.

Strategic objective annual targets for 2014/15

Strategic objective Performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
17.	Percentage of programme performance indicator targets achieved	New PI	New PI	New PI	New PI	100%	100%	100%

Risk management

Risk: Operational requirements may necessitate a shift in prioritising the achievement of specific objectives, specifically in respect of training initiatives.

Mitigation: Planning and scheduling of training initiatives will be done in advance, immediately after finalisation of the corporate schedule.

Programme performance indicators and annual targets for 2014/15

Programme performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
17.1	Number of staff attended training initiatives	New PI	New PI	New PI	120	54	54	54
17.2	Number of progress reports on the implementation of the Operational Plan	New PI	Developed, implemented and monitored operational plan	An operational plan that builds on APP, QPR and dashboard requirement	Completion of operational plan by May 2013	12	12	12
17.3	Number of Intervention reports on organisational culture and climate	New PI	New PI	New PI	New PI	4	4	4

Quarterly targets for 2013/14

Performance indicator		PSO linkage	Reporting period	Annual target 2013/14	Quarterly targets			
					1 st	2 nd	3 rd	4 th
17.1	Number of staff attended training initiatives	PSO 12	Quarterly	54	12	15	15	12
17.2	Number of progress reports on the implementation of the Operational Plan	PSO 12	Monthly	12	3	3	3	3
17.3	Number of Intervention reports on organisational culture and climate	PSO 12	Quarterly	4	1	1	1	1

Sub-programme 4.2: Accounting Services

Element: Local Government Accounting

Purpose: To improve the understanding and application of accounting standards and financial reporting within municipalities; the target for 2015 being full compliance with the minimum accounting standards framework and related financial laws and regulations.

The key objective of this sub-unit is to ensure accurate and complete recording of transactions as required by the Generally Recognised Accounting Practice (GRAP) Standards, and conformance with applicable financial laws and regulations. This should contribute toward preventing material misstatements and irregularities in the preparation of financial statements of municipalities.

Strategic Objective

18. Strategic Objective	To improve the understanding and application of accounting standards and financial reporting within municipalities.
Objective statement	To improve the understanding and application of accounting standards and financial reporting within municipalities by providing effective support and training in the areas of revenue, expenditure, assets and liability (REAL) movement/accounting to municipalities.
Baseline	30 municipalities assisted to comply with full GRAP implementation.

Strategic objective annual targets for 2014/15

Strategic objective Performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
18.	Number of municipalities assisted to comply with the GRAP standards	FMC Level 2 at all municipalities	FMC Level 2 at all municipalities	FMC Level 3 at 26 municipalities	30	30	30	30

Risk management

Risk: Lack of a consistent interpretation of accounting standards and a continual increase in the complexity of accounting standards.

Mitigation: Coordinate comments on the application of the accounting standards emanating from the District Management Forum and PTHelpME and seek further guidance from the Public Sector Accounting Forum, Auditor-General of South Africa (AGSA) and National Treasury.

Risk: Ineffective utilisation of the municipal accounting systems resulting in an inordinate amount of manual transactions and calculations.

Mitigation:

Obtain practical understanding of the mainstream Financial Accounting System and monitor the municipalities' design of business processes to improve the efficient and effective financial reporting as prescribed by National Treasury.

Programme performance indicators and annual targets for 2014/15

Programme Performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
18.1	Number of municipalities assessed against the accounting reporting framework	PI Revised	21 of the 30 municipalities fully implemented the 2010/11 accounting reporting frameworks	26 of the 30 municipalities fully implemented the 2011/12 accounting reporting frameworks	29	30	30	30
18.2	Number of municipalities assisted to improve the functioning of accounting systems	New PI	New PI	Assessed the utilisation and adequacy of accounting systems supported by document management and introduce remedial steps	2 accounting systems evaluated	8	16	23
18.3	Number of risk based accounting interventions per district	4 focussed training sessions	Training sessions as scheduled	Structured training program developed and refined. GRAP training rolled out	2	2	2	2
18.4	Percentage of municipal financial assessments on submitted AFS	New PI	New PI	New PI	26 financial ratio assessments completed	100%	100%	100%

Quarterly targets for 2014/15

Performance indicator		PSO linkage	Reporting period	Annual target 2014/15	Quarterly targets			
					1 st	2 nd	3 rd	4 th
18.1	Number of municipalities assessed against the accounting reporting framework	PSO 12	Quarterly	30	10	10	-	10

Performance indicator		PSO linkage	Reporting period	Annual target 2014/15	Quarterly targets			
					1 st	2 nd	3 rd	4 th
18.2	Number of municipalities assisted to improve the functioning of accounting systems	PSO 12	Quarterly	8	2	2	2	2
18.3	Number of risk based accounting interventions per district	PSO 12	Bi-annually	2	-	1	-	1
18.4	Percentage of municipal financial assessments on submitted AFS	PSO 12	Bi-annually	100%	100%	-	-	100%

Element: Provincial Government Accounting and Compliance

Purpose: To ensure the effective implementation of accounting practices in line with the reporting framework, prepare consolidated financial statements that reflect the financial position of the Province and prepare for financial governance reform.

The key objectives of this unit are to ensure the complete and timeous capturing of all transactions in terms of the associated financial reforms. This is in response to an increasingly complex environment and to prevent irregularities or material financial misstatements, allowing for modified cash basis of accounting within departments and accrual basis of accounting within entities.

An added focus is to monitor and report quarterly on the CGRO governance action plans of departments to enable the improvement of financial management.

Structured support programmes will be rolled out to departments through the Corporate Governance Review and Outlook process.

Strategic Objective

19. Strategic Objective	To ensure the effective implementation of accounting practices in line with the reporting framework, prepare consolidated financial statements that reflect the financial position of the Province and prepare for financial governance reform.
Objective statement	To ensure the effective implementation of accounting practices in line with the reporting framework, prepare consolidated financial statements that reflect the financial position of the Province and prepare for financial governance reform by building capacity within departments.
Baseline	14 votes assisted to comply with the applicable accounting and financial norms framework.

Strategic objective annual targets for 2014/15

Strategic objective performance indicators		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
19.	Number of votes assisted to comply with financial accounting and governance norms and standards	New PI	New PI	New PI	14	14	14	14

Risk management

Risk: Lack of a consistent interpretation of accounting standards and a continual increase in complexity of accounting standards.

Mitigation: Coordinate comments on the application of accounting standards arising from the various fora, PTHelpME and seek further guidance from the Public Sector Accounting Forum, AGSA and National Treasury.

Risk: Ineffective utilisation of the financial management systems resulting in an inordinate amount of manual transactions and calculations.

Mitigation: Obtain practical understanding of all financial systems and monitor the departmental design of business processes with the necessary data validation to improve the effectiveness of the financial system.

Programme performance indicators and annual targets 2014/15

Programme performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
19.1	Number of votes assessed against the applicable accounting and norms and standards requirements	All votes fully implemented the 2010/11 accounting reporting frameworks	All votes fully implemented the 2011/12 accounting reporting frameworks	All votes in full conformance with the 2012/13 accounting reporting framework	14	14	14	14
19.2	Number of accounting training interventions	Identify training requirements and preferred service provider	Procure service provider and facilitate structured training programme	Structured training presented to financial accountants on GRAP Standards and Accounting Frameworks	5	5	5	5

Programme performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
19.3	Timeous Publication and tabling of the ACFS	Tabled 31 January 2010	Compile provincial ACFS, inclusive of a management report and table by 31 January 2012	Compiled provincial ACFS, inclusive of a management report	1 month after receipt of audited AFS	1 month after receipt of audited AFS	1 month after receipt of audited AFS	1 month after receipt of audited AFS
19.4	Number of CGRO assessment reports coordinated per vote	New PI	New PI	Monitor and drive the GAPS for departments and make recommendations toward achieving good governance	4	4	4	4
19.5	Number of internal control units assisted in departments	New PI	New PI	Develop a provincial functional structure for Internal control units in departments	13	13	13	13

Quarterly targets for 2014/15

Performance indicator		PSO linkage	Reporting period	Annual target 2014/15	Quarterly targets			
					1 st	2 nd	3 rd	4 th
19.1	Number of votes assisted to apply the accounting standards	PSO 12	Quarterly	14	14	14	14	14
19.2	Number of accounting training interventions	PSO 12	Quarterly	5	1	1	2	1
19.3	Timeous Publication and tabling of the ACFS	PSO 12	Annually	1 month after receipt of audited AFS	-	-	1 month after receipt of audited AFS	-
19.4	Number of CGRO assessment reports coordinated per vote	PSO 12	Quarterly	4	1	1	1	1
19.5	Number of internal control units assisted in departments	PSO 12	Quarterly	13	3	4	3	3

Sub-programme 4.3: Corporate Governance⁵

Purpose: To strengthen corporate governance within the Province through the implementation of risk management, internal audit and compliance with financial laws and regulations.

The third round of the Municipal Governance Review & Outlook (MGRO) on the financial governance maturity of municipalities will be realised. A key focus will be to get integration of all the criteria across all the PT service lines, and introduce additional criteria for municipalities to achieve higher levels of governance. These criteria will seek to address the performance of municipalities as they have already substantially complied with the conformance criteria.

This will result in having robust engagements at the various forums, inclusive of the Chief Risk Officer (CRO) and Chief Audit Executive (CAE) fora, and continuous training being rolled out. It will also result in supporting specific municipalities with implementation of the norms and standards guidelines issued in prior years. The unit will also be instrumental in keeping the Province abreast of all relevant legislative changes, affecting all spheres of government, to ensure that all parties are informed timeously, but also to make meaningful comment before final promulgations of any laws or regulations, or the introduction of circulars which could have significant consequences for many clients within the Province.

Strategic Objective

20. Strategic Objective	To develop, monitor and advise on norms and standards of corporate governance.
Objective statement	To develop, monitor and advise on norms and standards of corporate governance by supporting the development, implementation and enforcement of a generic set of corporate standards.
Baseline	13 departments and 30 municipalities assisted.

Strategic objective annual targets for 2014/15

Strategic objective performance indicators		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
20.1	Number of municipalities assisted to improve corporate governance	New PI	New PI	30	30	30	30	30
20.2	Number of departments assisted to improve corporate governance	New PI	New PI	13	13	13	13	13

⁵ Sub-programme 4.4: Risk Management now resorts under Corporate Governance

Risk management

Risk: Dysfunctional risk management, internal audit units and audit committees functions within municipalities.

Mitigation: Obtain practical understanding of the system of internal control and monitor the municipalities' design of the assurance processes.

Programme performance indicators and annual targets 2014/15

Programme performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
20.1.1	Number of municipalities supported with skills development and capacity initiatives	New PI	New PI	Develop BTO structures guideline	BTO structures documents rolled out to selected municipalities	4	4	4
20.1.2	Number of MGRO assessment reports coordinated per municipality	New PI	Local Government Financial Governance Review and Outlook (LG FGRO) was developed and implemented	MGRO 2012 issued and MGAP ⁶ updated	2	1	1	1
20.1.3	Number of municipal support interventions on Governance, Risk and Control	New PI	Training provided to 4 municipalities on risk management, control identification and residual risk assessments, 4 CRO and 2 CAE fora were also held where a key focus is on capacity. 30 Assurance assessments performed for municipalities as part of LG FGRO	Institutionalise ERM at all municipalities and drive capacity building initiatives at selected municipalities	30	30	30	30
20.1.4	Number of municipalities supported with financial delegation framework and policies	New PI	New PI	New PI	New PI	5	5	5

⁶ Gap between the current and desired state of governance within a municipality

Programme performance indicator		Audited/Actual performance			Estimated performance 2013/14	Medium-term targets		
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
20.2.1	Number of legislative scanning reports	Provincial financial legislation kept relevant and dynamic	Provincial financial legislation kept relevant and dynamic	Develop and implement a framework and parameters that determines best practise approach for prescripts and regulatory processes with the aim to strengthen the regulatory arena in the internal control environment, that draws on the system capability for optimal utilisation of available systems	100% of bills, circulars and guidelines received and responded to	4	4	4

Quarterly targets for 2014/15

Performance indicator		PSO linkage	Reporting period	Annual target 2014/15	Quarterly targets			
					1 st	2 nd	3 rd	4 th
20.1.1	Number of municipalities supported with skills development and capacitation initiatives	PSO 12	Bi-annually	4	-	2	-	2
20.1.2	Number of MGRO assessment reports coordinated per municipality	PSO 12	Annually	1	-	1	-	-
20.1.3	Number of municipal support interventions on Governance, Risk and Control	PSO 12	Quarterly	30	7	7	7	9
20.1.4	Number of municipalities supported with financial delegation framework and policies	PSO 12	Quarterly	5	1	2	1	1
20.2.1	Number of legislative scanning reports	PSO 12	Quarterly	4	1	1	1	1

Reconciling performance targets with the Budget and MTEF

Expenditure estimates

Table 7 Financial Governance

Sub-programme R'000	Outcome			Main appro- priation 2013/14	Adjusted appro- priation 2013/14	Revised estimate 2013/14	Medium-term estimate			
	Audited 2010/11	Audited 2011/12	Audited 2012/13				% Change from Revised estimate			
							2014/15	2013/14	2015/16	2016/17
1. Programme Support	1 452	1 437	1 821	2 327	3 223	3 223	2 339	(27.43)	2 487	2 645
2. Accounting Services	7 844	9 775	10 558	13 941	13 186	13 186	16 646	26.24	17 768	19 013
Provincial Government Accounting and Compliance	4 619	5 370	5 418	7 375	6 172	6 172	8 297	34.43	8 876	9 504
Local Government Accounting	3 225	4 405	5 140	6 566	7 014	7 014	8 349	19.03	8 892	9 509
3. Corporate Governance	7 516	8 232	9 610	8 539	10 377	10 377	10 186	(1.84)	11 300	12 088
4. Provincial Internal Audit	1 437									
Total payments and estimates	18 249	19 444	21 989	24 807	26 786	26 786	29 171	8.90	31 555	33 746

Note: Risk Management now resorts under Corporate Governance.

Economic classification R'000	Outcome			Main appro- priation 2013/14	Adjusted appro- priation 2013/14	Revised estimate 2013/14	Medium-term estimate			
	Audited 2010/11	Audited 2011/12	Audited 2012/13				% Change from Revised estimate			
							2014/15	2013/14	2015/16	2016/17
Current payments	18 249	19 444	21 984	24 807	26 781	26 781	29 171	8.92	31 555	33 746
Compensation of employees	16 222	17 087	19 197	22 127	23 304	23 304	25 622	9.95	27 396	29 373
Goods and services	2 027	2 357	2 787	2 680	3 477	3 477	3 549	2.07	4 159	4 373
Transfers and subsidies to			5		5	5		(100.00)		
Households			5		5	5		(100.00)		
Total economic classification	18 249	19 444	21 989	24 807	26 786	26 786	29 171	8.90	31 555	33 746

Performance and expenditure trends

The increase of R8.537 million from R18.249 million in 2010/11 to R26.786 million in 2013/14 (revised estimate) is mainly due to earmarked funds for the improvement of transversal internal control services and posts that were created during the reconfiguration process within the Accounting Services and Corporate Governance sub-programmes. This is an annual average increase of 13.65 per cent over the three year period. Over the period 2013/14 (revised estimate) to 2016/17, the total nominal growth for the programme is 8 per cent per annum, which is a result of the decentralisation of the municipal training and support project which previously resided under Programme 2: Sustainable Resource Management.

PART C: LINKS TO OTHER PLANS

1. Links to the long-term infrastructure and other capital plans

Except as provided for under Sub-programme 1.4: Financial Management, which covers planned equipment expenditure within the Department, and Sub-programme 2.4: Public Finance (Element: Immovable Assets) which details the PT's oversight responsibilities as regards infrastructure planning and spending, the Department's internal responsibilities do not relate to major capital investment.

2. Conditional grants

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

3. Public entities

The following entity reports to the Minister for Finance, Economic Development and Tourism:

Name of entity	Legislation	Strategic goal of Entity	Strategic objectives of the Entity
WCGRB	WCGR Act, 1996 (Act 4 of 1996)	To ensure that all gambling, racing and activities incidental thereto are effectively regulated in the Province, whilst maximising the benefit of regulated gambling and minimising the negative impact.	<p>To provide effective and efficient leadership and oversight of all functions assigned to the Board.</p> <p>To provide effective and efficient management of all functions assigned to the Board.</p> <p>To provide legal advisory support and research services to the Board.</p> <p>To provide a proficient and effective Human Resource service to the Board.</p> <p>To provide an efficient and effective administration and financial service to the Board.</p> <p>To probe/investigate all applications for licences by applicable stakeholders in the Casino and Limited Payout Machines industry.</p> <p>To appropriately recommend licence applications to the CEO and/or Board for approval.</p> <p>To ensure Racing and Betting activities comply with all provisions of the Act.</p> <p>To ensure compliance to WCGR Act.</p> <p>Maintain an uptime of (328.5 days) 90 per cent for all information systems per annum.</p>

The following National Sector Indicators applicable to gambling boards are included in the APP of the WCGRB:

- Number of licenses issued;
- Number of awareness programmes conducted;
- Number of inspections conducted;
- Number of compliance audits conducted; and
- Number of social responsibility programmes conducted.

On-going evaluation of the WCGRB is conducted via a number of mechanisms, e.g.:

- Periodic meetings between the Minister for Finance, Economic Development and Tourism and the Board;
- Assessment of the WCGRB's quarterly performance reports and feedback to the entity;
- Quarterly meetings with the management of the office of the Board to review revenue receipts and amounts due to the Provincial Revenue Fund; and
- On-going assessment of funding, sustainability, inclusive of possible remedial steps.

4. Public private partnerships

The Provincial Treasury's responsibilities for Public private partnerships (PPPs) within the Province are housed within the Sub-programme Public Finance (Element: Immovable Assets).

These responsibilities are currently targeted towards monitoring previously awarded PPPs, but with a number of major projects being pursued by the Departments of Transport and Public Works and Economic Development and Tourism, increased capacity is planned for 2014/15 to be able to play a stronger support and guiding role.

TECHNICAL INDICATOR DESCRIPTIONS

Programme 1 – Administration

Sub-programme 1.1: Office of the Minister

Strategic Objective Performance Indicator

Indicator title 1	Number of consolidated performance and conformance assessment reports
Short definition	Compilation of 4 quarterly consolidated reports on the performance and conformance of the Ministry as defined in the analytical report, PFMA report and MFMA report.
Purpose/importance	Facilitation of strategic leadership by the Minister and monitoring of the Ministry's progress against set targets so as to ensure that we become an effective and efficient place of work.
Source/collection of data	<ul style="list-style-type: none"> • CMATS reports • Media monitoring reports • Media statements • Clipped media articles • Ministerial diaries • Attendance registers of meetings • Submissions to cabinet and provincial parliament • Signed IYM reports • Signed QPR reports • Signed delegations • Signed quarterly municipal consolidated budget statements • Evidence of action taken w.r.t municipal non-compliance, if required
Method of calculation	Simple count
Data limitations	Predominantly manual, therefore the accuracy of information depends on the inputs
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Actual performance equal to targeted performance is desirable
Indicator responsibility	Head of Office

Performance Indicator

Indicator title 1.1	Number of analytical reports on predetermined sections of the operational plan
Short definition	<p>Compilation of 4 quarterly analytical reports on predetermined sections of the Operational Plan:</p> <ul style="list-style-type: none"> • Media • Participation in national and provincial parliamentary matters • Diary management • Correspondence management
Purpose/importance	Analysis of the Ministry's progress against set targets to ensure that it meets its objective of becoming highly efficient and effective
Source/collection of data	<ul style="list-style-type: none"> • CMATS reports • Ministerial diaries • Media monitoring report • Media statements • Clipped media articles • Submissions to national and provincial parliament
Method of calculation	Simple count
Data limitations	Predominantly manual, therefore the accuracy of information depends on the inputs
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Actual performance equal to targeted performance is desirable
Indicator responsibility	Head of Office

Performance Indicator

Indicator title 1.2	Number of reports on the fulfilment of the MEC of Finance's statutory requirements as defined by the PFMA
Short definition	Compilation of 4 quarterly reports on the fulfilment of the MEC of Finance's statutory requirements as defined by the PFMA.
Purpose/importance	Monitoring of the fulfilment of the MEC's statutory requirements in terms of the PFMA to ensure that the MEC plays a leading role in the pursuit of improved financial management across the Province.

Source/collection of data	<ul style="list-style-type: none"> • Ministerial diaries • Attendance registers of meetings • Submissions to cabinet and provincial parliament • Signed IYM reports • Signed QPR reports • Signed delegations
Method of calculation	Simple count
Data limitations	Predominantly manual, therefore the accuracy of information depends on the inputs
Type of indicator	Outputs
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Actual performance equal to targeted performance is desirable
Indicator responsibility	Head of Office

Performance Indicator

Indicator title 1.3	Number of reports on the fulfilment of the MEC of Finance's oversight role over municipal finances as defined by the MFMA
Short definition	Compilation of 4 quarterly reports on the fulfilment of the MEC of Finance's oversight role over municipal finances as defined by the MFMA.
Purpose/importance	Monitoring of the fulfilment of the MEC's oversight role as defined by the MFMA to improve the management of financial matters within the municipalities of the Province.
Source/collection of data	<ul style="list-style-type: none"> • Ministerial diaries • Attendance registers of meetings • Submissions to cabinet and provincial parliament • Signed quarterly municipal consolidated budget statements • Evidence of action taken wrt municipal non-compliance, if required
Method of calculation	Simple count
Data limitations	Predominantly manual, therefore the accuracy of information depends on the inputs
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Actual performance equal to targeted performance is desirable
Indicator responsibility	Head of Office

Sub-programme 1.2: Management Services

Strategic Objective Performance Indicators

Indicator title 2	Number of material Human Resource Management and Performance Management audit findings
Short definition	The number of material findings by the Auditor General on Human Resource Management and Performance Management as reported in the Audit Report.
Purpose/importance	To determine the level of strategic and operational management support rendered.
Source/collection of data	Report of the Auditor-General to the Western Cape Provincial Parliament on Vote No. 3: Western Cape Provincial Treasury
Method of calculation	Simple count – Number of material audit findings
Data limitations	Not applicable
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	Yes
Desired performance	Actual performance equal to targeted performance is desirable
Indicator responsibility	Director: Strategic and Operational Management Support

Performance Indicators

Indicator title 2.1	Number of prescribed performance plans and reports submitted
Short definition	Submission of Annual Performance Plan, Quarterly Performance Reports and Annual Performance Information Report compliant with Treasury Regulations and reporting guidelines.
Purpose/importance	<p>The Annual Performance Plan sets the objectives, performance indicators and targets that the Department will seek to achieve in the upcoming financial year and during the MTEF to implement its Strategic Plan.</p> <p>Quarterly Performance Reports provides progress updates on the implementation of the department's Annual Performance Plan in the previous quarter, with particular reference to monitoring delivery against quarterly performance targets.</p> <p>The Annual Performance Information Report provides information on the performance of the organisation in the preceding financial year for the purposes of oversight.</p>
Source/collection of data	<p>Annual Performance Plan: Provincial Parliament's Announcements, Tabling and Committee reports document for the tabling of Vote 3 – Provincial Treasury, hardcopy APP and e-copy APP</p> <p>Quarterly Performance Reports: Assessments of Quarterly Performance Report</p> <p>Annual Performance Report: Provincial Parliament's Announcements, Tabling and Committee reports document for the tabling of Vote 3 – Provincial Treasury, hardcopy AR and e-copy AR</p>

Method of calculation	Simple count - Number of reports submitted
Data limitations	Not applicable
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Actual performance equal to targeted performance is desirable
Indicator responsibility	Deputy Director: Strategic Management Support Services/Director: Strategic and Operational Management Support

Indicator title 2.2	Number of reports on compliance with the Corporate Services Centre Services Schedules
Short definition	Monthly reporting on the delivery of services by CSC and compliance with terms of departmental obligations.
Purpose/importance	To report to management on compliance to the obligations of CSC and department respectively and to communicate to the CSC on non-compliance of services rendered.
Source/collection of data	Services Schedules, Databases, Monitoring and Reporting Tool, document register and checklists will be used to compile these reports
Method of calculation	Simple count – Number of reports submitted
Data limitations	Information in reports is predominantly based on information collected manually
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Actual performance equal to targeted performance is desirable
Indicator responsibility	Deputy Director: Corporate Services Relations Management/Director: Strategic and Operational Management Support

Sub-programme 1.4: Financial Management

Strategic Objective Performance Indicator

Indicator title 3	Number of material financial management audit findings.
Short definition	The number of material findings by the Auditor General on financial management as reported in the Audit Report.
Purpose/importance	To determine the level of financial management support rendered.
Source/collection of data	Report of the Auditor-General to the Western Cape Provincial Parliament on Vote No. 3: Western Cape Provincial Treasury
Method of calculation	Simple count – Number of material audit findings

Data limitations	Not applicable
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Actual performance equal to targeted performance is desirable
Indicator responsibility	Chief Financial Officer

Performance Indicator

Indicator title 3.1	Number of In Year Monitoring reports and budgets submissions
Short definition	Monthly In-Year Monitoring reports and budgets submitted.
Purpose/importance	Actual spending to remain within the 2% limit of the budget.
Source/collection of data	BAS, Persal, Vulindlela, LOGIS, MTEC database, Budget Statement 2
Method of calculation	Simple count
Data limitations	Costing of the budget is currently not credible and cash flow projections are not being done
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Monthly
New indicator	No
Desired performance	Actual performance equal to targeted performance is desirable
Indicator responsibility	Deputy Director: Management Accounting

Performance Indicator

Indicator title 3.2	Number of Corporate Governance Review and Outlook reports
Short definition	Quarterly submission of updated CGRO.
Purpose/importance	Control mechanism for financial management.
Source/collection of data	AGSA report, Internal audit report, MPAT, Internal Control inspections and CGRO reports
Method of calculation	Simple count
Data limitations	Lack of submission of the required information can result in non-improvement on gaps identified
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Minimise gaps identified to improve performance outcome of the Department
Indicator responsibility	Assistant Director: Internal Control

Programme 2 – Sustainable Resource Management

Sub-programme 2.1: Programme Support

Strategic Objective Performance Indicator

Indicator title 4	Percentage of programme performance indicator targets achieved
Short definition	Percentage of performance indicators achieved as per the Annual Performance Plan.
Purpose/importance	To ensure that departmental goals and objectives are achieved.
Source/collection of data	Annual Report
Method of calculation	Numerator: Number of achieved performance indicator targets Denominator: Number of planned performance indicator targets
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	Yes
Desired performance	Optimum achievement of the planned targets
Indicator responsibility	Head of Office

Performance Indicator

Indicator title 4.1	Number of staff attended training initiatives
Short definition	Number of staff attended training courses
Purpose/importance	In aid of developing staff.
Source/collection of data	Attendance certificates or registers
Method of calculation	Simple count
Data limitations	Non-availability of attendance registers
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Optimal staff development through the attendance of the planned training initiatives
Indicator responsibility	Head of Office

Performance Indicator

Indicator title 4.2	Number of progress reports on the implementation of the Operational Plan
Short definition	Number of reports consolidated per quarter on the implementation of planned operations
Purpose/importance	To monitor progress towards the achievement of targets and to institute timeous remedial actions
Source/collection of data	Progress reports on the implementation of Operational Plans
Method of calculation	Simple count
Data limitations	Non-availability of progress reports on the implementation of Operational Plans
Type of indicator	Activities and output
Calculation type	Cumulative
Reporting cycle	Monthly
New indicator	No
Desired performance	Full implementation of the operational planned activities
Indicator responsibility	Head of Office

Performance Indicator

Indicator title 4.3	Number of Intervention reports on organisational culture and climate
Short definition	Number of consolidated quarterly reports reflecting interventions on organisational culture and climate.
Purpose/importance	Interventions act as guide in gauging organisational culture and climate.
Source/collection of data	4 progress reports gauging organisational culture and climate
Method of calculation	Simple count
Data limitations	Lack of interventions
Type of indicator	Activities and output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Interventions to gauge organisational culture and climate
Indicator responsibility	Head of Office

Sub-programme 2.2: Fiscal Policy

Strategic objective Performance Indicator

Indicator title 5	Number of revenue and cash management assessment reports
Short definition	Number of reports monitoring revenue and cash flows in order to encourage efficient and effective collection of own revenue and cash flows.
Purpose/importance	To provide support to departments and municipalities in in order to reduce the risk of under collection through monthly monitoring.
Source/collection of data	IYM; T:\PT DATA\w Revenue Issues
Method of calculation	Simple count – Number of assessment reports
Data limitations	Subject to quality and accuracy of department and municipal reporting
Type of indicator	Output indicator
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	To ensure timeous production of provincial own revenue and municipal cash management reports
Indicator responsibility	Senior Manager: Fiscal Policy

Performance Indicator

Indicator title 5.1	Number of research reports on the Provincial and Local Government Fiscal Transfer System
Short definition	Research report written on the National Fiscal Transfer System to provinces and municipalities.
Purpose/importance	To present a research base allowing for discussion at National level regarding the Fiscal Transfer System to provinces and municipalities.
Source/collection of data	T:\PT DATA\w Revenue Issues
Method of calculation	Simple count
Data limitations	Limitation to access certain information with regards to underlying formula driving fiscal framework, particularly for municipalities
Type of indicator	Output indicator
Calculation type	Cumulative
Reporting cycle	Bi-annually
New indicator	No
Desired performance	2 Research Reports to encourage discussion at National Treasury
Indicator responsibility	Senior Manager: Fiscal Policy

Performance Indicator

Indicator title 5.2	Number of Provincial Own Revenue and Municipal Cash Management Reports
Short definition	Number of reports monitoring revenue and cash flows in order to encourage efficient and effective collection of own revenue and cash flows.
Purpose/importance	To provide support to departments and municipalities in in order to reduce the risk of under collection through monthly monitoring.
Source/collection of data	T:\PT DATA\w Revenue Issues
Method of calculation	Simple count
Data limitations	Subject to quality and accuracy of department and municipal reporting
Type of indicator	Output indicator
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	To ensure timeous production of provincial own revenue and municipal cash management reports (4 for Provincial Government; 4 for Municipalities)
Indicator responsibility	Senior Manager: Fiscal Policy

Performance Indicator

Indicator title 5.3	Number of reports on the performance of the WCGRB
Short definition	Quarterly report on the financial and non-financial performance of the WCGRB presented to the MEC in order to promote good governance of the WCGRB.
Purpose/importance	To monitor, the performance of the WCGRB in order to promote good governance.
Source/collection of data	T:\PT DATA\w Revenue Issues
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output indicator
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Strengthen oversight and promote good governance of the WCGRB
Indicator responsibility	Senior Manager: Fiscal Policy

Sub-programme 2.3: Budget Management

Element: Provincial Government Budget Office

Strategic Objective Performance Indicator

Indicator title 6.	Timeous Publication of the Overview of Provincial Revenue and Expenditure
Short definition	Publication of the Overview of Provincial Revenue and Expenditure (the Provincial Budget Overview) within two weeks of the tabling of the national budget.
Purpose/importance	To provide a high-level overview of the main components of the provincial budget and in line with section 27(2) of the PFMA which requires the MEC for finance in a province to table a provincial annual budget for a financial year in the provincial legislature not later than two weeks after the tabling of the national annual budget.
Source/collection of data	The Overview of Provincial Revenue and Expenditure is available in hard copy and e-copy on database [T:\PT DATA\A Budget\2015\04 Final\A BS Overview]
Method of calculation	Simple count
Data limitations	-
Type of indicator	Output indicator
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To publish timeously by March
Indicator responsibility	Senior Manager: Provincial Government Budget Office

Performance Indicator

Indicator title 6.1	Number of provincial allocative efficiency and effectiveness assessment reports
Short definition	Budget submissions and reports on budget implementation assessed on allocative efficiency and effectiveness assessment report as part of the Provincial Government Medium Term Expenditure Committee (MTEC) process.
Purpose/importance	To improve allocative efficiency, effectiveness and responsiveness of the budget to socio-economic needs, budget policy objectives and national and provincial priorities.
Source/collection of data	MTEC assessment reports e-copy available on database. [T:\PT DATA\g MTEC (Bilateral Discussion)\2014 - 2015] – in MTEC 1 and MTEC 2 folders – vote folders – PT inputs folder
Method of calculation	Simple count (1 assessment per vote per PG MTEC)
Data limitations	-
Type of indicator	Output indicator

Calculation type	Cumulative
Reporting cycle	Bi-Annual
New indicator	No
Desired performance	Assessment Reports on all votes
Indicator responsibility	Senior Manager: Provincial Government Budget Office

Performance Indicator

Indicator title 6.2	Timeous publication of the PERO
Short definition	The publication of research on the Provincial Economic Review and Outlook (PERO) which is tabled in the Provincial Parliament.
Purpose/importance	The PERO provides an updated review and outlook with a particular focus on the Western Cape economy that provides the backdrop for the annual Western Cape Medium Term Budget Policy Statement and Provincial Overview of Revenue and Expenditure.
Source/collection of data	Publication stored electronically on Provincial Treasury database and hard copy publication [T:\PT DATA\i PER&O (old Socio-Economic Review)\2014\10 PERO 2014]
Method of calculation	Simple count
Data limitations	-
Type of indicator	Output indicator
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To publish timeously to inform the Medium Term Budget Policy Statement
Indicator responsibility	Senior Manager: Provincial Budget Office

Performance Indicator

Indicator title 6.3	Timeous Publication of the Medium Term Budget Policy Statement
Short definition	Timeous Publication of the 2015-2018 Medium Term Budget Policy Statement (MTBPS) to inform the preliminary and final budget allocations.
Purpose/importance	To provide the strategic direction and policy framework that informs the provincial budget.
Source/collection of data	The Western Cape Medium Term Budget Policy Statement (WC MTBPS) available in hard copy and e-copy on database. [T:\PT DATA\j MTBPS (old Fiscal Policy)\2015\05 2015 - 2018 MTBPS]
Method of calculation	Simple count
Data limitations	-
Type of indicator	Output indicator
Calculation type	Non-cumulative

Reporting cycle	Annually
New indicator	No
Desired performance	To publish timeously by November to inform the preliminary and final budget allocations.
Indicator responsibility	Senior Manager: Provincial Government Budget Office

Sub-programme 2.3: Budget Management

Element: Local Government Budgets

Strategic Objective Performance Indicator

Indicator title 7	Number of municipal allocative efficiency and effectiveness assessments reports
Short definition	Annual municipal budget assessments for the local Medium Term Expenditure Committee (LG MTEC)
Purpose/importance	To improve the socio-economic impact and allocative efficiency of municipal budgets.
Source/collection of data	Local Government Medium Term Expenditure Committee (LG MTEC) assessment reports e-copy available on database
Method of calculation	Simple count
Data limitations	-
Type of indicator	Output indicator
Calculation type	Non-Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Assessment Reports on all municipalities
Indicator responsibility	Senior Manager: Local Government Budget Office

Performance Indicator

Indicator title 7.1	Percentage Quarterly Performance Reports assessed
Short definition	Evaluation of Quarterly Performance Reports of municipalities on the implementation of the budget.
Purpose/importance	To perform periodic in-year assessments on the performance of municipal budgets.
Source/collection of data	QPR assessments available on the database
Method of calculation	The number of assessment reports as a percentage of the number of submitted reports
Data limitations	-
Type of indicator	Output indicator
Calculation type	Non-cumulative
Reporting cycle	Quarterly

New indicator	No
Desired performance	Evaluations/assessment of all Quarterly Performance Reports submitted
Indicator responsibility	Senior Manager: Local Government Budget Office

Performance Indicator

Indicator title 7.2	Number of SEP-LG publications
Short definition	The publication of the Socio-Economic Profiles for Local Government (SEP-LG) 2014 for municipal planning purposes
Purpose/importance	The annual SEP-LG provides credible and relevant social and economic development information to inform municipal planning and budgeting processes within the Province.
Source/collection of data	Publication stored electronically on Provincial Treasury database and hard copy publication
Method of calculation	Simple count
Data limitations	-
Type of indicator	Output indicator
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To publish timeously to feed into the municipal planning and budgeting processes
Indicator responsibility	Senior Manager: Local Government Budget Office

Performance Indicator

Indicator title 7.3	Number of MERO publications
Short definition	The publication of research on the Municipal Economic Review and Outlook (MERO) which is tabled in the Provincial Parliament.
Purpose/importance	The annual MERO provides credible and relevant social and economic development information to inform municipal planning and budgeting processes within the Province.
Source/collection of data	Publication stored electronically on Provincial Treasury database and hard copy publication (T:\PT LG DATA\h Reviews (Working Paper)\04 MERO\2014\06 MERO 2014)
Method of calculation	Simple count
Data limitations	-
Type of indicator	Output indicator
Calculation type	Non-cumulative
Reporting cycle	Annually

New indicator	No
Desired performance	To publish timeously to feed into the municipal planning and budgeting processes
Indicator responsibility	Senior Manager: Local Government Budget Office

Sub-programme 2.4: Public Finance

Element: Provincial Government Finance

Strategic Objective Performance Indicator

Indicator title 8	Timeous tabling of the Estimates of Provincial Revenue and Expenditure
Short definition	Tabling of the Estimates of Provincial Revenue and Expenditure within two weeks of the tabling of the national budget.
Purpose/importance	Comply with section 18(1)(a) of the PFMA to prepare a provincial budget.
Source/collection of data	The Estimates of Provincial Revenue and Expenditure is available in hard copy and e-copy on database.[T:\PT DATA\ Budget\2015\ Final]
Method of calculation	Simple count
Data limitations	-
Type of indicator	Input Indicator
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Tabling within two weeks of the tabling of the national budget
Indicator responsibility	Senior Manager: Provincial Government Finance

Performance Indicator

Indicator title 8.1	Number of provincial budget efficiency and credibility assessments
Short definition	The number of assessments of provincial budgets to determine the conformance, credibility, sustainability and efficiency.
Purpose/importance	Determining whether the budget is in line with the regulatory framework, based on previous expenditure trends, capacity to spend, value for money and that the input mix (economic classification) is realistic to achieve the stated outputs.
Source/collection of data	National and provincial databases specific for departments and entities. Signed hard copies submitted by departments. An expenditure model based on past trends and department specific anomalies.
Method of calculation	Simple count (14 draft budget assessments and 14 final budget assessments)
Data limitations	The assessment is dependent on the quality and completion of databases submitted by departments
Type of indicator	Output indicator

Calculation type	Cumulative
Reporting cycle	Bi-annually
New indicator	No
Desired performance	Quarterly budgets received from departments
Indicator responsibility	Senior Manager: Provincial Government Finance

Performance Indicator

Indicator title 8.2	Timeous tabling of Adjusted Estimates of Provincial Expenditure
Short definition	Tabling of the Adjusted Estimates of Provincial Expenditure within one month of the tabling of the national adjusted budget.
Purpose/importance	Comply with section 31 of the PFMA to table a provincial adjusted budget.
Source/collection of data	The Adjusted Estimates of Provincial Expenditure is available in hard copy and e-copy on database.[T:\PT DATA\Adjusted Estimates\2014]
Method of calculation	Simple count
Data limitations	-
Type of indicator	Output indicator
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Tabling a credible adjusted budget within the required timelines
Indicator responsibility	Provincial Budget Coordinator

Performance Indicator

Indicator title 8.3	Number of quarterly reports on the implementation of the budget to Cabinet and Parliament
Short definition	Reports submitted to Cabinet and Parliament on the performance of the implementation of the provincial budget.
Purpose/importance	To provide oversight information (financial and non-financial information) on the implementation of the provincial budget.
Source/collection of data	Information derived from the In-year monitoring (IYM) reports and Quarterly Performance Reports (QPRs) submitted to the Provincial Treasury by the provincial departments
Method of calculation	Simple count
Data limitations	-
Type of indicator	Input and output indicator
Calculation type	Cumulative
Reporting cycle	Quarterly

New indicator	No
Desired performance	Within 45 days after the end of the particular quarter or date determined by Parliament
Indicator responsibility	In-year Monitoring (IYM) Coordinator

Sub-programme 2.4: Public Finance

Element: Local Government Finance Group 1 and 2

Strategic Objective Performance indicators

Indicator title 9	Number of quarterly reports on the implementation of the municipal budget to Cabinet and Parliament
Short definition	Number of reports submitted to cabinet and parliament on the performance of municipalities on the implementation of the budget.
Purpose/importance	Legislative requirement to report to the cabinet and parliament on the performance of municipalities on the implementation of the budget, as per section 71 of the MFMA.
Source/collection of data	Municipalities, NT LG-Data base
Method of calculation	Simple count
Data limitations	Data Integrity of Information received from municipalities
Type of indicator	Output Indicator
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Improved IYM reporting from municipalities, and improved Cabinet reporting to Parliament
Indicator responsibility	Senior Manager: Local Government Finance (Group 1) and Senior Manager: Local Government Finance (Group 2)

Performance indicator

Indicator title 9.1	Number of monthly IYM assessment reports on the implementation of the municipal budget
Short definition	Number of monthly IYM reports on the monthly spending.
Purpose/importance	It is a legislative requirement to monitor the implementation of the budget in terms of conformance, accountability, data integrity, and efficiencies, as per section 71 of the MFMA.
Source/collection of data	Municipalities, NT LG-Data base
Method of calculation	Simple count - Monthly municipal IYM Assessment reports
Data limitations	Data Integrity of Information received from municipalities
Type of indicator	Output Indicator
Calculation type	Cumulative (30 assessments per month plus 1 consolidated report)

Reporting cycle	Quarterly
New indicator	No
Desired performance	Improved IYM reporting from municipalities
Indicator responsibility	Senior Manager: Local Government Finance (Group 1) and Senior Manager: Local Government Finance (Group 2)

Performance indicator

Indicator title 9.2	Number of reports on MFMA implementation
Short definition	Number of Quarterly reports on MFMA implementation.
Purpose/importance	To improve IGR and coordination within and across PT and Local Government to improve conformance and performance in municipalities.
Source/collection of data	Status reports from the various MFMA directorates as input into the consolidated report submitted to the National Treasury
Method of calculation	Simple count
Data limitations	Quality of respective reports received from various MFMA directorates
Type of indicator	Output Indicator
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Coordinated reporting
Indicator responsibility	Senior Manager: Local Government Finance (Group 1) and Senior Manager: Local Government Finance (Group 2)

Sub-programme 2.4: Public Finance**Element: Infrastructure****Strategic Objective Performance indicator**

Indicator title 10	Number of assessments on the institutionalisation of the WC IDMS
Short definition	This indicator relates to an Infrastructure Delivery Management System (IDMS) for infrastructure delivery and construction procurement necessary to deliver, operate and maintain infrastructure, capacitate delivery and facilitate a uniform approach to infrastructure delivery.
Purpose/importance	It is aimed to facilitate integration and promote seamless delivery through a holistic approach of viewing infrastructure delivery as the management of all aspects of the life cycle of immovable assets.
Source/collection of data	Quarterly Performance Report
Method of calculation	Simple count
Data limitations	Rate of implementation of key principles by departments
Type of indicator	Inputs, activities, outputs, impact and efficiency
Calculation type	Cumulative

Reporting cycle	Quarterly
New indicator	No
Desired performance	Greater compliance to WC IDMS and increase infrastructure delivery to Level 3+
Indicator responsibility	Senior Manager: Infrastructure

Performance indicator

Indicator title 10.1	Number of U-AMPs/C-AMPs assessed
Short definition	The number of U-AMPs/C-AMPs assessed
Purpose/importance	It is a legislative requirement to assess the quality and monitor GIAMA compliance of departments' U-AMPs
Source/collection of data	Submission of U-AMPs by departments
Method of calculation	Simple count
Data limitations	Depends on the accuracy of the information and the timeous submission of the U-AMPs by departments
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Bi-annually
New indicator	No
Desired performance	28 assessments
Indicator responsibility	Senior Manager: Infrastructure

Performance indicator

Indicator title 10.2	Number of infrastructure expenditure reports assessed
Short definition	To assess and monitor projected project cash flows against actual project cash flows and to identify early challenges.
Purpose/importance	It is a legislative requirement (DORA: Incentive Grant) and it will assist the departments to effectively plan and manage infrastructure delivery in order to improve general service delivery to public.
Source/collection of data	Quarterly Performance Report
Method of calculation	Simple count
Data limitations	Accuracy and availability of data from departments
Type of indicator	Outputs/Activities
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Improved infrastructure expenditure and delivery levels
Indicator responsibility	Senior Manager: Infrastructure

Performance indicator

Indicator title 10.3	Number of infrastructure project delivery assessments
Short definition	To assess potential contribution of investment decisions and to gain more insight into the impact thereof
Purpose/importance	This will provide intelligence about potential impact of investment and will enable Treasury to improve budget allocations for infrastructure projects
Source/collection of data	Project Business Cases; site visits, project operations and maintenance reports, minutes of project meetings
Method of calculation	Simple count
Data limitations	Depends on the accuracy of the information and the timeous submission of the source documentation listed above
Type of indicator	Outputs
Calculation type	Cumulative
Reporting cycle	Bi-annually
New indicator	No
Desired performance	Infrastructure project delivery that addresses socio-economic requirements and delivery in accordance with the plan
Indicator responsibility	Deputy Directors

Sub-programme 2.4: Public Finance**Element: Business Information and Data Management****Strategic Objective Performance indicator**

Indicator title 11	An available central depository
Short definition	To avail a platform to PT Employees for the safeguarding of financial and performance information to enable proper decision-making and credible publications.
Purpose/importance	Ensure the readily availability of information to Provincial Treasury officials.
Source/collection of data	PT Network on the Ce-I file server
Method of calculation	Simple count
Data limitations	Quality of data sets received from the various Programmes
Type of indicator	Output indicator
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	Revised indicator
Desired performance	Workable centralised depository
Indicator responsibility	Senior Manager: Business Information and Data Management

Performance indicator

Indicator title 11.1	Number of datasets managed.
Short definition	Datasets managed for use of Provincial Treasury officials, departments and public entities and conformance to applicable legislation.
Purpose/importance	Processing data from periodic reporting formats as well as from raw data sourced from various systems into information datasets to inform evidence based PT decision-making.
Source/collection of data	Four quarterly datasets available on the PT network: i.e. IYM Dataset (Financial) and QPR Consolidated Provincial Model (Non-Financial) [T:\PT DATA\I IYM Model\2014-15]; Master Provincial dataset [T:\PT DATA\A Budget\2014\17 Provincial Dataset] and Spatial Spending Dataset [T:\PT DATA\A Budget\2014\16 Spatial Spending Dataset]
Method of calculation	Simple count
Data limitations	Uptime of systems and format of data
Type of indicator	Output indicator
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Production of four datasets per quarter
Indicator responsibility	Senior Manager: Business Information and Data Management

Performance indicator

Indicator title 11.2	Number of budget process plans managed
Short definition	This indicator refers to the detailed main budget planning for the financial year under review (Provincial and Municipal).
Purpose/importance	Illustrates the timelines and internal deadlines of the various processes within Provincial Treasury. This in turn can provide for better planning and implementation of budget processes.
Source/collection of data	Budget Process Schedules e-copy available on PT network: <u>Provincial</u> -T:\PT DATA\A Budget\2014\11 Budget Process\PT and <u>Municipal</u> - T:\PT LG DATA\g MTEC\2013-14 (Jul-Jun)\b 2013 MTEC 3 April\00 Logistics\00 PT Planning
Method of calculation	Simple count: Provincial – PG MTEC 1 and PG MTEC 2 and Municipal - LG MTEC 3
Data limitations	Quality of data received from departments and municipalities
Type of indicator	Output indicator
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Management of budget processes in accordance with budget process plans
Indicator responsibility	Senior Manager: Business Information and Data Management

Performance indicator

Indicator title 11.3	Timeous submission of the approved ICT plan
Short definition	Timeous submission of the approved ICT plan in terms of the requirements set out by Department of the Premier (DotP) (Ce-I).
Purpose/importance	The timeous submission of the ICT plan will ensure proper planning for the provisioning of technology needs of the department to deliver on its planned outputs.
Source/collection of data	Signed off ICT plan together with the submission letter to DotP on PT network
Method of calculation	-
Data limitations	-
Type of indicator	Output indicator
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	Yes
Desired performance	Timeous submission of ICT Plan
Indicator responsibility	Senior Manager: Business Information and Data Management

Sub-programme 2.5: Transversal Projects**Strategic Objective Performance Indicator**

Indicator title 12	Number of strategic projects/programmes that receive financial support
Short definition	Number of strategic projects/programmes that are of a transversal and strategic nature in the WCG that receives financial support in the adjusted or main budget.
Purpose/importance	During the 2014/15 Budget Process the Provincial Cabinet approved the continuation of the transversal priorities programme for the Western Cape Government for which funding were reserved. This funding will be made available to departments on the submission of implementation plans/business cases/project plans.
Source/collection of data	Budget Allocation letters/schedules - database
Method of calculation	Simple count
Data limitations	No
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	4 projects funded
Indicator responsibility	Chief Director: Provincial Government Public Finance

Performance Indicator

Indicator title 12.1	Number of strategic projects/programmes assessments
Short definition	Number of assessments on implementation plans/business cases/project plans for strategic projects/programmes that are of a transversal and strategic nature in the WCG submitted to the Provincial Treasury for funding/financial support.
Purpose/importance	To ensure good governance and the effectiveness of government spending as well as for the monitoring of expenditure and outputs, clear and executable plans are required.
Source/collection of data	Implementation Plans (also known as business cases or project plans) on PT database
Method of calculation	Simple count
Data limitations	No
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	4
Indicator responsibility	Chief Director: Provincial Government Public Finance

Programme 3 – Asset Management**Sub-programme 3.1: Programme Support****Strategic Objective Performance Indicator**

Indicator title 13	Percentage of programme performance indicator targets achieved
Short definition	Percentage of performance indicators achieved as per the Annual Performance Plan.
Purpose/importance	To ensure that departmental goals and objectives are achieved.
Source/collection of data	Annual Report
Method of calculation	Numerator: Number of achieved performance indicator targets Denominator: Number of planned performance indicator targets
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	Yes
Desired performance	Optimum achievement of the planned targets
Indicator responsibility	Head of Office

Performance Indicator

Indicator title 13.1	Number of staff attended training initiatives
Short definition	Number of staff attended training courses
Purpose/importance	In aid of developing staff
Source/collection of data	Attendance certificates or registers
Method of calculation	Simple count
Data limitations	Non-availability of attendance registers
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Optimal staff development through the attendance of the planned training initiatives
Indicator responsibility	Head of Office

Performance Indicator

Indicator title 13.2	Number of progress reports on the implementation of the Operational Plan
Short definition	Number of reports consolidated per quarter on the implementation of planned operations.
Purpose/importance	To monitor progress towards the achievement of targets and to institute timeous remedial actions.
Source/collection of data	Progress reports on the implementation of Operational Plans
Method of calculation	Simple count
Data limitations	Non-availability of progress reports on the implementation of Operational Plans.
Type of indicator	Activities and output
Calculation type	Cumulative
Reporting cycle	Monthly
New indicator	No
Desired performance	Full implementation of the operational planned activities
Indicator responsibility	Head of Office

Performance Indicator

Indicator title 13.3	Number of Intervention reports on organisational culture and climate
Short definition	Number of reports consolidated quarterly reflecting interventions on organisational culture and climate.
Purpose/importance	Interventions act as guide in gauging organisational culture and climate.

Source/collection of data	4 progress reports gauging organisational culture and climate
Method of calculation	Simple count
Data limitations	Lack of interventions
Type of indicator	Activities and output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Interventions to gauge organisational culture and climate
Indicator responsibility	Head of Office

Sub-programme 3.2: Supply Chain Management

Element: Supply Chain Management: Provincial Government

Strategic Objective Performance Indicator

Indicator title 14	Number of departments assisted to improve management of supply chain and movable assets
Short definition	Number of departments assisted in building their capacity to enable them to respond more effectively and efficiently to their budget allocation in respect of goods and services.
Purpose/importance	To assist departments in attaining the desired level of financial capability for SCM and moveable asset management that meets conformance and performance requirements and service delivery.
Source/collection of data	<ul style="list-style-type: none"> • Departmental implementation plans; procurement plans, CGRO action plans • SCM and moveable asset management assessment reports and departmental annual reports, AG's report and AGSA management letters, MTEC reports • Query/opinion and complaint's registers held by the unit as well as helpdesk incident reports • Departmental procurement statistical reporting, monthly and quarterly reports, BAS, LOGIS, Vulindlela and KITSO reports; Western Cape Supplier Data base information • SCM and moveable asset management intervention training reports • Unit's shared drive that houses all departmental data information
Method of calculation	Simple count
Data limitations	Quality and integrity of data is dependent on external sources and stakeholders and is outside of the Department's control and financial systems and tools that are not integrated
Type of indicator	Input, output and Outcomes
Calculation type	Non-cumulative
Reporting cycle	Annually

New indicator	No
Desired performance	Enhanced departmental capacity and compliance to SCM and moveable asset management policy and procedure as well as attaining value for money
Indicator responsibility	Senior Manager: Provincial Government Supply Chain Management

Performance Indicator

Indicator title 14.1	Number of departments assisted with the implementation of the Accounting Officer (AO) System
Short definition	Number of departments assisted, supported and guided to have and maintain a supply chain and asset management system, that is based on sound financial management principles and standards.
Purpose/importance	Improved financial management performance for SCM and asset management within the Province that facilitates conformance, clean audits and improved financial management performance.
Source/collection of data	Implemented departmental Accounting Officers' systems; departmental PTI implementation plans; CGRO action plans; assessment reports; helpdesk reports/query logs; training schedules and close –out reports, support/project plans in specific departmental procurement processes.
Method of calculation	Simple count
Data limitations	Departmental progress in finalising implementation processes is dependent on its own internal capacity and is outside the control of the unit.
Type of indicator	Output and outcome
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Providing departmental support, assistance and guidance that facilitate improved departmental financial capability, addresses better internal control and affords greater accountability and transparency within SCM and moveable asset management.
Indicator responsibility	Senior Manager: Provincial Government Supply Chain Management

Performance Indicator

Indicator title 14.2	Number of SCM assessment reports
Short definition	Number of SCM assessment reports developed through CGRO assessment reports based on structured assessments and monitored action plans.
Purpose/importance	Give effect to the monitoring and evaluation of departments that addresses issues of capacity and control and gives effect to good governance principles and practices.

Source/collection of data	<ul style="list-style-type: none"> • Departmental implementation plans; procurement plans, CGRO action plans; • SCM and moveable asset management assessment reports and departmental annual reports, AG's report and AGSA management letters, MTEC reports; • Query/opinion and complaint's registers held by the unit as well as helpdesk incident reports; • Departmental procurement statistical reporting, monthly and quarterly reports, BAS, LOGIS, Vulindlela and KITSO reports; Western Cape Supplier Data base information; • SCM and moveable asset management intervention training reports; and • Unit's shared drive that houses all departmental data information.
Method of calculation	Simple count
Data limitations	Quality and integrity of data is dependent on external sources and stakeholders and is outside of the unit's control and financial systems and tools that are not integrated
Type of indicator	Input, output and outcome
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Enhanced departmental capacity and compliance to SCM and moveable asset management policy and procedure that enables clean audits and efficiencies.
Indicator responsibility	Senior Manager: Provincial Government Supply Chain Management

Performance Indicator

Indicator title 14.3	Number of business cases for strategic sourcing implementation
Short definition	To implement functional areas through policy that gives effect to bulk buying and economies of scale for the Province as well as departmental efficiencies in spending and procurement procedures.
Purpose/importance	Value for money and efficiencies attained. Implemented policy that gives effect to bulk buying and economies of scale for the Province as well as departmental efficiencies in spending and procurement procedures.
Source/collection of data	<ul style="list-style-type: none"> • Departmental procurement statistical reporting, monthly and quarterly reports, BAS, LOGIS, Vulindlela and KITSO reports; Western Cape Supplier Data base information • Assessment reports
Method of calculation	Simple count
Data limitations	Quality and integrity of data is dependent on external sources and stakeholders and is outside of the Department's control and financial systems and tools that are not integrated
Type of indicator	Input, output, outcome and impact
Calculation type	Cumulative

Reporting cycle	Bi-annually
New indicator	No
Desired performance	Leveraged buying power and value for money in SCM and expenditure management through key linkages within the Provincial Budget Management and Public Finance Units within the Provincial Treasury
Indicator responsibility	Senior Manager: Provincial Government Supply Chain Management

Performance Indicator

Indicator title 14.4	Number of supplier engagement sessions held to develop and educate suppliers
Short definition	Implement supplier development initiatives that is responsive to the Province's socio-economic responsibilities and needs and gives effect to enhancing relationships with Small, Medium and Micro Enterprises (SMMEs) and Black Economic Empowerment (BEE) vendors with the view of building the supplier community to become economically viable.
Purpose/importance	Developing an enabling environment that facilitates Broad Based Black Economic Empowerment (BBBEE) and SMME supplier development initiatives that ensures government's socio-economic responsibility.
Source/collection of data	<ul style="list-style-type: none"> Quarterly performance and project milestones Supplier intervention reports Monitoring through the units shared drive and reporting on the unit's operational plan
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Developed relationship between vendors that is responsive to provincial procurement requirements
Indicator responsibility	Senior Manager: Provincial Government Supply Chain Management

Element: Supply Chain Management: Local Government**Strategic Objective Performance Indicator**

Indicator title 15	Number of municipalities assisted to improve management of supply chain and assets
Short definition	Number of municipalities assisted in building their capacity to enable them to respond more effectively and efficiently to their budget allocation in respect of goods, services and construction related services.

Purpose/importance	To assist municipalities in attaining the desired level of financial capability for SCM and asset management that meets conformance and performance requirements and service delivery objectives.
Source/collection of data	<ul style="list-style-type: none"> • SCM VC assessment action plans, MGRO Action Plans • IDP, Municipal Budgets, SDBIP and procurement/demand plans • AG's report and AGSA management letters, MTEC reports • SCM Model Policies and other prescribed legislation • Procurement Statistics Reports (CRA reports) • Query/opinion and complaint's registers held by the unit as well as helpdesk reports
Method of calculation	Simple count
Data limitations	Quality and integrity of data is dependent on external sources and stakeholders and is outside of the Department's control and financial systems and tools that are not integrated
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Enhanced municipal capacity and compliance to SCM and asset management policy and procedure as well as attaining value for money.
Indicator responsibility	Senior Manager: Local Government Supply Chain Management

Performance Indicator

Indicator title 15.1	Number of municipal SCM and MAM Virtuous Cycle assessment reports
Short definition	Performing SCM and Asset Management assessments at municipalities, and issuance recommended action plans on identified deficient areas.
Purpose/importance	To assess, promote and enforce effective and prudent financial management through SCM, and ensuring that the entire SCM cycle is applied and that the practices of municipalities are sound and promote governance, transparency and accountability.
Source/collection of data	<ul style="list-style-type: none"> • SCM Virtuous Cycle assessment action plans, MGRO Action Plans for the identified municipality • IDP, Municipal Budgets, SDBIP and procurement/demand plans; • AG's report and AGSA management letters, MTEC Reports • SCM Model Policies and other prescribed legislation • Procurement Statistics Reports • Query/opinion and complaint's registers held by the unit as well as helpdesk reports
Method of calculation	Simple count

Data limitations	<ul style="list-style-type: none"> Quality and integrity of data is dependent on external sources and stakeholders and is outside of the Department's control and financial systems and tools that are not integrated Non-availability of documents from municipalities when requested for review to execute the assessment
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	20 assessments
Indicator responsibility	Senior Manager: Local Government Supply Chain Management

Performance Indicator

Indicator title 15.2	Number of municipalities assisted with construction procurement planning
Short definition	Number of municipalities assisted with designing and developing principles/framework/policy for construction procurement strategy.
Purpose/importance	Set the principles which will enhance planning for and fast tracking of capital expenditure, and creating an environment for institutions to respond quicker and efficiently to service delivery needs.
Source/collection of data	<ul style="list-style-type: none"> Construction Industry Development Board (CIDB) practice notes Infrastructure Delivery Management System/guidelines International (European and Canadian models) standards on Construction Procurement Systems
Method of calculation	Simple count
Data limitations	Quality and integrity of data is dependent on external sources and international benchmarks, which might not be relevant to South African Local Government environment
Type of indicator	Input, output, outcomes and targets (departmental long-term goals)
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	Revised
Desired performance	<ul style="list-style-type: none"> Enhanced municipal capacity and compliance to CIDB legislation, and appropriate capital expenditure, and ensuring appropriate quality infrastructure Gearing municipalities to sufficiently support and operationalise the National Development Plan principles and goals
Indicator responsibility	Senior Manager: Local Government Supply Chain Management

Performance Indicator

Indicator title 15.3	Number of structured municipal training interventions
Short definition	Number of structured training interventions for the identified SCM and asset management deficiencies; develop training interventions to address deficiencies and develop SCM capacity within municipalities.
Purpose/importance	To assist municipalities in attaining a Level 3+ financial capability for SCM and asset management, and application of good governance principles and practices.
Source/collection of data	<ul style="list-style-type: none"> • SCM Virtuous Cycle assessment action plans, MGRO Action Plans • IDP, Municipal Budgets, SDBIP and procurement/demand plans • AG's report and AGSA management letters, MTEC Reports • SCM Model Policies, prescribed legislation and policy • Procurement Statistics Reports • Query/opinion and complaint's registers held by the unit as well as helpdesk reports
Method of calculation	Simple count
Data limitations	Unavailability of defined SCM training materials, and Quality and integrity of data is dependent on external sources outside of the Department.
Type of indicator	Inputs and outputs
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Enhanced Municipal capacity that addresses better control over SCM and asset management policy and procedures and affords greater accountability and transparency within SCM.
Indicator responsibility	Senior Manager: Local Government Supply Chain Management

Sub-programme 3.4: Supporting and Interlinked Financial Systems**Strategic Objective Performance Indicator**

Indicator title 16	Number of votes assisted to effectively utilise the suite of financial systems
Short definition	Number of votes assisted in the implementation, management and oversight of provincially operated financial systems and transition to new or replacement systems.
Purpose/importance	Improve financial system management in the Province by training of system users in accordance with their system profiles; maintenance of effective user account management; the further development of integrated training interventions to promote the correct and optimal use of financial systems; and steps to enhance to enhance the validity and veracity of data.

Source/collection of data	Transversal systems, project plans, call log registers, training database, KITSO and PERSAL share
Method of calculation	Simple count
Data limitations	Availability of training databases, reports or credible information
Type of indicator	Input
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Appropriately trained system users, optimal utilisation of systems and integrity of data
Indicator responsibility	Senior Manager: Supporting and Interlinked Financial Systems

Performance Indicator

Indicator title 16.1	Number of institutions provided with an effective user account management service
Short definition	To ensure that effective user account management is executed and maintained, generic policies exist for the management of transversal systems, users are trained in accordance with their profiles, effective user support service is provided.
Purpose/importance	The effective management of transversal systems and veracity of data.
Source/collection of data	Transversal systems, training database, reports, KITSO and PERSAL share
Method of calculation	Simple count
Data limitations	The availability of the systems and system-generated reports
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	The effective management, optimal utilisation of transversal systems and integrity of data
Indicator responsibility	Senior Manager: Supporting and Interlinked Financial Systems

Performance Indicator

Indicator title 16.2	Number of new departments where the biometric access solution is implemented
Short definition	Number of departments that have a high standard of security access on transversal financial systems.
Purpose/importance	To minimise unauthorised access and limit possible fraudulent transactions.
Source/collection of data	System reports/audit trails

Method of calculation	Simple count
Data limitations	The ability and availability of Biometric access sub-system
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Bi-annually
New indicator	No
Desired performance	To maintain a high standard of security access
Indicator responsibility	Senior Manager: Supporting and Interlinked Financial Systems

Performance Indicator

Indicator title 16.3	Number of new sites to which LOGIS have been rolled out
Short definition	Standardisation of systems throughout the Province.
Purpose/importance	To ensure compliance to legislative and user requirements.
Source/collection of data	Mutually agreed project plan
Method of calculation	Simple count
Data limitations	Resource availability and readiness of the institution for implementation
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Bi-annually
New indicator	No
Desired performance	The successful implementation in accordance with the mutually agreed project plan
Indicator responsibility	Senior Manager: Supporting and Interlinked Financial Systems

Performance Indicator

Indicator title 16.4	Number of votes where the Integrated Procurement Solution (IPS) is implemented
Short definition	The implementation of e-procurement solution that complies to user and legislative requirements.
Purpose/importance	To ensure compliance to legislative and supply chain management prescripts.
Source/collection of data	A mutually agreed project plan
Method of calculation	Simple count
Data limitations	Resource availability and readiness of the institution for implementation
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly

New indicator	No
Desired performance	The successful implementation in accordance with the mutually agreed project plan
Indicator responsibility	Senior Manager: Supporting and Interlinked Financial Systems

Programme 4 – Financial Governance

Sub-programme 4.1: Programme Support

Strategic Objective Performance Indicator

Indicator title 17	Percentage of programme performance indicator targets achieved
Short definition	Percentage of performance indicators achieved as per the Annual Performance Plan.
Purpose/importance	To ensure that departmental goals and objectives are achieved.
Source/collection of data	Annual Report
Method of calculation	Numerator: Number of achieved performance indicator targets Denominator: Number of planned performance indicator targets
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	New
Desired performance	Optimum achievement of the planned targets
Indicator responsibility	Head of Office

Performance Indicator

Indicator title 17.1	Number of staff attended training initiatives
Short definition	Number of staff attended training courses
Purpose/importance	In aid of developing staff.
Source/collection of data	Attendance certificates or registers
Method of calculation	Simple count
Data limitations	Non-availability of attendance registers
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	New
Desired performance	Optimal staff development through the attendance of the planned training initiatives
Indicator responsibility	Head of Office

Performance Indicator

Indicator title 17.2	Number of progress reports on the implementation of the Operational Plan
Short definition	Number of reports consolidated per quarter on the implementation of planned operations.
Purpose/importance	To monitor progress towards the achievement of targets and to institute timeous remedial actions.
Source/collection of data	Progress reports on the implementation of Operational Plans
Method of calculation	Simple count
Data limitations	Non-availability of progress reports on the implementation of Operational Plans
Type of indicator	Activities and output
Calculation type	Cumulative
Reporting cycle	Monthly
New indicator	No
Desired performance	Full implementation of the operational planned activities
Indicator responsibility	Head of Office

Performance Indicator

Indicator title 17.3	Number of Intervention reports on organisational culture and climate
Short definition	Number of reports consolidated quarterly reflecting interventions on organisational culture and climate.
Purpose/importance	Interventions act as guide in gauging organisational culture and climate.
Source/collection of data	4 progress reports gauging organisational culture and climate
Method of calculation	Simple count
Data limitations	Lack of interventions
Type of indicator	Activities and output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Interventions to gauge organisational culture and climate
Indicator responsibility	Head of Office

Sub-programme 4.2: Accounting Services

Element: Local Government Accounting

Strategic Objective Performance Indicator

Indicator title 18	Number of municipalities assisted to comply with the GRAP Standards
Short definition	Assessment of 30 municipalities to ensure compliance with the accounting reporting framework.
Purpose/importance	Assists municipalities to comply with section 122 of the MFMA, to prepare annual financial statements according to GRAP Reporting Framework.
Source/collection of data	Annual Financial Statements are available in hard copy and e-copy on database. [T:\LG DATA\AFS & Annual Report\2013]. Proof that will demonstrate assessments done
Method of calculation	Simple count
Data limitations	-
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	The assessment of 30 municipalities fully complies the accounting reporting framework
Indicator responsibility	Senior Manager: Local Government Accounting

Performance Indicator

Indicator title 18.1	Number of municipalities assessed against the accounting reporting framework
Short definition	Assessment of 30 municipalities to ensure full implementation of the accounting reporting framework.
Purpose/importance	Support municipalities to comply with section 122 of the MFMA, to prepare annual financial statements according to GRAP Reporting Framework.
Source/collection of data	Annual Financial Statements are available in hard copy and e-copy on database. [T:\LG DATA\AFS & Annual Report\2013]. Proof that will demonstrate assessments done
Method of calculation	Simple count
Data limitations	-
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	The assessment of 30 municipalities fully implemented the accounting reporting framework
Indicator responsibility	Senior Manager: Local Government Accounting

Performance Indicator

Indicator title 18.2	Number of municipalities assisted to improve the functioning of accounting systems
Short definition	Assessment of the utilisation and adequacy of accounting systems supported by document management and introduce remedial steps.
Purpose/importance	Comply with section 5 of the MFMA by investigating the system of financial management and internal control in municipalities and recommend appropriate improvements.
Source/collection of data	Evaluations of accounting systems are available in hard copy and e-copy on database. [T:\LG DATA\Accounting systems\2013]. Proof of evaluation of accounting systems.
Method of calculation	Simple count
Data limitations	-
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Municipal accounting systems evaluated and remedial steps introduced
Indicator responsibility	Senior Manager: Local Government Accounting

Performance Indicator

Indicator title 18.3	Number of risk based accounting interventions per district
Short definition	Number of risk based accounting interventions rolled out bi-annually.
Purpose/importance	To capacitate municipal officials by providing bespoke interventions to ensure compliance with GRAP Reporting Framework.
Source/collection of data	Manual attendance register
Method of calculation	Simple count
Data limitations	Dependent on the accuracy of the registers
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Bi-annually
New indicator	No
Desired performance	Roll out interventions bi-annually
Indicator responsibility	Senior Manager: Local Government Accounting

Performance Indicator

Indicator title 18.4	Percentage of municipal financial assessments on submitted AFS
Short definition	Compile assessment reports for municipalities on the LG MTEC and MGRO
Purpose/importance	To support municipalities in the achievement of funded budget and clean governance
Source/collection of data	Number of municipal financial assessments done
Method of calculation	Numerator: Number of achieved performance indicator targets. Denominator: Number of planned performance indicator targets.
Data limitations	-
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Bi-annually
New indicator	No
Desired performance	Produce financial assessment on LG MTEC and MGRO
Indicator responsibility	Senior Manager: Local Government Accounting

Element: Provincial Government Accounting and Compliance**Strategic Objective Performance Indicator**

Indicator title 19	Number of votes assisted to comply with financial accounting and governance norms and standards
Short definition	Roll-out of accounting policy frameworks to 14 Votes.
Purpose/importance	Full compliance by all votes with the accounting frameworks.
Source/collection of data	NT guidelines on AFS/Interim Financial Statements (IFS) rolled out to all votes via workshops, circulars and Forum meetings for implementation.
Method of calculation	Simple count
Data limitations	Inadequate skills and system support.
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Unqualified audit opinion with no findings (Clean audits)
Indicator responsibility	Senior Manager: Provincial Government Accounting

Performance Indicator

Indicator title 19.1	Number of votes assessed against the applicable accounting and norms and standards requirements
Short definition	Effective roll-out of accounting policy frameworks that leads to clean audits
Purpose/importance	To improve the financial management capability (FMC) of departments and entities to Level 3 and beyond
Source/collection of data	NT guidelines on AFS/IFS (reporting frameworks and GRAP standards), bi-lateral engagements with clients and NT, workshops and training, CFO/FA/AGSA fora and AGSA audit reports
Method of calculation	Simple count
Data limitations	Poor quality AFS submitted that requires corrections of material misstatements during audit process
Type of indicator	Outcomes
Calculation type	Non-cumulative (moving to FMC Level 6)
Reporting cycle	Quarterly
New indicator	No
Desired performance	Unqualified audit opinion with no findings (Clean audits)
Indicator responsibility	Senior Manager: Provincial Government Accounting

Performance Indicator

Indicator title 19.2	Number of accounting training interventions
Short definition	Provide structured training to build and maintain accounting capacity.
Purpose/importance	To improve the accounting skill level of staff in order to comply with the latest accounting reforms.
Source/collection of data	Analyses of the training needs of all accounting staff.
Method of calculation	Simple count
Data limitations	May not have 100% participation in the training interventions
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	To establish and maintain competent accounting staff base across the Province to raise the FMC level to 3+
Indicator responsibility	Senior Manager: Provincial Government Accounting

Performance Indicator

Indicator title 19.3	Timeous Publication and tabling of the Annual Consolidated Financial Statements (ACFS)
Short definition	Compilation and publication of the ACFS for the Province in respect of departments and entities.
Purpose/importance	It's a PFMA imperative to inform the Provincial Government and other users of the position and performance of the Province.
Source/collection of data	Audited AFS of votes, entities, PRF, departmental appropriation statements and relevant audit reports
Method of calculation	-
Data limitations	Dependent on the audit outcomes of the financial statements of the departments, the PRF and entities
Type of indicator	Activity
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Compliance with Section 19 of the PFMA
Indicator responsibility	Senior Manager: Provincial Government Accounting

Performance Indicator

Indicator title 19.4	Number of CGRO assessment reports coordinated per vote
Short definition	Integrated approach to address audit and governance issues through Governance Action Plans (GAPs).
Purpose/importance	To achieve higher levels of governance by improving the financial management capability of departments and entities.
Source/collection of data	Governance Action Plans (GAPs)
Method of calculation	Simple count
Data limitations	Institutionalisation of the CGRO process.
Type of indicator	Outcome
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Improving the FMC level in line with targets set in PSO 12
Indicator responsibility	Senior Manager: Provincial Government Accounting

Performance Indicator

Indicator title 19.5	Number of internal control units assisted in departments
Short definition	Standardisation of the key responsibilities for internal control units in the Province.
Purpose/importance	Effective monitoring of compliance of the internal control systems of departments.
Source/collection of data	Approved NT CFO internal control structures; existing structures of internal control units in departments, JDs and performance agreements of internal control staff
Method of calculation	Simple count
Data limitations	JDs of internal control staff out-dated, Department may not have adequate structures in place
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Department and provincial functional structure aligned
Indicator responsibility	Senior Manager: Provincial Government Accounting

Sub-programme 4.3: Corporate Governance

Strategic Objective Performance Indicator

Indicator title 20.1	Number of municipalities assisted to improve corporate governance
Short definition	Municipalities assisted to improve corporate governance in risk management, internal audit, compliance to the MFMA and delegations.
Purpose/importance	To improve the FMC level of municipalities.
Source/collection of data	FMC assessments
Method of calculation	Simple count
Data limitations	Municipal leadership and limited integration of systems.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Annually published MGRO and Unqualified audit opinion with no other matters
Indicator responsibility	Senior Manager: Financial Governance

Strategic Objective Performance Indicator

Indicator title 20.2	Number of departments assisted to improve corporate governance
Short definition	Departments assisted through a comprehensive set of prescripts.
Purpose/importance	To ensure that our legislative framework addressed any possible lacuna and thereby strengthening good governance through compliance therewith.
Source/collection of data	Financial legislation and compliance assessments
Method of calculation	Simple count
Data limitations	Dependent on the update of national legislation
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	A robust and relevant legislative framework covering all national and provincial legislation and to drive financial management improvement
Indicator responsibility	Senior Manager: Financial Governance

Performance Indicator

Indicator title 20.1.1	Number of municipalities supported with skills development and capacitation initiatives
Short definition	To coordinate and support selected municipalities with skills development and capacitation.
Purpose/importance	To improve the FMC level of municipalities.
Source/collection of data	FMC assessments
Method of calculation	Simple count
Data limitations	Municipal leadership and limited integration of systems.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Bi-annually
New indicator	No
Desired performance	To institutionalise NT capacity building frameworks in all municipalities and drive capacity at selected municipalities to the Level 3 FMC Model
Indicator responsibility	Senior Manager: Financial Governance

Performance Indicator

Indicator title 20.1.2	Number of MGRO assessment reports coordinated per municipality
Short definition	To coordinate the annual MGRO assessment reports per municipality.
Purpose/importance	To improve the FMC level of municipalities.
Source/collection of data	FMC assessments
Method of calculation	Simple count
Data limitations	Municipal leadership and limited integration of systems.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Annually published MGRO report
Indicator responsibility	Senior Manager: Financial Governance

Performance Indicator

Indicator title 20.1.3	Number of municipal support interventions on Governance, Risk and Control
Short definition	To implement support interventions on ERM, IA and audit committees.
Purpose/importance	To ensure the implementation of enterprise risk management as per the NT risk frameworks and internal audit as per the IIA standards and other guidelines.
Source/collection of data	Bi-annual assessments and quarterly assistance reports
Method of calculation	Simple count
Data limitations	The accuracy of the assessment is dependent on the reliability of the information as supplied by municipalities
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	To institutionalise ERM, internal audit and audit committees in all municipalities and drive capacity at selected municipalities to the Level 3 FMC Model
Indicator responsibility	Senior Manager: Financial Governance

Performance Indicator

Indicator title 20.1.4	Number of municipalities supported with financial delegation framework and policies
Short definition	To support municipalities and departments with review of their financial delegation frameworks and policies.
Purpose/importance	To improve the FMC level of municipalities and departments.
Source/collection of data	FMC assessments
Method of calculation	Simple count
Data limitations	Municipal and departmental leadership and limited integration of systems.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Annually support a number of municipalities and departments to have relevant financial delegation framework and policy framework
Indicator responsibility	Senior Manager: Financial Governance

Performance Indicator

Indicator title 20.2.1	Number of legislative scanning reports
Short definition	To assist in ensuring that provincial legislation is relevant.
Purpose/importance	To ensure that our legislative framework addressed any possible lacuna and thereby strengthening good governance through compliance thereto.
Source/collection of data	Review of all financial legislation and compliance assessments.
Method of calculation	Numerator: Number of achieved performance indicator targets Denominator: Number of planned performance indicator targets
Data limitations	Dependent on the update of national legislation.
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	A robust and relevant legislative framework covering all national and provincial legislation and to drive financial management improvement
Indicator responsibility	Senior Manager: Financial Governance

ANNEXURE A

Changes to Strategic Outcome Orientated Goals

The strategic outcome orientated goals of the Department were reduced from 12 to 4 to represent outcomes and to ensure that the goals are directly linked to the Budget Programmes.

Programme 1 – Administration

Strategic Goals in the APP 2013/14 that have been merged

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

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

New Strategic Goal for Programme 1 – Administration in APP 2014/15

Strategic outcome orientated Goal 1	Efficient and effective departmental governance support services.
Goal statement	Efficient and effective departmental governance support services to enable the Department to deliver on its service delivery goals.

Programme 2 – Sustainable Resource Management

Strategic Goals in the APP 2013/14 that have been merged

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

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

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

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

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

Strategic outcome orientated Goal 8	Allocative efficiency of financial resource for designated projects.
Goal statement	To promote effective and efficient management, coordination and intergovernmental cooperation of special programmes in the Western Cape Government.
Justification	To support the outcomes of the PSOs; and to contribute to improving the effectiveness and efficiency of government services.
Links	Links to all PSOs, i.e. PSO 1 to PSO 12.

New Strategic Goal for Programme 2 – Sustainable Resource Management in APP 2014/15

Strategic outcome orientated Goal 2	Effective and efficient sustainable resource management of provincial and municipal fiscal resources
Goal statement	Effective and efficient sustainable resource management of provincial and municipal fiscal resources which includes preparing and managing the provincial budget, assisting in the preparation of municipal budgets and monitoring the implementation of these so as to promote socio-economic development.

Programme 3 – Asset Management

Strategic Goals in the APP 2013/14 that have been merged

Strategic outcome orientated Goal 9	Enhance departmental and municipal capacity and performance to achieve a Level 3+ financial capability rating for SCM and moveable asset management.
Goal statement	Assist departments and municipalities in respect of SCM and moveable asset management to build capacity and enforce good governance practices; and for departments to enhance relationships with BEE and SMME vendors in support of preferential procurement imperatives.
Justification	Ensure that the vision, mission, strategic goals and objectives of the Department are achieved.
Links	Links to the PSO 12 of building the best-run regional government in the world.

Strategic outcome Goal 10	Management, utilisation and implementation of financial systems to achieve a Level 3+ financial capability rating within provincial departments and selected entities.
Goal statement	Provide for the standard implementation, management and technical user support (helpdesk and training) of existing financial systems and the transition to the IFMS to enhance compliance with the PFMA and other relevant legislation.
Justification	This goal will contribute to sound financial management, skilled and capacitated system users and compliance to user requirement statements.
Links	Links to the PSO 12 of building the best-run regional government in the world.

New Strategic Goal for Programme 3 – Asset Management in APP 2014/15

Strategic outcome orientated Goal 3	Effective and efficient financial system, supply chain and movable asset governance within the provincial and municipal spheres
Goal statement	Effective and efficient financial system, supply chain and movable asset governance within the provincial and municipal spheres by assisting departments and municipalities to build capacity and instilling good governance practices.

Programme 4 – Financial Governance

Strategic Goals in the APP 2013/14 that have been merged

Strategic outcome orientated Goal 11	Ensure the development of accounting practices within provincial and local government that will promote effective and efficient capturing of REAL movements/accountability and contribute towards attaining Level 3 and higher auditable organisations.
Goal statement	Establish a sound and dynamic financial accounting framework to promote accountability, transparency and good governance.
Justification	Improve the quality and integrity of financial accounting and reporting to fully reflect all transactions and the values and extent of all assets owned government.
Links	Links to the PSO 12 of building the best-run regional government in the world.

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

New Strategic Goal for Programme 4 – Financial Governance in APP 2014/15

Strategic outcome orientated Goal 4	Accountability through substantive reflection of financial activities of the Province as well as compliance with financial norms and standards.
Goal statement	Accountability through substantive reflection of financial activities of the Province as well as compliance with financial norms and standards through the establishment of sound financial governance within the provincial and municipal spheres.

Changes to Strategic Objectives

Due to operational and tactical adjustments a number of the strategic objectives were amended to better articulate the desired outputs. The detail comparison between the 2011/12, 2012/13, 2013/14 and 2014/15 financial years, as reflected in the four APPs, is set in the table below:

Strategic objectives in Strategic Plan 2010 - 2015 that have changed	New/Adjusted Strategic objectives in APP 2011/12	New/Adjusted Strategic objectives in APP 2012/13	New/Adjusted Strategic objectives in APP 2013/14	New/Adjusted Strategic objectives in APP 2014/15	Comments
Programme 1					
Provide secretarial and administrative services to the Ministry	Provide support services	Provide support services	To become a highly efficient and effective regional government Ministry	To provide efficient and effective ministerial support services	Slight change in wording
Render communication services to the Minister	Render communication services to the Minister	Render communication services to the Minister			
Assist with strategic management and support to the Minister	Assist Minister with Executive Authority role and responsibilities	Assist Minister with Executive Authority role and responsibilities			
Build competencies and enhance and maintain strategic support services	Build competencies and enhance and maintain strategic support services	Build competencies and enhance and maintain strategic support services	To provide quality strategic and operational management support services	To provide strategic and operational management support services	Slight change in wording
Effective communication and event coordination within Treasury	Provide effective and efficient support in the management of the working relationship between the Department and the CSC	Provide effective and efficient support in the management of the working relationship between the Department and the CSC			

Strategic objectives in Strategic Plan 2010 - 2015 that have changed	New/Adjusted Strategic objectives in APP 2011/12	New/Adjusted Strategic objectives in APP 2012/13	New/Adjusted Strategic objectives in APP 2013/14	New/Adjusted Strategic objectives in APP 2014/15	Comments
Responsive and credible budget composition and delivery for the Department	Responsive and credible budget composition and delivery for the Department	Responsive and credible budget composition and delivery for the Department	To provide sound financial administrative services to the Department	To provide sound financial administrative services to the Department	Unchanged – same as in 2013/14 APP
Full and accurate reflection of all financial transactions of the Department	Full and accurate reflection of all financial transactions of the Department	Full and accurate reflection of all financial transactions of the Department			
Level 3 auditable SCM services	Level 3 auditable SCM services	Level 3 auditable SCM services			
Effective internal control measures and risk mitigation	Effective internal control measures and risk mitigation	Effective internal control measures and risk mitigation			
Provide effective auxiliary and specialised support services	Provide effective auxiliary and specialised support services	Part of strategic objective included in strategic objective: Level 3 auditable SCM services and balance included in new strategic objective: Render an effective records management service and ensure that accurate financial and economic data and information are available			

Strategic objectives in Strategic Plan 2010 - 2015 that have changed	New/Adjusted Strategic objectives in APP 2011/12	New/Adjusted Strategic objectives in APP 2012/13	New/Adjusted Strategic objectives in APP 2013/14	New/Adjusted Strategic objectives in APP 2014/15	Comments
Programme 2					
Build competencies and enhance and maintain the delivery of the programme	Build competencies and enhance and maintain the delivery of the programme	Build competencies and enhance and maintain the delivery of the programme	To build competencies and enhance and maintain the delivery of the programme	To provide management and administrative support to the programme	Slight change in wording
Full utilisation of all potential revenue sources available to provincial and local governments	Full utilisation of all potential revenue sources available to provincial and local governments	Fiscal transfer system responsive to provincial and municipal needs in enhancing economic growth, efficient and effective service delivery	To conduct research on the national fiscal transfer system	To advise on the sustainability and management of provincial and municipal funding sources	Amended – better aligned to strategic goal
Mechanism for revenue collections in provincial and local governments that are optimum inclusive of cash management arrangements	Mechanism for revenue collections in provincial and local governments that are optimum inclusive of cash management arrangements	Mechanism for revenue collections in provincial and local governments that are optimum inclusive of cash management arrangements	To monitor and promote revenue collections in provincial and local governments inclusive of cash management arrangements		
	Cash flow management improvement of provincial departments to achieve a Level 3+ financial management capability				
	Monitoring & Evaluation of cash flow and investment management that is sustainable and credible to enhance service delivery and improve liquidity in municipalities				

Strategic objectives in Strategic Plan 2010 - 2015 that have changed	New/Adjusted Strategic objectives in APP 2011/12	New/Adjusted Strategic objectives in APP 2012/13	New/Adjusted Strategic objectives in APP 2013/14	New/Adjusted Strategic objectives in APP 2014/15	Comments
Evaluate the responsiveness of budgets within provincial departments and entities	Evaluate and improve the responsiveness of budgets within provincial departments and entities	To improve the conformance and responsiveness of budgets within provincial departments and entities	To improve the conformance and responsiveness of budgets within provincial departments and entities	To improve the socio-economic impact and allocative efficiency of the provincial budget	Amended – better aligned to strategic goal
Conduct economic analysis to inform provincial planning and budgeting processes	Apply economic and other analysis to inform provincial planning and budgeting processes	Apply economic and other analysis to inform provincial planning and budgeting processes	To apply economic and other analysis to inform provincial planning and budgeting processes		
Evaluate the responsiveness and implementation of the budget	Evaluate and improve the responsiveness of municipal budgets	To improve the conformance and responsiveness of municipal budgets	To improve the conformance and responsiveness of budgets within municipalities	To improve the socio-economic impact and allocative efficiency of municipal budgets	Amended – better aligned to strategic goal
Evaluate the credibility and sustainability of the budget	Apply economic and other analysis to inform municipal planning and budgeting processes	Apply economic and other analysis to inform municipal planning and budgeting processes	To apply economic and other analysis to inform municipal planning and budgeting processes		
Evaluate the credibility and sustainability of the budget	Evaluate the credibility and sustainability of the budget	To evaluate and improve the conformance, credibility and sustainability of the budget	To improve the conformance, credibility and sustainability of the budget	To improve the conformance, credibility, sustainability and guide and monitor efficient implementation of the provincial budget	Consolidated objective
Monitor the implementation of the budget in terms of x-efficiency, financial prudence and fiscal discipline	Monitor the implementation of the budget in terms of x-efficiency, financial prudence and fiscal discipline	Monitor the implementation of the budget in terms of accountability, data integrity, and efficiency	To monitor the implementation of the budget in terms of accountability, data integrity and efficiency in departments		
Develop and capacitate departments and entities through the implementation of standards, knowledge sharing and training (internally and externally)					

Strategic objectives in Strategic Plan 2010 - 2015 that have changed	New/Adjusted Strategic objectives in APP 2011/12	New/Adjusted Strategic objectives in APP 2012/13	New/Adjusted Strategic objectives in APP 2013/14	New/Adjusted Strategic objectives in APP 2014/15	Comments
Evaluate the credibility and monitor the implementation of the budget	Evaluate and improve the credibility and sustainability of the budget	Improve the conformance, credibility and sustainability of budgets	To improve the conformance, credibility and sustainability of budgets	To improve the conformance, credibility and sustainability of municipal budgets and monitor and support municipalities and municipal entities with the efficient implementation thereof.	Consolidated objective
	Monitor the implementation of municipal budgets in terms of x-efficiency, financial prudence and fiscal discipline	Monitor the implementation of the budget in terms of accountability, data integrity, and efficiency	To monitor the implementation of the budget in terms of conformance, accountability, data integrity, and efficiency		
	Coordination of MFMA Implementation requirements	Coordinate MFMA implementation to improve conformance and performance in municipalities	To coordinate MFMA implementation to improve conformance and performance in municipalities		
Develop the functional ability of municipalities through the implementation of standards, knowledge sharing and training (internally and externally) [Deleted strategic objective in 2011/12]	Entrenching built-environment business principles and processes for effective infrastructure delivery that is aligned and contributes to optimal utilisation of government immoveable assets	Entrenching built-environment business principles and processes for effective infrastructure delivery that contributes to optimal utilisation of government immoveable assets	To entrench built-environment business principles and processes for effective infrastructure delivery	To institutionalise and standardise good practice methodologies, tools and systems for efficient and effective physical infrastructure delivery and maintenance	Better wording
		Render an effective records management service and ensure that accurate financial and economic data and information are available	To render an effective information management service	To render an effective data information management service	Better wording

Strategic objectives in Strategic Plan 2010 - 2015 that have changed	New/Adjusted Strategic objectives in APP 2011/12	New/Adjusted Strategic objectives in APP 2012/13	New/Adjusted Strategic objectives in APP 2013/14	New/Adjusted Strategic objectives in APP 2014/15	Comments
New objective	Not applicable	Not applicable	To coordinate and provide for financial support for special programmes/ projects	To coordinate and provide financial support to transversal programmes/ projects	Slight change in wording
Programme 3					
Build competencies and enhance and maintain the delivery of the programme	Build competencies and enhance and maintain the delivery of the programme	Build competencies and enhance and maintain the delivery of the programme	To build competencies and enhance and maintain the delivery of the programme	To provide management and administrative support to the programme	Better wording
Determine policy to drive, assess and assist departments in the attainment of building capacity, ensuring integrity of data, enforcing transparency and accountability, balancing commercial imperatives with social responsibility and addressing economies of scale and value for money for supply chain and moveable assets	Drive, assess and assist departments in the effective and efficient management of supply chain and moveable assets	Drive, assess and assist departments in the effective and efficient management of supply chain and moveable assets	To ensure compliance with the supply chain and asset management regulatory regime across votes	To provide policy direction and facilitating the effective and efficient management of supply chain and asset management practices in departments	Amended – better aligned to strategic goal

Strategic objectives in Strategic Plan 2010 - 2015 that have changed	New/Adjusted Strategic objectives in APP 2011/12	New/Adjusted Strategic objectives in APP 2012/13	New/Adjusted Strategic objectives in APP 2013/14	New/Adjusted Strategic objectives in APP 2014/15	Comments
Determine policy to drive, assess and assist municipalities in the attainment of building capacity, ensuring integrity of data, enforcing transparency and accountability for supply chain and moveable assets	Drive, assess and assist municipalities in the efficient and effective management of supply chain and moveable assets	Drive, assess and assist municipalities in the efficient and effective management of supply chain and moveable assets	To encourage municipalities comply with the supply chain and asset management regulatory regime	To provide policy guidance and facilitating the effective and efficient management of supply chain and asset management practices in municipalities	Amended – better aligned to strategic goal
Entrenching built-environment business principles and processes for effective infrastructure delivery that is aligned and contributes to optimal utilisation of government immovable assets					Moved to Programme 2 in 2011/12
Cash Flow management improvement of provincial departments to achieve a Level 3+ financial management capability					Moved to Programme 2 in 2011/12
Monitoring & Evaluation of cash flow and investment management that is sustainable and credible to enhance service delivery and improve liquidity in municipalities					Moved to Programme 2 in 2011/12

Strategic objectives in Strategic Plan 2010 - 2015 that have changed	New/Adjusted Strategic objectives in APP 2011/12	New/Adjusted Strategic objectives in APP 2012/13	New/Adjusted Strategic objectives in APP 2013/14	New/Adjusted Strategic objectives in APP 2014/15	Comments
Financial system management improvement to achieve a Level 3+ financial management capability	Financial system management improvement to achieve a Level 3+ financial capability rating	Financial system management improvement to achieve a Level 3+ financial capability rating	To provide for the implementation management and oversight of existing provincially operated financial systems and the transition to new appropriate systems	To provide for the implementation, management and oversight of provincially operated financial systems and the transition to new or replacement systems	Better wording
Programme 4					
Build competencies and enhance and maintain the delivery of the programme	Build competencies and enhance and maintain the delivery of the programme	Build competencies and enhance and maintain the delivery of the programme	To build competencies and enhance and maintain the delivery of the programme	To provide management and administrative support to the programme	Amended – better aligned to the strategic goal
Improving the financial accounting and reporting of municipalities and municipal entities to a financial maturity capability of Level 3 by 2015	Improving the standards of accounting and financial reporting within municipalities and municipal entities to a Level 3+ Financial Management Capability (FMC)	Improving the standards of accounting and financial reporting within municipalities and municipal entities to a Level 3+ Financial Management Capability (FMC)	To improve the understanding and application of the accounting standards and financial reporting within municipalities	To improve the understanding and application of accounting standards and financial reporting within municipalities	Unchanged – same as in 2013/14 APP
Raising the standard of accounting and financial reporting of departments and entities to a financial maturity capability of Level 3+	Improving the standards of accounting and financial reporting within all votes to a Level 3+ Financial Management Capability	Improving the standards of accounting and financial reporting within all votes to a Level 3+ Financial Management Capability	To improve compliance with standards of accounting and financial reporting To improve financial compliance	To ensure the effective implementation of accounting practices in line with the reporting framework, prepare consolidated financial statements that reflect the financial position of the Province and prepare for financial governance reform	Consolidated objective

Strategic objectives in Strategic Plan 2010 - 2015 that have changed	New/Adjusted Strategic objectives in APP 2011/12	New/Adjusted Strategic objectives in APP 2012/13	New/Adjusted Strategic objectives in APP 2013/14	New/Adjusted Strategic objectives in APP 2014/15	Comments
Assess, develop, monitor financial norms and standards and, where necessary, enforce compliance by departments, municipalities and entities towards attaining a Level 3+ in terms of the Financial Maturity Capability (FMC) model	<p>Drive departmental and municipal CFO offices to function at a Level 3 financial capability rating</p> <p>Develop and facilitate the implementation of an effective assurance framework towards attaining Level 3 financial capability rating</p>	<p>Drive departmental and municipal CFO offices to function at a Level 3 financial management capability (FMC) rating</p> <p>Develop and facilitate the implementation of an effective assurance framework towards attaining Level 3 financial management capability (FMC) rating</p>	To improve institutionalisation of corporate governance in municipalities and departments	To develop, monitor and advise on norms and standards of corporate governance	Amended – better aligned to strategic goal