



Western Cape
Government

Provincial Treasury



Annual Performance Plan 2019

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Provincial Treasury**

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2019**

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Foreword

The strategic thrust of the Ministry of Finance is informed by key legislation such as the PFMA, the MFMA, the DORA and related pieces of legislation which provide the framework in which the MEC of Finance engages key institutions such as the Provincial Executive Committee, National and Provincial Departments, Municipalities and Public Entities.

The Provincial Treasury's 2019/20 Annual Performance Plan (APP) recognises the fact that it is operating in a world of volatility, uncertainty, complexity and ambiguity. The APP responds with its vision of Good Financial Governance. It provides clarity and understanding and demonstrates the Department's ability to respond with agility to the challenges of our time.

The work of Treasury will be underpinned by enhanced Ministerial oversight. Closer attention will therefore be paid to municipal reporting and key initiatives such as the Ministerial Infrastructure Oversight Committee. I further believe that the introduction of initiatives such as the Municipal Finance Summer School will affect the appropriate behavioural change that will lead to an improvement in the management of municipal finances.

Treasury must be strategically leveraged to facilitate economic investment. The Province's International Relations portfolio must therefore begin to realise greater benefit for local economic development. Much has been done to popularise key documents such as the Provincial Economic Review and Overview, The Municipal Economic Review and Overview and the Medium-Term Budget Policy Statement. These key documents must inform economic diplomacy in order to grow the local economy and increase domestic resource mobilisation.

The 2019 - 2020 APP also confirms the Treasury's strategic obligation to continue to drive good financial governance and integrated management.

While the 2019 - 2020 APP seeks to consolidate the gains of the past five years, it also gives due consideration to the future.

Future initiatives aimed at enhancing the Provincial Treasury's service delivery impact include amongst others:

- The implementation of a fully-fledged MFMA Branch;
- The improvement of audit outcomes;
- Enhanced data intelligence, analysis and preparation for the 4th Industrial revolution; and
- Procurement reform.

The Head Official, Senior Management and Staff of the Western Cape Provincial Treasury have my full support as they set about implementing the 2019/20 Annual Performance Plan and ensuring that its objectives and matching programmes achieve maximum citizen impact and bring about a positive change in people's lives.



DR IH MEYER
MINISTER OF FINANCE

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 Ivan Meyer.
- Was prepared in line with the 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 2018/19.

Ms A Smit
Chief Financial Officer

Signature  _____

Ms R Julie
**Acting Director: Strategic and
Operational Management Support**

Signature  _____

Mr Z Hoosain
Accounting Officer

Signature  _____

Approved by

Dr IH Meyer
Executive Authority

Signature  _____

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PART A

STRATEGIC OVERVIEW



PART A: STRATEGIC OVERVIEW

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

1. Vision

Good financial governance.

2. Mission

To improve governance through:

Enhancing accountability and oversight;

Creating public value;

Enabling delivery of quality services through partnerships; and

Capacity building in public sector finance.

3. Values

The core values of the Western Cape Government, to which the department subscribes, are as follow:

	Caring	To care for those we serve and work with
	Competence	The ability and capacity to do the job we are appointed to do
	Accountability	We take responsibility
	Integrity	To be honest and do the right thing
	Innovation	To be open to new ideas and develop creative solutions to problems in a resourceful way
	Responsiveness	To serve the needs of our citizens and employees

To ensure that our staff and clients experience the above-mentioned values through words and deeds a Values and Leadership Behaviour Charter was developed and adopted by the top management team.

4. Legislative and other mandates

4.1 Constitutional mandates

The Constitution provides the legal foundation for the existence of the Republic, sets out the rights and duties of its citizens, and defines the structure of the government.

Chapter 13 of the Constitution of the Republic of South Africa, 1996 (Act 108 of 1996) deals with general financial matters for national, provincial and local spheres of government.

4.2 Legislative mandates

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

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

To establish the powers of a Provincial Treasury in terms of section 17 of the PFMA (Act 1 of 1999) and to mandate a Provincial Treasury with the powers and functions in terms of Section 18 of the PFMA that are assigned the Provincial Treasury.

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

To provide Treasury with the regularity framework terms of section 5(4) of the MFMA, 2003 (Act 56 of 2003) and to inter alia monitor compliance with the MFMA for municipalities and municipal entities in the Province.

Annual Division of Revenue Act

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

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

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

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

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

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

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

Public Audit Act, 2004 (Act 25 of 2004) as amended

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

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

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

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

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

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

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

Annual Western Cape Appropriation Act

To provide for the appropriation of money from the Provincial Revenue Fund for the requirements of the Western Cape Province in the 2018/19 financial year and to provide for matter incidental thereto.

Annual Western Cape Adjustment Act

To appropriate adjusted amounts of money from the Provincial Revenue Fund for the requirements of the Western Cape Province in respect of the 2018/19 financial year; and to provide for matters incidental thereto.

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

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

Western Cape Gambling and Racing Act, 1996 (Act 4 of 1996) as amended

To provide regulatory prescripts to support the Member of the Executive Council responsible for the Act to ensure sound financial administration by the Western Cape Gambling and Racing Board, in regulating the gambling activities in the Province and to provide for matters connected therewith.

4.3 Policy mandates

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

a. National Development Plan 2030 (NDP)

The NDP is the long-term strategic plan of the Government with broad objectives. The Plan contains a series of proposals to eliminate poverty and reduce inequality by 2030.

Provincial Treasury must assist and support provincial departments and municipalities to build a capable state which is able:

- i. To enhance socio-economic opportunities;
- ii. Support the development of expertise, better systems and processes to reduce inefficiencies and enhance a high adherence to ethics;
- iii. Address weaknesses in procurement systems to ensure a greater focus on value for money; and
- iv. Build a government that is accountable to its people.

b. Medium Term Strategic Framework 2014 – 2019 (MTSF) as refined

The MTSF is Government's strategic plan for the 2014 – 2019 electoral term. The MTSF sets out the actions Government will take and targets to be achieved. It also provides a framework for the other plans of national, provincial and local government.

The MTSF highlights Government's support for a competitive economy, creation of decent work opportunities and encouragement of investment. It has two over-arching strategic themes – radical economic transformation and improving service delivery. It has fourteen key outcomes, associated activities and targets. The following two outcomes are applicable to the Provincial Treasury:

- i. National Outcome 9: A responsive, accountable, effective and efficient developmental local government system; and
- ii. National Outcome 12: An efficient, effective and development-oriented public service.

Provincial Treasury must assist and support provincial departments and municipalities to improve their management practices, financial practices and operations systems.

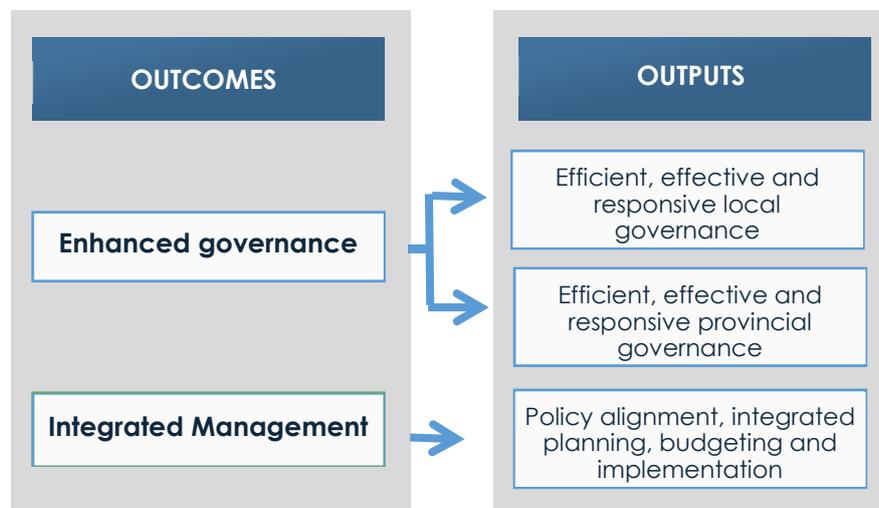
c. Provincial Strategic Plan 2014 – 2019 (PSP)

The PSP translates the vision of the Western Cape Government of an "open-opportunity society for all" into an actionable, measurable policy agenda focused on both the Province's greatest challenges, and on unlocking the full potential of its people. It provides the roadmap to deliver on the OneCape 2040 vision and is closely aligned to the NDP and MTSF. The following five strategic goals have been identified:



The Provincial Treasury, Department of the Premier, Department of Local Government and Department of Environmental Affairs and Development Planning will collectively contribute to Provincial Strategic Goal 5 (PSG 5) – Embed good governance and integrated service delivery through partnerships and spatial alignment.

Provincial Treasury will specifically contribute to the following outcomes and outputs:



4.4 Planned policy initiatives

Policy developments that will receive further attention in 2019/20 are:

- A key objective of Provincial Treasury is to continue to balance public finances and maintain fiscal stability within the new constrained fiscal environment with the emphasis on appropriate management of fiscal risks, such as the drought and where possible, strengthening fiscal consolidation and building up of reserves for contingencies. A specific strategy adopted by Provincial Treasury for the 2019/20 to 2020/21 MTEF, is to build on

previous initiatives to improve fiscal discipline such as containing the wage bill and to set personnel ceilings over the 2019 MTEF.

- Public sector infrastructure delivery is a complex and multi-faceted operation, conducted in an environment characterised by the scarcity of skills within an ever-changing mix of legislation and policy. Effective and efficient performance requires rigorous and well-institutionalised structures, systems and best practises, based upon a consistent, effective and agreed upon Service Delivery Model with clearly defined mandates, roles and responsibilities. To this end the Provincial Treasury will undertake a review on the implementation of the Western Cape Infrastructure Delivery Management System (WCIDMS) as well as the Standard for Infrastructure Procurement and Delivery Management (SIPDM).
- In line with National Treasury efforts, improve procurement policy planning to support departments and municipalities to promote budget planning, efficiency in spending, strategic sourcing and provide structured support programmes to improve supply chain management governance.
- Support the development and implementation of an economic procurement policy in conjunction with the Department of Economic Development and Tourism and the Department of the Premier for the Province that speaks to SMME development through the utilisation of procurement as a lever.
- Support National Treasury to optimise the current suite of financial systems, whilst at the same time assisting with the design and the ultimate roll-out of the integrated and revamped IFMS.
- Continued improvement will be maintained on the initiatives that have been introduced under the banners of the LG MTEC and PG MTEC processes, CGRO and MGRO. These initiatives, which are aimed at supporting the National Development Plan, National Outcomes 9 and 12 and PSG 5, will be further refined during the 2019 MTEF. The Back to Basics (B2B) approach, adopted by National Department of Cooperative Governance and Traditional Affairs, National Treasury Financial Management Capability Maturity Model principles and fundamentals are already embedded in the MGRO approach.
- Gambling is a functional area of concurrent national and provincial legislative competence and as such the proposed amendments as contained in the National Gambling Amendment Bill, 2018 will have fiscal and licensing implication for provincial gambling regulators. The proposed amendments, amongst others, aim to provide for the establishment of a National Gambling Regulator as a replacement for the National Gambling Board, procedures for the forfeiture of unlawful winnings, changes to decision making processes followed by the National Gambling Policy Council, the extension of the National Central Electronic Monitoring System to other modes of gambling, and to enhance the powers of the national inspectorate to investigate illegal gambling activities. Amendments to the accompanying National Gambling Regulations will empower the (national) Minister to make regulations regarding the criteria the National Gambling Regulator will use when considering the applications for additional Limited Payout Machines from provinces.

- A key outcome of the Climate Change MTEC was to initiate a Climate Change Indaba/summit in 2019 aimed at collecting innovative solutions and proposals on how to address the many challenges faced by the Province in relation to Climate Change and related disasters. Provincial Treasury, within the PSG 5 context, will support this initiative, which may result in future policy re-evaluation. The Department of Local Government, as the lead department in this space, together with supporting departments, had to illustrate during the MTEC process; progress to date, specific programmes and projects to be initiated over the 2019 MTEF, related spending plans and possible risks, to address climate change challenges.

5. Update of situational analysis

5.1 Performance delivery environment

Socio-economic context

Global economic expansion has weakened, in comparison to previous estimates. The International Monetary Fund (IMF) estimates global growth for 2018 at 3.7 per cent and projects the global economy to grow at 3.5 per cent in 2019 and 3.6 per cent in 2020, which are 0.2 and 0.1 percentage points below their previous forecast. The global growth forecast for 2019 and 2020 had already been revised downward and this further downward revision, in part, reflects carry-over from slower growth in the second half of 2018.

The South African economy cannot escape the risks facing the global economy. The IMF estimates that the domestic economy will expand by 0.8 per cent in 2018 and projects that the economy will grow by 1.4 per cent and 1.7 per cent in 2019 and 2020 respectively. Investor confidence has worsened and as a consequence, the rebound in the economy has slowed and the recovery in investment has stalled into the new year.

Amidst the weak economic outlook, the credibility and sustainability of the national fiscal framework remains a major risk impact to the domestic economy and plans for recovery. The fiscal environment is impacted negatively by lower than anticipated national tax collection, an increasing public-sector wage bill, an increasing debt to GDP ratio and the continued fiscal and institutional deterioration of State-Owned Enterprises, which may lead to projected larger fiscal deficits, higher government debt, amid slower growth, a weaker rand and higher inflation. This will impact directly on the Western Cape Province.

The Economic Stimulus and Recovery Plan which was announced as part of the National 2018 Medium Term Budget Policy Statement was to ignite economic activity, restore investor confidence, prevent further job losses and create new jobs and address urgent challenges that affect the conditions faced by vulnerable groups.

It is estimated that the potential growth impact of the reforms could add 0.2 percentage points to GDP growth by easing visa restrictions; add 0.5 percentage points to GDP growth by completing and sustaining policy certainty in the mining industry; add 0.6 percentage points

to GDP growth by releasing spectrum allocation and other telecommunications reforms; raise GDP growth by 1.2 percentage points by reducing the cost of transport, logistics, and communication by 30 per cent; and increasing GDP growth by 2 percentage points in the long term by means of a more effective immigration policy.

The reprioritisation of public spending to support job creation will therefore direct funding towards investment in agriculture and economic activity in townships and rural areas, investing in municipal social infrastructure improvements, redirect resources towards addressing immediate challenges in health and education as well as establishing an Infrastructure Fund. If these policies are implemented effectively, it could unlock additional business and consumer confidence which could boost GDP growth by 0.5 percentage points.

In addition to the constrained economic and fiscal environment, there are a number of provincial and local government transversal service delivery risks that have been taken into consideration. These include the rising cost of delivering services; the impact of the subdued economy on tax revenue raising capabilities, especially at the local government level; the impact of the energy crisis; the extent and impact of crime on citizens and businesses; and risks to infrastructure delivery; the prevailing drought, water, fire and other natural disasters as a result of climate change.

Climate change and its implications has been highlighted as one of the major risks facing the Province. In this regard, it implies that droughts, water scarcity, fires and natural disasters have become the new norm with rainfall predicted to decline by up to 30 per cent by 2050 in the Western Cape. The current drought cycle that commenced in late 2015 is now concentrated in the North-Eastern parts of the Province, mainly the Greater Karoo Region, due to well below average rainfall over the last seven years. Towns like Beaufort West experienced severe water shortages with 17 of the 40 boreholes drying up in the beginning of 2019. Although sector departments are providing dedicated support to where it is needed, the ongoing drought still holds extremely high risk to water security in the Province. The recent severe and devastating fires in the Garden Route, Overstrand and Wupperthal as well as the associated water losses from alien invasive species in strategic water resource areas, continue to be major risks. The increase in fires and increase in disease outbreaks will necessitate the province to strengthen its capacity to manage emergencies and major incidents. In response, the 2019 MTEF planning included a Climate Change MTEC which focussed on issues related to drought, water, fires and other natural disasters.

In response to the weak socio-economic and fiscal outlook, coupled with the prevailing budgetary and service delivery risks, the Western Cape Government, with Provincial Treasury playing a leading role, continues to implement the Provincial **Fiscal Strategy** and related fiscal and budget policy principles as set out in the 2018 Western Cape Medium Term Budget Policy Statement. It includes a continuation of the counter-cyclical fiscal approach through **Fiscal Consolidation** by responsibly targeting increasing government expenditure in key areas such as infrastructure and economic growth initiatives whilst simultaneously increasing revenue through focusing on domestic resource mobilisation and efficiency initiatives; allocating resources that reflect the priorities of the provincial government and considers programme effectiveness based on evidence which is achieved through **Allocative Efficiency**; maintaining

stability in key provincial government programmes and managing service delivery risks in an uncertain economic and fiscal environment which is achieved through **Fiscal Sustainability**; and ensuring that all provincial departments and entities remain within budget limits and avoids unauthorised, irregular, fruitless and wasteful expenditure which is achieved through the principle of aggregate **Fiscal Discipline**. Within the **PSG 5 environment**, both the service delivery Branches in Provincial Treasury plays a critical role in executing and giving effect to the Provincial Fiscal Strategy through efforts to embed good governance and integrated service delivery within and across the three spheres of government. All efforts are targeted at **maximising citizen impact** through improving the socio-economic context and environment of the citizens in the Province."

Governance context

As we prepare to enter a new administrative term, we need to take stock of and understand our internal and external context for better planning and decision making. Not only has slow economic growth and fiscal constraints placed significant pressure on the public finances resulting in decreased budgets and spending, but the current political landscape both in terms of strike actions, increased findings and reporting on corruption depicts a volatile governance landscape. This, coupled with the demand for inclusive growth, emphasises the need for the embedding of good governance across departments, public entities and municipalities, improving the ability to provide stakeholder and investor assurance and citizen centric value propositions, demands that all efforts be levied at a sound and sustainable governance model.

Similarly, certain policy frameworks like the revised Preferential Procurement Policy Framework regulations, 2017, which was meant to focus on socio-economic empowerment through the protection and advancement of persons/categories of persons previously affected by unfair discrimination has had the unintended consequences of stifling competition, hiking commodity pricing and costs to comply, as well as negatively affecting local economic development resulting in bigger corporates going bust. Although we have seen strides made in the technology space through initiatives like the Central Supplier Database implementation and a strong capital injection in respect of technology advancement, the promise of an integrated financial management system (IFMS), has yet to materialise and secure the desired return on the investment which is further compounded by the moratorium on the purchase of financial systems or improvement/enhancements on current legacy systems. Governance instruments like the myriad of National Treasury Instructions aimed to improve governance and reduce fraud and corruption have introduced red tape, implementation challenges due to lack of a pragmatic and practical implementation model, audit interpretation resulting in negative audit outcomes have stymied service delivery and the public value proposition.

Good governance, and more specifically good financial governance, is critical for development, economic growth, poverty reduction and service delivery. It contributes towards effective resource mobilisation, sound fiscal management, and the effective, efficient and economic use of resources and underpins a transparent and accountable government.

In essence "Good governance", is essentially concerned with creating the conditions for legitimate and capable rule, and for collective action.

The embedding of good governance, as articulated in Provincial Strategic Goal 5 (PSG), across the provincial and local government sphere is therefore a requirement for the achievement of the delivery of services to communities in an integrated, sustainable and equitable manner. It is the basis of building a robust and sustainable provincial and local government.

Much has been done over the last number of years to support the agenda of clean audits, but in an environment where we exclusively try to obtain clean audits because of the connotations that are attached to it, we are dealing with a law of diminishing returns. The expression of "clean audit" requires revision, as frequently a single error or unexpected oversight in the application of a law or regulation often at the mercy of differing interpretations, could result in "another matter" being raised, costing an entity its clean audit status – making the outcome fickle or in the very least, unpredictable. It is our experience and view that efforts expended on governance is always better focused on service delivery, and consequently, a more holistic measuring tool is required to address public value. To date, we have seen the improvements in the number of clean audits, so too have we seen an escalation of service delivery protests, thus bringing into question what are the fruits of a clean audit, as is currently defined.

We acknowledge that the clean audit strategy was part of getting it right; sending the right message and to get results in the shortest timeframe. However, any long-term gains are quickly eroded when decisions are made to address the short term. We have therefore recognised that the "clean audit" is not the ideal instrument to measure public value, and that there are underlying factors which all contribute to good governance which cannot be measured by an audit instrument, notwithstanding the fact that there is no definition for clean audit.

Therefore, the Provincial Treasury will embark on a project that would seek to holistically measure good governance. This is a long-term goal aligned to the PT vision of good financial governance, as indicators has to stand the test of time, and it requires both looking back learning from successes and failures, and then projecting forward to what we want to see government achieve.

Consequently, the search for a Good Governance Index by the WCG will be a multi-year project as it will have significant implications for measuring service delivery, and consequently would require the widest possible consultation. The following key focus areas will be utilised to underpin the strategic and operational governance needs of the Provincial Treasury:

- LEADING THE FINANCIAL GOVERNANCE AGENDA by reviewing the current capacity and skills set, reorganisation of the current resource pool in Provincial Treasury governance unit(s), identifying key projects to enable positioning and the spatial fit within the Provincial Treasury and focusing on infrastructure procurement and Immovable asset management and the requisite skills and capacity required to deliver on this mandate (Delivery context);

- A shift from Governance for Reporting to Governance for Results will be a focus of Provincial Treasury in 2019/20 and beyond. The integrated management process, as embedded within the Integrated Budget and Policy Implementation Plan will be strengthened within and across the PSG 5 Departments, line departments and the national and municipal spheres of government;
- TECHNOLOGY ENABLEMENT through the articulation of the PT e-Vision as a change agent for the move to performance; Linkages to key projects (Finance Cube; Governance Framework Tool; Using BI tools; Budget link to spend and spend delivery; utilisation of central data store to mine data for performance reporting); and
- INTEGRATED CAPACITY DEVELOPMENT for a more holistic approach to financial management capacitation, gap analysis and baseline for development (I-develop) and using other platforms like the Provincial Training Institute (PTI), e-training (podcasts, webinars, helpdesk, best practice and institutional memory through PT webpage).

The project levers/hooks to enable the above key focus areas are defined as follows:

- **Integrated Financial Governance Framework:** Reviewing indicators and alignment to governance framework and e-gap tools;
- **Systems:** Modernisation/ever greening of the legacy systems; Using Business Intelligence tools for performance analysis and reporting and the establishment of one data store (ODS) for Data reuse and defining projects that feed into PT e-Vision; and
- **Capacitation and Development:** focusing on an integrated training approach; and the continuous strengthening of the Chartered Accountants Academy, considering the outcome of the evaluation.

5.2 Organisational environment

The current macro organisational structure was last reviewed in November 2011 with only minor technical amendments implemented since then.

To respond to the complex legislative environment and Provincial Treasury functions, particularly within the provincial and municipal sphere; the Department has embarked on a comprehensive review of its service delivery model aimed at ensuring that the Provincial Treasury is appropriately capacitated to give effect to its mandate. The organisational review process is complemented by a structured process, embarked on by the Department to develop its leadership and staff in responding to the delivery challenges by addressing the issues that may hinder or impact the department from being fully effective. The role-out of the process will be monitored and implemented by management.

The Department has embarked on a leadership and culture development journey, which will be rolled out in a phased approach over three years. The aim is to enhance the organisational culture through embedding a more values-based approach and emphasising the importance of continued professional development of staff.

The Department remains committed to gender responsiveness which includes its commitment to having a gender diverse workforce; achieving the target of 50 per cent women in management; training and development of staff and youth through its external bursary programme. The intention is to bring all these initiatives in line with the leadership and the cultural transformational journey.

The Provincial Treasury continues to support The National Evaluation System (NES), the Department of Planning, Monitoring and Evaluation, and the National Evaluation Policy Framework (NEPF) which cascades into the Provincial Evaluation System (PES). A design and implementation evaluation of the Chartered Accountant Academy (CAA) was added to the Western Cape Government's 2017/18 Provincial Evaluation Plan (PEP) in the previous period. The evaluation was concluded and confirmed that the CAA has been designed and implemented correctly. A proposal to evaluate the Transfer of Grants to municipalities via the PEP 2020/21 is forthcoming. Other important evaluation proposals are being considered for inclusion in the Departmental Evaluation Plan (DEP).

This department has considered its achievements of its Strategic Objective (SO) indicator targets for the current 5-year term (2015/16 - 2019/20) through a rigorous consultation process. Our SO indicator targets have been delivered over the past four years and in this last delivery year we aim to achieve all planned 2019/20 SO indicator targets. In so doing, giving effect to the 2014 - 2019 Strategic Plan of the department.

The Draft Framework for Short Medium-Term Planning, Chapter 5(5.1) (DPME) - July 2017 which builds on the the *Framework for Strategic Plans and Annual Performance Plans* states that Operational Plans must be developed at an institutional level and should be used as a management tool to inform performance agreements. PTs operational plans include operational outputs and it has a built-in "red-flag" reporting mechanism informing us of all risks of non-achievement.

As at 31 December 2018 the vacancy rate (calculated on the number of posts filled versus the number of posts on the approved establishment) was twenty-two per cent (22%) as depicted in Table 1 and 2 below. The continued constrained economic and fiscal situation necessitated a continuation of personnel expenditure ceilings making it unlikely to bring the overall vacancy rate below ten per cent (10%).

The tables below depict the employment and vacancies per programme and salary bands as at 31 December 2018.

Table 1 Employment and vacancies by programme, 31 December 2018

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	68	54	21%	1	19%
Sustainable Resource Management	132	104	21%	-	-
Asset Management	76	56	26%	4	21%
Financial Governance	52	43	17%	1	15%
Total	328	257	22%	6	20%

Table 2 Employment and vacancies by salary bands, 31 December 2018

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⁾	4	3	25%	-	-
SL 3 - 5	22	16	27%	3	14%
SL 6 - 8	52	42	19%	1	17%
SL 9 - 12	225	176	21%	2	21%
SL 13 - 16	25	20	20%	-	-
Total	328	257	22%	6	20%

The Department remains committed to the implementation of the Employment Equity Act, 1998 (Act 15 of 1998 as amended) and has in preparation for the five (5) year Employment Equity Plan 2019 - 2024, conducted a workforce profile analysis, as prescribed in Section 19(1) of the Employment Equity Act to establish what the current demographic profile is in terms of race, gender and disabilities for each occupational category and level as at 30 September 2018. The analysis brought forth a positive response of 97 per cent return rate and one (1) new disability disclosure. The Department prides itself on being a leader in aspects relating to transformation, it values diversity and promotes substantive equality.

PT is also committed to ensure that the working environment of all employees, but specifically people with disabilities are safe and to provide reasonable accommodation aimed at reducing or removing physical and communication barriers in the workplace by implementing the Policy on Reasonable Accommodation and Assistive Devices for Employees with Disabilities in the Public Sector.

⁽¹⁾ SL - Salary Level

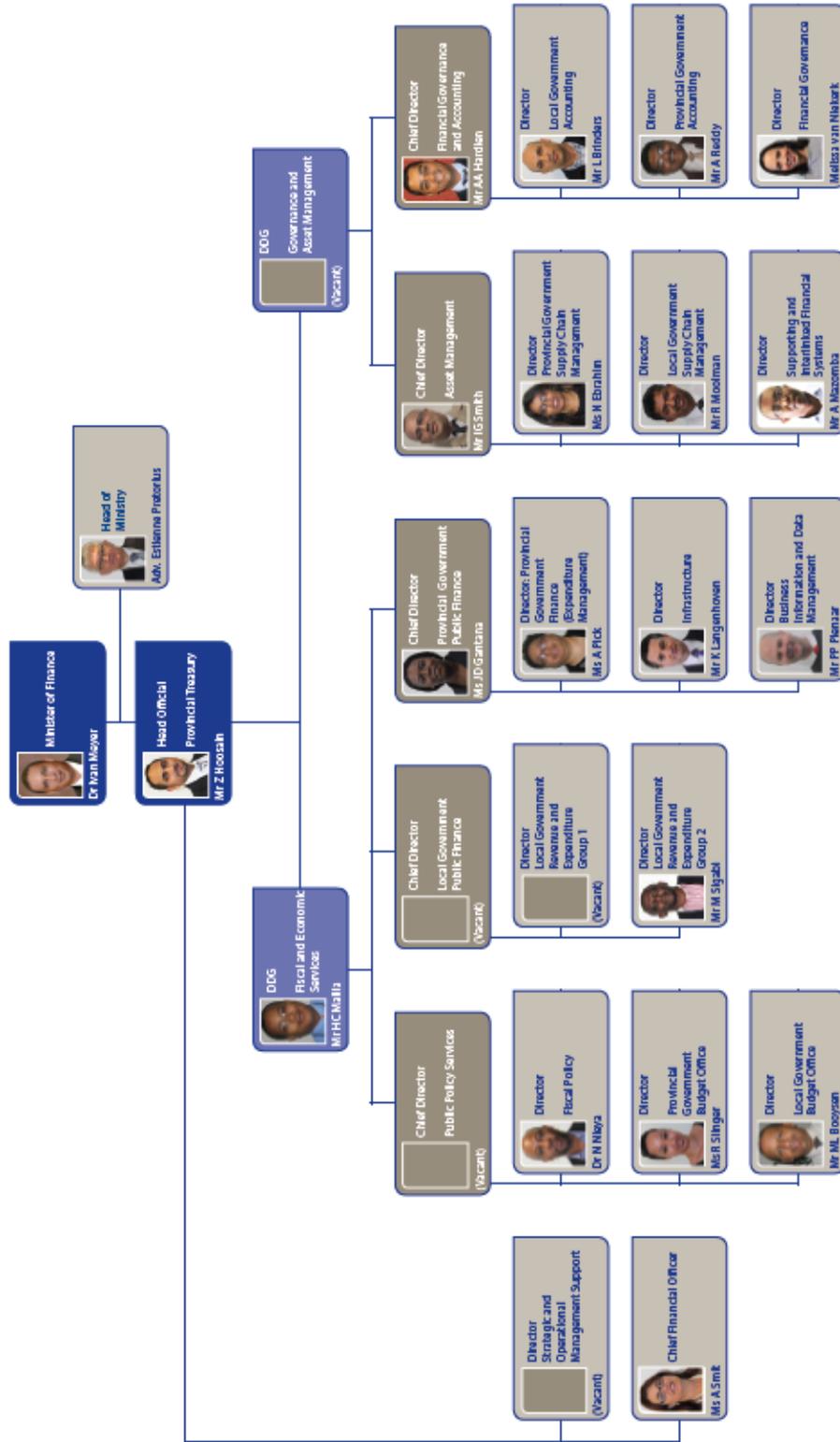
Occupational Health and Safety (OHAS) remains a focus in order to safeguard employees by providing and maintaining, as far as reasonably practical, a working environment that is safe and without risk to the health of its employees.

This Department has recognised the risks posed by climate change to our economy, population, environments and infrastructure. Considering this and in particular responding to the water-crisis in the Province, has led us to the modernisation of toilets by the custodian department. Our offices have undergone the replacing of existing devices with water-saving flush cisterns, waterless urinals and metered taps. The Provincial Treasury also embarked on an awareness campaign for staff to think differently about water usage in our offices.

The organogram below depicts the management structure

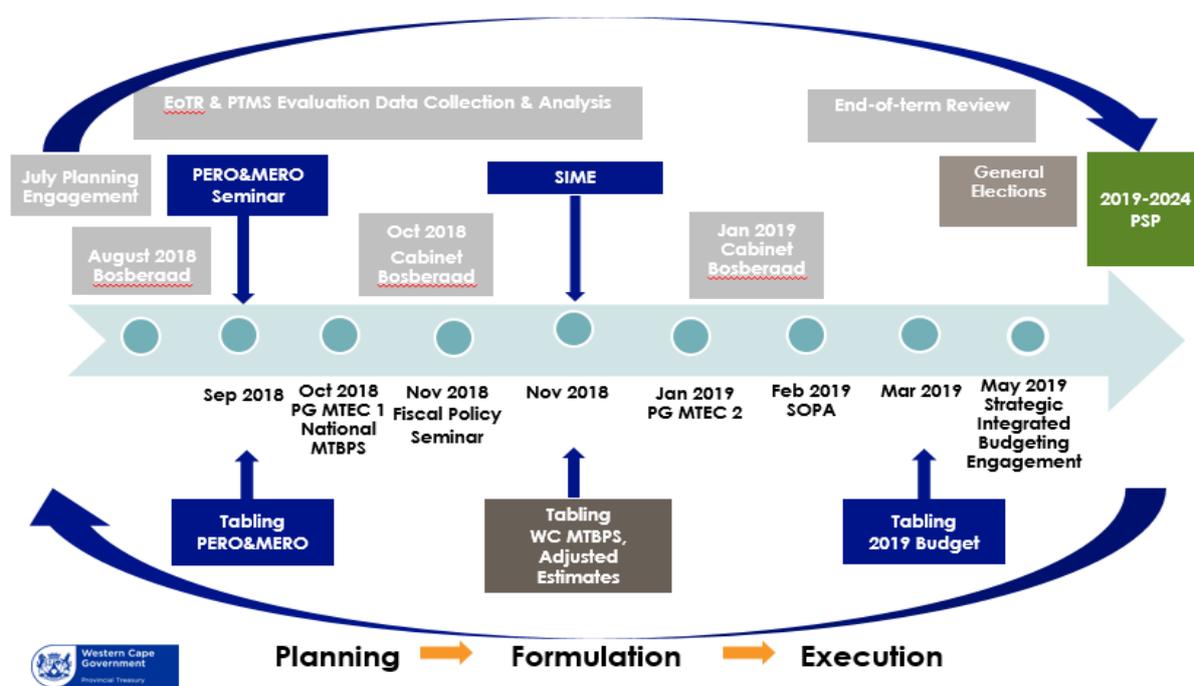
Organogram

As at 1 February 2019



5.3 Description of the strategic planning process

The Strategic Planning Process undertaken in the 2018 year is aligned to the Budget Policy cycle. This is depicted in the picture below:



The Provincial Treasury (PT) initiated its annual Strategic Planning process in August 2018. At this session, the Executive Authority, Minister Meyer informed the management team of all that had been institutionalised and discussed a number of key future initiatives.

The Accounting Officer confirmed the expected outcomes in relation to the transformational journey; while continuing with the agenda of good governance and integrated management for service delivery, improving partnering practices and resilience building, through identifying and mitigating risks for the final phase of the Provincial Strategic Plan (PSP).

The intent was to institutionalise a system that entrenches our values, our purpose and our vision; promotes accountability and transparency. The three Strategic Thrust Areas: Culture and Ethics, Leadership Development and Diversity were to form the basis of the culture journey project.

Two further breakaway sessions were held in September 2018 to focus on PFMA and MFMA specific outcomes that adopted an integrated management approach. This approach is established under the auspices of Provincial Strategic Goal 5 (PSG5) which aims to embed good governance and integrated service delivery. This approach will provide seamless, citizen-centered service delivery through promoting coordination and collaboration focusing on the areas of planning, budgeting and implementation across the three spheres of government. Programme managers were provided direction for the review, amendment and/or confirmation of the Strategic Objectives, Programme Performance Indicators and

targets. These have been appropriately taken up in the APP and operational plans of the department.

6. Strategic outcome oriented goals of the department

The strategic outcome oriented goals of the Department are as follow:

Programme 1 – Administration

Strategic outcome oriented goal 1	Efficient and effective departmental governance support services.
Goal statement	Efficient and effective departmental governance support services to enable the Department to achieve all its goals and objectives and a clean audit outcome.
Justification	Good governance support enables effective decision-making and compliance with statutory requirements by Executive Authority and Accounting Officer.
Links	Chapter 13 – Building a capable and developmental state of the National Development Plan; National Outcome 12 – An efficient, effective and development-orientated public service of the Medium Term Strategic Framework 2014 – 2019 (as refined); and PSG 5 – Embed good governance and integrated service delivery through partnerships and spatial alignment.

Programme 2 - Sustainable Resource Management

Strategic outcome oriented 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 to enable service delivery and public value through: <ul style="list-style-type: none"> • The annual tabling of the provincial budget; • Assistance to municipalities in preparation of municipal budgets through the annual municipal budget assessments; and • Monitoring and quarterly reporting on the budget implementation.
Justification	Provincial Treasury is required to prepare the provincial budget, assist municipalities in the preparation of their budgets and monitor the efficient and effective implementation thereof. The constrained economic and fiscal outlook requires provincial and local government to ensure the efficient, effective and sustainable management of fiscal resources. Provincial Treasury will take a consistent and transparent fiscal policy approach to ensure fiscal consolidation, discipline and sustainability, in response to the need for inclusive growth and creating public value. Efficiency: How productively inputs are translated into outputs. Effectiveness: The extent to which the outputs of an institution achieve the desired outcomes.

Links	<p>Chapter 13 – Building a capable and developmental state of the National Development Plan;</p> <p>National Outcome 9 – Responsive, accountable, effective and efficient developmental local government system of the Medium Term Strategic Framework 2014 – 2019 (as refined);</p> <p>National Outcome 12 – An efficient, effective and development-orientated public service of the Medium Term Strategic Framework 2014 – 2019 (as refined); and</p> <p>PSG 5 – Embed good governance and integrated service delivery through partnerships and spatial alignment.</p>
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Programme 3 - Asset Management

Strategic outcome oriented goal 3	Financial system, supply chain and movable asset governance within the provincial and municipal spheres.
Goal statement	Financial system, supply chain and movable asset governance within the provincial and municipal spheres by assisting 13 departments and 30 municipalities to build capacity and instilling good governance practices to improve the financial management maturity that equates to a managed level.
Justification	Gives effect to a programme to ensure improved transparency, accountability and capacity for supply chain management and moveable assets within departments and municipalities. Enforce the management of information system controls to ensure integrity of data as well as appropriate and timeous management information.
Links	<p>Chapter 13 – Building a capable and developmental state of the National Development Plan;</p> <p>National Outcome 9 – Responsive, accountable, effective and efficient developmental local government system of the Medium Term Strategic Framework 2014 – 2019 (as refined);</p> <p>National Outcome 12 – An efficient, effective and development-orientated public service of the Medium Term Strategic Framework 2014 – 2019 (as refined); and</p> <p>PSG 5 – Embed good governance and integrated service delivery through partnerships and spatial alignment.</p>

Programme 4 – Financial Governance

Strategic outcome oriented goal 4	To embed good governance through financial management improvement and capacity building initiatives for departments, entities and municipalities.
Goal statement	Achieving embedded good governance through accountability by promoting the continuous improvement of good financial governance through reporting frameworks and compliance with financial norms and standards with the establishment of sound financial governance within the provincial and municipal spheres. This will be measured continually to achieve higher levels of governance.
Justification	<p>Improve the quality and integrity of financial accounting and reporting to fully reflect all events and transactions of government, inclusive of extent of all assets and liabilities of government.</p> <p>In terms of section 18 of the PFMA and section 5 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.</p>
Links	<p>Chapter 13 – Building a capable and developmental state of the National Development Plan;</p> <p>National Outcome 9 – Responsive, accountable, effective and efficient developmental local government system of the Medium Term Strategic Framework 2014 – 2019 (as refined);</p> <p>National Outcome 12 – An efficient, effective and development-orientated public service of the Medium Term Strategic Framework 2014 – 2019 (as refined); and</p> <p>PSG 5 – Embed good governance and integrated service delivery through partnerships and spatial alignment.</p>

7. Overview of 2019 Budget and MTEF (Medium Term Expenditure Framework) estimates

Table 3 Summary of payments and estimates

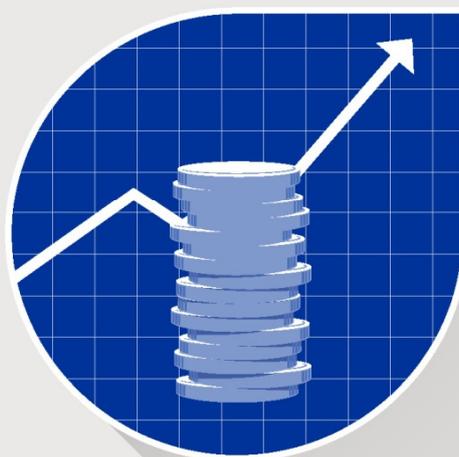
Programme R'000	Outcome			Main appro- priation 2018/19	Adjusted appro- priation 2018/19	Revised estimate 2018/19	Medium-term estimate					
	Audited	Audited	Audited				% Change from Revised estimate		2019/20	2018/19	2020/21	2021/22
	2015/16	2016/17	2017/18				2019/20	2018/19				
1. Administration	47 749	49 537	57 492	61 161	58 424	57 851	58 863	1.75	64 759	68 044		
2. Sustainable Resource Management	108 379	111 431	132 195	159 486	124 168	123 195	166 330	35.01	172 634	181 699		
3. Asset Management	53 472	54 106	51 023	62 524	56 371	55 647	65 738	18.13	69 880	76 556		
4. Financial Governance	30 787	32 927	37 434	42 219	67 870	67 638	66 422	(1.80)	68 075	68 799		
Total payments and estimates	240 387	248 001	278 144	325 390	306 833	304 331	357 353	17.42	375 348	395 098		

Note: Programme 1: MEC total remuneration package: R1 977 795 with effect from 1 April 2018.

Economic classification R'000	Outcome			Main appro- priation 2018/19	Adjusted appro- priation 2018/19	Revised estimate 2018/19	Medium-term estimate					
	Audited	Audited	Audited				% Change from Revised estimate		2019/20	2018/19	2020/21	2021/22
	2015/16	2016/17	2017/18				2019/20	2018/19				
Current payments	197 077	208 985	216 548	250 434	234 509	232 127	271 441	16.94	290 993	307 695		
Compensation of employees	148 038	157 405	171 172	192 055	178 976	176 594	196 682	11.38	218 349	231 258		
Goods and services	49 039	51 580	45 376	58 379	55 533	55 533	74 759	34.62	72 644	76 437		
Transfers and subsidies to	38 595	35 814	56 375	71 124	68 853	68 733	82 628	20.22	80 777	83 636		
Provinces and municipalities	29 147	21 554	33 130	38 311	38 311	38 191	42 280	10.71	47 510	48 550		
Departmental agencies and accounts	5 247	9 912	19 711	29 346	26 870	26 870	37 098	38.06	30 217	31 878		
Households	4 201	4 348	3 534	3 467	3 672	3 672	3 250	(11.49)	3 050	3 208		
Payments for capital assets	4 610	3 077	5 137	3 832	3 421	3 421	3 284	(4.00)	3 578	3 767		
Machinery and equipment	4 014	3 039	5 137	3 792	3 421	3 421	3 284	(4.00)	3 578	3 767		
Software and other intangible assets	596	38		40								
Payments for financial assets	105	125	84		50	50		(100.00)				
Total economic classification	240 387	248 001	278 144	325 390	306 833	304 331	357 353	17.42	375 348	395 098		

PART B

STRATEGIC OBJECTIVES



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 oriented goal

Strategic outcome oriented goal 1	Efficient and effective departmental governance support services.
Goal statement	Efficient and effective departmental governance support services to enable the Department to achieve all its goals and objectives and a clean audit outcome.

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 strategic advice as well as secretarial and administrative services to assist the Minister with the performance of his/her legislative responsibilities as Member of the Executive Council (MEC). This includes fostering relationships with the media and all other relevant 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 International Relations.

Strategic objective

Strategic objective 1	To provide ministerial support services.
Objective statement	To provide ministerial support services to enable the MEC to execute his/her duties.
Baseline	MEC enabled to execute his/her duties through the provision of ministerial support services.

Strategic objective annual targets for 2019/20

Strategic objective performance indicator	Strategic Plan Target	Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
1. Number of reports to monitor compliance with statutory and executive requirements	16	New strategic objective indicator	4	4	4	4	4	4

Risk management

Risk: None

Mitigation: None

Programme performance indicators and annual targets 2019/20

Programme performance indicator		Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
1.1	Number of formal engagements with the Department on meeting statutory and executive requirements	Revised PI	Revised PI	8	8	8	8	8
1.2	Number of formal engagements with the Western Cape Gambling and Racing Board on meeting statutory and executive requirements	New PI	Revised PI	4	4	4	4	4
1.3	Number of meetings/ engagements with the Consul Generals, members of the Diplomatic Corps and incoming foreign delegations	Revised PI	7	7	7	7	7	7

Quarterly targets for 2019/20

Performance indicator		PSG linkage	Reporting period	Annual target 2019/20	Quarterly targets			
					1 st	2 nd	3 rd	4 th
1.1	Number of formal engagements with the Department on meeting statutory and executive requirements	PSG 5	Quarterly	8	2	2	2	2

Performance indicator		PSG linkage	Reporting period	Annual target 2019/20	Quarterly targets			
					1 st	2 nd	3 rd	4 th
1.2	Number of formal engagements with the Western Cape Gambling and Racing Board on meeting statutory and executive requirements	PSG 5	Quarterly	4	1	1	1	1
1.3	Number of meetings/ engagements with the Consul Generals, members of the Diplomatic Corps and incoming foreign delegations	PSG 5	Quarterly	7	2	2	2	1

Sub-programme 1.2: Management Services

Purpose: To provide strategic and operational management support services.

The Sub-programme Management Services provides for the Head Official and the Directorate Strategic and Operational Management Support Services.

The main functions rendered are the following:

- Facilitate the departmental non-financial performance planning, monitoring, reporting and evaluation processes;
- Ensure the rendering of people management support services in terms of the service level agreement and service schedules;
- Ensure a working environment that is safe and without risk to the health of employees, is provided and maintained;
- Manage youth development initiatives, including amongst others, the Premier's Advancement of Youth project, Essay Writing Competition and External Bursary Programme;
- Secretarial and administrative support services;
- Parliamentary liaison services; and
- Internal and external communication services.

The objective of the sub-programme is to maintain the status of no material findings on the usefulness and reliability of reported performance information by the Auditor-General (AG). The focus will be to maintain and improve the current performance planning, monitoring, reporting and evaluation processes.

With regards to the people management support services the focus will be to monitor and report on the action plans to address the Workforce Plan priorities, i.e. recruitment and selection, employment equity/diversity management, succession planning and career development, retention, organisational structure, training and development, employee health and wellness and culture and ethics.

Strategic objective

Strategic objective 2	To improve corporate management processes.
Objective statement	To improve strategic support services and human resource management through building on and improving the current performance planning, monitoring, reporting and evaluation processes and the implementation of the Workforce Plan (2016 – 2021), to ensure that there are no material audit findings on the usefulness and reliability of the reported performance information and human resource management every year.
Baseline	No material audit findings on human resource management and the usefulness and reliability of the reported performance information.

Strategic objective annual targets for 2019/20

Strategic objective performance indicator	Strategic Plan Target	Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
2. Number of material Human Resource Management and Performance Management audit findings	Zero material audit findings	0	0	0	0	0	0	0

Risk management

Risk: Material misstatement of pre-determined objectives due to line managers not adhering to planning, monitoring and reporting requirements resulting in negative audit outcome.

Mitigation: Review and communicate standard operating procedure and report non-adherence to time-lines and quality of inputs.

Risk: Lack of customised assistance from CSC and capacity of internal management to deal with people management issues within a specialist environment.

Mitigation: Monitor and report quarterly on progress of the implementation of the Workforce Plan.

Programme performance indicators and annual targets 2019/20

Programme performance indicator		Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
2.1	Number of prescribed performance plans and reports submitted	6	7	6	6	7	6	6
2.2	Number of reports on the implementation of the Workforce Plan	Revised PI	4	4	4	4	4	4

Quarterly targets for 2019/20

Performance indicator		PSG linkage	Reporting period	Annual target 2019/20	Quarterly targets			
					1 st	2 nd	3 rd	4 th
2.1	Number of prescribed performance plans and reports submitted	PSG 5	Quarterly	7	1	2	1	3
2.2	Number of reports on the implementation of the Workforce Plan	PSG 5	Quarterly	4	1	1	1	1

Sub-programme 1.3: Financial Management

Purpose: To assist the Accounting Officer to drive financial management in 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 functions of this sub-programme are performed by the following 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 on a monthly basis and collation of the departmental annual report. Furthermore, this section continuously monitors the expenditure and cash flow of the Department to ensure that the actual spending is within the target (2%) of the adjusted budget.
- The Financial Accounting Section is responsible for maintaining payments system (BAS, LOGIS and PERSAL), in terms of the PFMA delegations, compiling the Interim (IFS) and Annual Financial Statements (AFS) and providing a cashier, bookkeeping and salary function for the Department.
- The Supply Chain Management section is responsible for maintaining an appropriate procurement and provisioning system which is fair, equitable, competitive and cost effective as well as the management, including the safeguarding and maintenance of departmental assets and rendering of specified auxiliary services.

- The Internal Control section ensures that internal control measures are in place throughout the Department, particularly in high-risk areas, to prevent any internal and external audit findings and ensure due diligence. Furthermore, the Unit acts as secretariat to the Enterprise Risk Management Committee (ERMCO) and compiles the quarterly CGRO assessment.

Strategic objective

Strategic objective 3	To provide financial administrative services to the Department.
Objective statement	To provide financial administrative services in respect of financial and management accounting, supply chain management services and internal control to achieve a clean financial audit outcome every year.
Baseline	No material audit findings on financial management.

Strategic objective annual targets for 2019/20

Strategic objective performance indicator	Strategic Plan Target	Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
3. Number of material financial management audit findings	Zero material audit findings	0	0	0	0	0	0	0

Risk management

Risk: Non-conformance to SCM norms and standards, inconsistent application of the contract management guidelines, material misstatements, on the AFS, adequate alignment of cash and the monthly expenditure and inconsistent application of asset management guidelines.

Mitigation: Implement stricter controls and monitoring mechanisms.

Programme performance indicators and annual targets 2019/20

Programme performance indicator		Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
3.1	Number of IYM reports	12	12	12	12	12	12	12
3.2	Number of Budget submissions	4	4	4	4	4	4	4
3.3	Number of Corporate reports	4	4	4	4	4	4	4

Quarterly targets for 2019/20

Performance indicator		PSG linkage	Reporting period	Annual target 2019/20	Quarterly targets			
					1 st	2 nd	3 rd	4 th
3.1	Number of IYM reports	PSG 5	Quarterly	12	3	3	3	3
3.2	Number of Budget submissions	PSG 5	Quarterly	4	-	1	2	1
3.3	Number of Corporate reports	PSG 5	Quarterly	4	1	1	1	1

Reconciling performance targets with the Budget and MTEF

Expenditure estimates

Table 4 Administration

Sub-programme R'000	Outcome			Main appropriation 2018/19	Adjusted appropriation 2018/19	Revised estimate 2018/19	Medium-term estimate			
	Audited 2015/16	Audited 2016/17	Audited 2017/18				% Change from Revised estimate			
	2015/16	2016/17	2017/18				2019/20	2018/19	2020/21	2021/22
1. Office of the Minister	6 199	5 660	6 078	6 828	6 379	6 396	6 332	(1.00)	6 653	6 975
2. Management Services	17 688	20 115	25 100	29 294	26 744	26 452	26 383	(0.26)	30 210	31 075
3. Financial Management	23 862	23 762	26 314	25 039	25 301	25 003	26 148	4.58	27 896	29 994
Total payments and estimates	47 749	49 537	57 492	61 161	58 424	57 851	58 863	1.75	64 759	68 044

Note: Sub-programme 1.1: MEC total remuneration package: R1 977 795 with effect from 1 April 2018.

Sub-programme 1.3: Corporate Services and Sub-programme 1.5: Internal Audit as per the National Treasury uniform budget and programme structure, is not utilised as it is centralised with the Department of the Premier (Corporate Services Centre/CSC).

Economic classification R'000	Outcome			Main appropriation 2018/19	Adjusted appropriation 2018/19	Revised estimate 2018/19	Medium-term estimate			
	Audited 2015/16	Audited 2016/17	Audited 2017/18				% Change from Revised estimate			
	2015/16	2016/17	2017/18				2019/20	2018/19	2020/21	2021/22
Current payments	39 786	43 743	49 257	54 107	51 981	51 408	52 673	2.46	58 125	61 063
Compensation of employees	29 869	33 339	38 490	43 091	39 851	39 278	40 482	3.07	45 718	48 123
Goods and services	9 917	10 404	10 767	11 016	12 130	12 130	12 191	0.50	12 407	12 940
Transfers and subsidies to	3 844	2 676	3 014	3 222	2 972	2 972	2 906	(2.22)	3 056	3 214
Departmental agencies and accounts	3	4	4	4	6	6	6		6	6
Households	3 841	2 672	3 010	3 218	2 966	2 966	2 900	(2.23)	3 050	3 208
Payments for capital assets	4 014	2 993	5 137	3 832	3 421	3 421	3 284	(4.00)	3 578	3 767
Machinery and equipment	4 014	2 955	5 137	3 792	3 421	3 421	3 284	(4.00)	3 578	3 767
Software and other intangible assets		38		40						
Payments for financial assets	105	125	84		50	50		(100.00)		
Total economic classification	47 749	49 537	57 492	61 161	58 424	57 851	58 863	1.75	64 759	68 044

Performance and expenditure trends

The programme increased by R1.012 million from R57.851 million in 2018/19 (revised estimate) to R58.863 million in 2019/20, this equates to a nominal growth of 1.7 per cent. The growth from the 2018/19 (revised estimate) of R57.851 million to R68.044 million in 2021/22 reflects an annual average growth of 5.6 per cent over the three-year period. The growth relates mainly to the salary adjustments and improvement of conditions of service.

Programme 2 – Sustainable Resource Management

Programme description

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

The Sustainable Resource Management Programme's key focus is giving effect to section 18 of the PFMA and section 5 of the MFMA through providing Fiscal and Economic services in the following key areas:

- Exercise of control over the implementation of the provincial budget and development of fiscal policies in line with national economic policies;
- Preparation of the provincial budget and assistance to municipalities in the preparation of their budgets;
- Monitoring of preparation of municipal budgets; outcomes of budgets, and the submission of required reports; and
- Promotion and enforcement of transparency and effective management in respect of revenue, expenditure, assets and liabilities.

The constrained economic and fiscal outlook requires provincial and local government to ensure the efficient, effective and sustainable management of fiscal resources. On the Provincial Government side, the Programme will focus on strengthening the fiscal policy approach to give effect to the Western Cape Fiscal Strategy and Budget Policy to ensure fiscal consolidation, discipline and sustainability, in response to the need for inclusive growth and creating public value. On the Local Government side, key initiatives entail continued municipal support to promote sustainable Local Government, with a focus on moving from compliance to performance, economic impact, integrated public financial management, and service delivery improvement plans that create financial sustainability.

Strengthening partnerships with key stakeholders is embedded in the strategic and operational approach of Programme 2 – Sustainable Resource Management which includes, among other, provincial departments, all 30 municipalities, National Treasury, South African Local Government Association, the Financial and Fiscal Commission, universities and research institutes and international partners in the Public Finance arena.

Strategic outcome oriented goal

Strategic outcome oriented goal 2	Effective, efficient and sustainable management of provincial and municipal fiscal resources.
Goal statement	<p>Effective, efficient and sustainable management of provincial and municipal fiscal resources to enable service delivery and public value through:</p> <ul style="list-style-type: none"> • The annual tabling of the provincial budget; • Assistance to municipalities in preparation of municipal budgets through the annual municipal budget assessments; and • Monitoring and quarterly reporting on the budget implementation.

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

Strategic objective 4	To provide management and administrative support to Programme 2 - Sustainable Resource Management.
Objective statement	To provide management and administrative support to Programme 2 - Sustainable Resource Management to ensure that all strategic objectives and targets are achieved annually.
Baseline	100% targets achieved (2017/18 Annual Report).

Strategic objective annual targets for 2019/20

Strategic objective performance indicator	Strategic Plan Target	Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
4. Percentage of Programme 2 – Sustainable Resource Management's programme performance indicator targets achieved	100% programme performance indicator targets achieved	100%	100%*	100%**	100%	100%	100%	100%

* Method of calculation 2016/17:
 Numerator: Number of achieved performance indicator targets (25)
 Denominator: Number of planned performance indicator targets (25)

** Method of calculation 2017/18:
 Numerator: Number of achieved performance indicator targets (25)
 Denominator: Number of planned performance indicator targets (25)

Risk management

Risk: Lack of capacity.

Mitigation: Skilled and competent staff to be recruited in vacant positions and a bespoke training and development plan for each staff member.

Programme performance indicators and annual targets 2019/20

Programme performance indicator		Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
4.1	Number of quarterly performance reports for Programme 2 – Sustainable Resource Management submitted	4	4	4	4	4	4	4

Quarterly targets for 2019/20

Performance indicator		PSG linkage	Reporting period	Annual target 2019/20	Quarterly targets			
					1 st	2 nd	3 rd	4 th
4.1	Number of quarterly performance reports for Programme 2 – Sustainable Resource Management submitted	PSG 5	Quarterly	4	1	1	1	1

Sub-programme 2.2: Fiscal Policy

Purpose: To research, analyse and advise on the policy, strategy and management of provincial and municipal fiscal resources.

The Fiscal Policy Directorate is responsible for the overall fiscal framework in the Province and undertakes research, revenue analysis, and manages the provincial cash, banking and investment function, and reviews and provides support on local government cash management. The unit conducts research and analysis on provincial and local government fiscal policy matters that impact on the fiscal framework of the Province. Fiscal Policy research to inform the development of a sustainable provincial and local government Fiscal Framework and the Provincial Fiscal Strategy focuses on the national transfer system (Equitable Share and Conditional Grants), the Local Government fiscal system and domestic resource mobilisation initiatives with regards to existing and new own revenue sources. The unit is also responsible for the management of the Provincial Revenue Fund and providing for the cash flow requirements of the Province. The unit provides support initiatives, advice and guidance to departments and municipalities on revenue related and cash management matters, through the analysis and reporting on in-year cash flow and revenue performance. This unit is also

responsible for departmental oversight of the Western Cape Gambling and Racing Board (WCGRB). Lastly the directorate is responsible for the management of crafting the legislative amendments affecting the gambling sector.

Strategic objective

Strategic objective 5	To conduct research and advise on the management of the provincial and municipal fiscal resources.
Objective statement	To conduct research on various methodologies for domestic resource mobilisation, and advise on the most appropriate approach to revenue and the fiscal framework for the provincial fiscal strategy. Continuous monitoring of revenue and cash trends, advise on the sustainability and management of provincial and municipal funding sources.
Baseline	20 Fiscal policy reports (4 reports on the Provincial and Local Government Fiscal System; 4 Provincial Revenue Reports; 4 Provincial Cash Management reports; 4 Municipal Cash Management Report; 4 WCGRB Performance Reports).

Strategic objective annual targets for 2019/20

Strategic objective performance indicator	Strategic Plan Target	Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
5. Number of fiscal policy reports	20 fiscal policy reports	20	20	20	20	20	20	20

Risk management

Risk: The low economic growth outlook continues to negatively impact the fiscal environment resulting in persisting fiscal pressures which may have a negative impact on the provincial and municipal fiscal frameworks (conditional grant and equitable share transfers and own revenue collection).

Mitigation: Developing and implementing a fiscal framework that manages risks to the revenue envelope, informed by research, revenue and tariff assessments of departments and identified municipalities. Support initiatives, advice and guidance to departments, municipalities and the WCGRB to optimise revenue collection.

Programme performance indicators and annual targets 2019/20

Programme performance indicator	Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
	2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
5.1 Number of research reports on the Provincial and Local Government Fiscal System	4	4	4	4	4	4	4
5.2 Number of Provincial Revenue reports	4	4	4	4	4	4	4

Programme performance indicator		Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
5.3	Number of Cash Management Reports	8	8	8	8	8	8	8
5.4	Number of reports on the performance of the WCGRB	4	4	4	4	4	4	4

Quarterly targets for 2019/20

Performance indicator		PSG linkage	Reporting period	Annual target 2019/20	Quarterly targets			
					1 st	2 nd	3 rd	4 th
5.1	Number of research reports on the Provincial and Local Government Fiscal System	PSG 5	Quarterly	4	-	1	1	2
5.2	Number of Provincial Revenue reports	PSG 5	Quarterly	4	1	1	1	1
5.3	Number of Cash Management Reports	PSG 5	Quarterly	8	2	2	2	2
5.4	Number of reports on the performance of the WCGRB	PSG 5	Quarterly	4	1	1	1	1

Sub-programme 2.3: Budget Management

Element: Provincial Government Budget Office

Purpose: To promote effective financial resource allocation, by providing socio-economic and policy research, analysis and advice that informs the preparation of the provincial budget, as well as the monitoring of budget implementation and performance.

The Provincial Government Budget Office engages on economic, policy and budget related research, which informs the formulation of the provincial budget policy to ultimately recommend budget allocations in line with the strategic priorities outlined in the 2014 – 2019 Provincial Strategic Plan, the upcoming 2019 – 2024 Provincial Strategic Plan and other applicable policies. The Provincial Economic Review and Outlook provides the economic and socio-economic intelligence that informs the planning and budgeting process in Western Cape Government. The Medium-Term Budget Policy Statement (WC MTBPS), which is tabled together with the Adjusted Estimates of Provincial Expenditure in the provincial legislature, provides the economic, fiscal and policy context within which the provincial budget is formulated. In addition, the WC MTBPS communicates the budget policy framework and budget priorities that support the delivery of the policies, programmes and projects of the Western Cape Government. The directorate will continue to focus on programme and project effectiveness to assess allocative efficiency, responsiveness and the effectiveness of the budget in terms of the policy and delivery context.

Strategic objective

Strategic objective 6	To promote effective resource allocation within the provincial budget through research, analysis and advice.
Objective statement	To promote effective resource allocation within the provincial budget and its effective implementation through research, analysis and advice to key fiscal and budgetary stakeholders that informs budget policy and enables recommendations on budget allocations which reflect the priorities of government and are based on programme effectiveness.
Baseline	Overview of Provincial Revenue and Expenditure (Budget Overview) 2018 tabled by March.

Strategic objective annual targets for 2019/20

Strategic objective performance indicator		Strategic Plan Target	Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
			2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
6.	Timeous publication of the Overview of Provincial Revenue and Expenditure	March 2020	March 2016	March 2017	March 2018	March 2019	March 2020	March 2021	March 2022

Risk management

Risk: The possible mismatch between budget allocations and actual budget implementation due to departments making trade-offs in the allocation and reallocation of resources, which could potentially undermine departmental budget responsiveness to adequately respond to socio-economic imperatives.

Mitigation: Risks will be addressed through the development and implementation of a budget policy framework that is responsive to the economic and fiscal climate and service delivery environment as well as a focus on monitoring and evaluation of departmental budget performance towards achieving the desired outcomes and impact also aim to address the risks. An integrated management approach to planning, budgeting and delivery approach entails a more critical focus on programme and project effectiveness, value for money and service delivery performance and impact.

Key initiatives will be driven through PSG 5 Workgroup 4 to support the integrated management approach within provincial government, between local and provincial government and with strategic partners.

Programme performance indicators and annual targets 2019/20

Programme performance indicator		Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
6.1	Number of provincial budget policy assessment reports	28	26	28	28	28	28	28
6.2	Timeous publication of the Provincial Economic Review and Outlook	October 2015	September 2016	29 September 2017	September 2018	September 2019	September 2020	September 2021
6.3	Timeous publication of the Medium-Term Budget Policy Statement	November 2015	November 2016	23 November 2017	November 2018	November 2019	November 2020	November 2021

Quarterly targets for 2019/20

Performance indicator		PSG linkage	Reporting period	Annual target 2019/20	Quarterly targets			
					1 st	2 nd	3 rd	4 th
6.1	Number of provincial budget policy assessment reports	PSG 5	Bi-annually	28	-	-	14	14
6.2	Timeous publication of the Provincial Economic Review and Outlook	PSG 5	Annually	September 2019	-	September 2019	-	-
6.3	Timeous publication of the Medium Term Budget Policy Statement	PSG 5	Annually	November 2019	-	-	November 2019	-

Element: Local Government Budget Office

Purpose: To promote effective financial resource allocation and provide socio-economic policy research, analysis and advice that inform the preparation of municipal budgets and monitor budget implementation.

The Local Government Budget Office provides research, advice and analysis on the regional and local economy and the provision of economic intelligence for use in municipal planning and budgeting. The research and analysis culminates in the annual publication of the Municipal Economic Review and Outlook (MERO) and release of Socio-Economic Profiles. The unit assess the annual budgets of municipalities and provide recommendations to improve the responsiveness of the budgets to address socio-economic and policy objectives. The unit also supports the municipal budget process by coordinating of the Local Government Medium Term Expenditure Committee engagements. The unit also monitors the implementation of

municipal budgets through the Service Delivery and Budget Implementation Plans of municipalities.

The focus for 2019 MTEF will be to cement the process of integrated planning and budgeting and delivery, specifically within the municipal space through Integrated Management under the auspices of PSG 5 Workgroup 4.

Strategic objective

Strategic objective 7	To promote effective resource allocation within municipal budgets through research, analysis and advice.
Objective statement	To promote effective resource allocation within municipal budgets and its effective implementation through research, analysis and advice that informs the preparation of municipal budgets to promote allocations which reflect the priorities of government and based on programme effectiveness.
Baseline	30 municipal budget policy assessments.

Strategic objective annual targets for 2019/20

Strategic objective performance indicator		Strategic Plan Target	Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
			2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
7.	Number of municipal budgets with effective resource allocations	30 municipal budget policy assessments	Revised	30	30	30	30	30	30

Risk management

Risk: Growing public demands in an environment of slow economic growth, fiscal uncertainty and environmental volatility.

Mitigation: Risks will be addressed through an integrated approach to planning, budgeting and delivery which entails a more critical focus on programme and project effectiveness, value for money and service delivery performance and impact. Key initiatives will be driven through PSG 5 Workgroup 4 to support the integrated management approach within provincial government, between local and provincial government and with strategic partners. Further initiatives include providing economic intelligence to inform municipal planning and budgeting and, budget policy assessments to improve the responsiveness to the economic and fiscal climate. Support will also be provided through the Western Cape Financial Management Support Grant Programme and capacity building through customised training initiatives.

Programme performance indicators and annual targets 2019/20

Programme performance indicator		Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
7.1	Number of municipal budget policy assessment reports	30	30	30	30	30	30	30
7.2	Percentage of Quarterly Performance Reports received, assessed	100%	100%*	100%**	100%	100%	100%	100%
7.3	Timeous publication of the Municipal Economic Review and Outlook	October 2015	September 2016	29 September 2017	September 2018	September 2019	September 2020	September 2021

* Method of calculation 2016/17:

Numerator: Number of Quarterly Performance Reports assessed (120)
 Denominator: Number of Quarterly Performance Reports received (120)

* Method of calculation 2017/18:

Numerator: Number of Quarterly Performance Reports assessed (120)
 Denominator: Number of Quarterly Performance Reports received (120)

Quarterly targets for 2019/20

Performance indicator		PSG linkage	Reporting period	Annual target 2019/20	Quarterly targets			
					1 st	2 nd	3 rd	4 th
7.1	Number of municipal budget policy assessment reports	PSG 5	Annually	30	30	-	-	-
7.2	Percentage of Quarterly Performance Reports received, assessed	PSG 5	Quarterly	100%	100%	100%	100%	100%
7.3	Timeous publication of the Municipal Economic Review and Outlook	PSG 5	Annually	September 2019	-	September 2019	-	-

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

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

The weak economic environment intensifies the need to ensure fiscal sustainability. Provincial Government Finance assesses provincial budgets to improve the credibility and sustainability

of the budget and for monitoring the implementation of budgets to enhance accountability, efficiency and data integrity. Fiscal consolidation is part of the Fiscal Strategy and therefore the focus is on expenditure control within budget limits and stringent management of personnel budgets. The critical importance of people management in the achievement of the strategic goals of the Western Cape Government has been articulated and accepted in the Western Cape Government People Management Strategy. The aim is to ensure structural appropriateness to enable and unlock maximum organisational effectiveness, engender an enabling culture and lead to overall people responsiveness that will translate into continuous service delivery improvement and public value. To this end the unit will work closely with the Department of the Premier. Other focus areas include improving on the efficiency of expenditure management in departments through an integrated approach with the Provincial Treasury Supply Chain Management unit.

Strategic objective

Strategic objective 8	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 2019.

Strategic objective annual targets for 2019/20

Strategic objective performance indicator	Strategic Plan Target	Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
8. Timeous tabling of the Estimates of Provincial Revenue and Expenditure	March 2020	March 2016	March 2017	March 2018	March 2019	March 2020	March 2021	March 2022

Risk management

Risk: Failure to monitor the implementation of the budget in an integrated manner may compromise fiscal discipline and negatively impact the fiscal sustainability of the Province.

Mitigation: An integrated assessment of the implementation of the budget to influence decision-making in departments.

Programme performance indicators and annual targets 2019/20

Programme performance indicator		Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
8.1	Number of provincial budget assessment reports	28	28	28	28	28	28	28
8.2	Number of expenditure reviews	1	1	1	2	2	2	2
8.3	Number of quarterly reports on the implementation of the budget	4	4	4	4	4	4	4

Quarterly targets for 2019/20

Performance indicator		PSG linkage	Reporting period	Annual target 2019/20	Quarterly targets			
					1 st	2 nd	3 rd	4 th
8.1	Number of provincial budget assessment reports	PSG 5	Bi-annually	28	-	-	14	14
8.2	Number of expenditure reviews	PSG 5	Bi-annually	2	-	1	-	1
8.3	Number of quarterly reports on the implementation of the budget	PSG 5	Quarterly	4	1	1	1	1

Element: Local Government Finance (Groups 1 and 2)

Purpose: To drive the implementation of the MFMA and assist and guide municipalities to prepare budgets and monitor the implementation thereof towards sustainable local government.

Local Government Finance facilitates and co-ordinates the implementation of the MFMA in Provincial Treasury and municipalities. This is done to ensure that the objectives of the Local Government reform agenda with specific reference to implementation of the TCF Game Changers is achieved. Implementation of the MFMA will be driven through IGR coordination between municipalities, provincial and national departments as well as other related stakeholders. Key responsibilities include monitoring, support and intervention in respect of MFMA implementation, budget implementation and revenue and expenditure management.

In support of strengthening municipalities' financial management and budgeting practices the unit will analyse and report on the in-year revenue and expenditure management for municipalities. The focus areas in line with the TCF Game Changers will facilitate integrated revenue management and funded budgets including being responsive to support particularly the vulnerable municipalities and to give effect to our main aim of driving the sustainable local government agenda.

Strategic objective

Strategic objective 9	To guide and monitor the implementation of municipal budgets.
Objective statement	To improve municipal budgets through monitoring and support municipalities and municipal entities and to report on it monthly and quarterly.
Baseline	Quarterly reports on the implementation of municipal budgets.

Strategic objective annual targets for 2019/20

Strategic objective performance indicator	Strategic Plan Target	Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
9. Number of quarterly reports on the implementation of municipal budgets	4 quarterly reports on the implementation of municipal budgets	4	4	4	4	4	4	4

Risk management

Risk: Integrity of financial reporting and non-compliance to MFMA.

Mitigation: Bespoke support to municipalities to improve integrity of financial reporting and matters of compliance.

Risk: Financial sustainability of municipalities, absence of innovative early detection mechanism to detect sustainability challenges at municipalities.

Mitigation: In-year monitoring assessments and reviews of municipalities, supported by hands-on support.

Risk: Appropriate spending of Grant funding allocated to municipalities.

Mitigation: Quarterly Grant monitoring returns received from municipalities and reviewed.

Programme performance indicators and annual targets 2019/20

Programme performance indicator	Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
	2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
9.1 Number of monthly IYM assessment reports on the implementation of the municipal budget	372	372	372	372	372	372	372

Programme performance indicator		Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
9.2	Number of Municipal budget assessment reports	30	30	30	30	30	30	30
9.3	Number of reports on MFMA implementation	4	4	4	4	4	4	4

Quarterly targets for 2019/20

Performance indicator		PSG linkage	Reporting Period	Annual target 2019/20	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	PSG 5	Quarterly	372	93	93	93	93
9.2	Number of Municipal budget assessment reports	PSG 5	Annually	30	30	-	-	-
9.3	Number of reports on MFMA implementation	PSG 5	Quarterly	4	1	1	1	1

Element: Infrastructure

Purpose: To promote the delivery of new and maintenance of existing physical infrastructure.

The Western Cape Government's capacity to select, plan, appraise, and monitor infrastructure delivery will continue to be strengthened over the 2019 MTEF with a specific focus on maintenance.

The Western Cape Provincial Government introduced the Infrastructure Delivery Management System (IDMS) to enhance efficiency in the delivery of infrastructure. Embedded in the IDMS is an integrated approach to planning and budgeting. A key focus of the unit remains the institutionalisation of the Infrastructure Delivery Management System (IDMS). The One IDMS is a generic and structured infrastructure delivery management system, containing good practice guidelines, based on well-defined processes that are necessary to achieve effective infrastructure delivery in all spheres of government. The IDMS is informed by Policy, Standards and Good Practices and has a substantial area of impact within the hierarchy of policy, strategy and planning, aligned across the three spheres of Government.

The Western Cape Government's capacity to select, plan, appraise and build projects of an infrastructural nature will continue to be strengthened over the 2019 MTEF. National Government made R15 million available over the 2019 MTEF period to strengthen provincial treasuries capacity in infrastructure units to fulfill its role in terms of infrastructure budgeting, planning, monitoring and appraisal.

Strategic objective

Strategic objective 10	To institutionalise and standardise good practice methodologies, tools and systems for delivery and maintenance of immovable assets.
Objective statement	To instil SIPDM and IDMS-principles in departments to improve infrastructure delivery in terms of planning, construction, and maintenance of projects.
Baseline	5 assessments conducted on the institutionalisation of IDMS at the departments of Education; Health (Client departments), Transport and Public Works (Branch Public Works and Branch Roads) and the impact on improving infrastructure delivery.

Strategic objective annual targets for 2019/20

Strategic objective performance indicator	Strategic Plan Target	Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
10. Number of assessments on the institutionalisation of the IDMS	5 assessments	5	5	5	5	5	5	5

Risk management

Risk: Failure to institutionalise the SIPDM and IDMS may compromise efficient infrastructure delivery and the spending of infrastructure budgets by provincial departments and municipalities.

Mitigation:

Ongoing capacitation, implementation and monitoring of good practice, systems, tools and techniques.

Programme performance indicators and annual targets 2019/20

Programme performance indicator	Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
	2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
10.1 Number of asset management plans assessed	28	28	30	34	32	32	32
10.2 Number of Infrastructure expenditure reports assessed	72	72	78	84	84	84	84
10.3 Number of infrastructure project delivery assessments	10	10	10	10	10	10	10
10.4 Number of quarterly reports on the implementation of infrastructure budgets to Cabinet	New PI	New PI	4	4	4	4	4

Programme performance indicator		Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
10.5	Number of developed and tested infrastructure delivery management system(s) in municipalities	New PI	Revised PI	1	1	1	1	1

Quarterly targets for 2019/20

Performance indicator		PSG linkage	Reporting period	Annual target 2019/20	Quarterly targets			
					1 st	2 nd	3 rd	4 th
10.1	Number of asset management plans assessed	PSG 5	Bi-annually	32	-	16	-	16
10.2	Number of Infrastructure expenditure reports assessed	PSG 5	Quarterly	84	21	21	21	21
10.3	Number of infrastructure project delivery assessments	PSG 5	Bi-annually	10	-	5	-	5
10.4	Number of quarterly reports on the implementation of infrastructure budgets to Cabinet	PSG 5	Quarterly	4	1	1	1	1
10.5	Number of developed and tested municipal infrastructure delivery management system(s) in municipalities	PSG 5	Annually	1	-	-	-	1

Element: Business Information and Data Management

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

BIDM renders a client interface, data collating, data and information management and records management service to the Provincial Treasury. The unit will continue to focus on the management of the centralised repository, thus providing a means for Provincial Treasury employees to enable proper decision-making, safeguard information and facilitate the retention of information. Spatial integration of data sets will be enhanced to promote the integration of information between spheres of government in line with PSG5, which in turn will require the facilitation and coordination of departmental and municipal MTEC processes and

the related document flow as well as the technical refinement of treasury publications and working papers.

Strategic objective

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

Strategic objective annual targets for 2019/20

Strategic objective performance indicator	Strategic Plan Target	Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
11. An available central repository	One central repository	1	1	1	1	1	1	1

Risk Management

Risk: Inadequate safeguarding and dissemination of information within Provincial Treasury resulting in loss of information and business discontinuity.

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

Programme performance indicators and annual targets 2019/20

Programme performance indicator	Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
	2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
11.1 Number of datasets managed	4	4	4	4	4	4	4
11.2 Number of budget process plans managed	3	3	3	3	3	3	3

Quarterly targets 2019/20

Performance indicator	PSG linkage	Reporting period	Annual target 2019/20	Quarterly targets			
				1 st	2 nd	3 rd	4 th
11.1 Number of datasets managed	PSG 5	Quarterly	4	4	4	4	4
11.2 Number of budget process plans managed	PSG 5	Quarterly	3	1	-	1	1

Reconciling performance targets with the Budget and MTEF

Expenditure estimates

Table 5 Sustainable Resource Management

Sub-programme R'000	Outcome			Main appro- p-riation 2018/19	Adjusted appro- p-riation 2018/19	Revised estimate 2018/19	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2015/16	2016/17	2017/18				2019/20	2018/19	2020/21	2021/22
1. Programme Support	5 858	6 152	6 343	8 049	6 819	6 505	7 082	8.87	7 570	7 993
Programme Support	5 858	6 152	6 343	8 049	6 819	6 505	7 082	8.87	7 570	7 993
2. Fiscal Policy	14 594	21 432	30 972	43 685	42 131	41 860	53 567	27.97	48 813	51 508
Fiscal Policy	9 350	11 524	11 265	14 343	15 267	14 996	16 475	9.86	18 602	19 636
Western Cape Gambling and Racing Board	5 244	9 908	19 707	29 342	26 864	26 864	37 092	38.07	30 211	31 872
3. Budget Management	17 479	17 038	17 338	19 867	20 980	21 038	21 833	3.78	23 777	25 437
Provincial Government Budget Office	8 236	8 010	8 037	9 733	9 055	9 125	10 329	13.19	11 489	12 342
Local Government Budget Office	9 243	9 028	9 301	10 134	11 925	11 913	11 504	(3.43)	12 288	13 095
4. Public Finance	70 448	66 809	77 542	87 885	54 238	53 792	83 848	55.87	92 474	96 761
Provincial Government Finance	8 410	9 182	10 035	10 904	10 905	10 914	11 375	4.22	12 091	12 829
Local Government Finance Group 1	9 025	9 388	9 463	10 472	13 280	13 045	9 861	(24.41)	11 130	11 893
Local Government Finance Group 2	35 126	27 510	40 297	46 376	11 775	11 513	35 752	210.54	39 271	40 469
Infrastructure	7 604	7 207	7 829	8 313	8 124	8 082	14 479	79.15	14 586	15 215
Business Information and Data Management	10 283	13 522	9 918	11 820	10 154	10 238	11 854	15.78	13 121	13 954
5. MFMA Coordination							527		2 275	2 401
Total payments and estimates	108 379	111 431	132 195	159 486	124 168	123 195	166 330	35.01	172 634	181 699

Note: Sub-programme 2.2: Economic Analysis as per the National Treasury uniform budget and programme structure, is subsumed as part of the Budget Office function.

The transfer payment to the Western Cape Gambling and Racing Board makes provision for the once-off payment of R6.45 million which relates to the repayment of Limited Payout Machines Operator Fees in respect of 2016/17.

Earmarked allocation:

Included in Sub-programme 2.4.3: Local Government Finance (Group 2) is an earmarked allocation amounting to R6.535 million, R6.894 million and R7.285 million in 2019/20, 2020/21 and 2021/22 respectively to strengthen good governance and support in municipalities. Also, R4.821 million, R4.945 million and R5.167 million has been earmarked for municipal interventions to assist in strengthening support interventions in 2019/20, 2020/21 and 2021/22 respectively.

Included in Sub-programme 2.4.4: Infrastructure is an earmarked allocation amounting to R5 million in each year in 2019/20, 2020/21 and 2021/22 for Infrastructure development improvements.

Economic classification R'000	Outcome			Main appro- piation 2018/19	Adjusted appro- piation 2018/19	Revised estimate 2018/19	Medium-term estimate			
	Audited 2015/16	Audited 2016/17	Audited 2017/18				% Change from Revised estimate			
							2019/20	2018/19	2020/21	2021/22
Current payments	73 806	79 951	79 269	91 584	85 634	84 661	106 352	25.62	116 934	123 947
Compensation of employees	60 461	62 301	68 839	75 560	70 770	69 797	80 758	15.70	90 565	96 252
Goods and services	13 345	17 650	10 430	16 024	14 864	14 864	25 594	72.19	26 369	27 695
Transfers and subsidies to	34 573	31 480	52 926	67 902	38 534	38 534	59 978	55.65	55 700	57 752
Provinces and municipalities	29 147	21 554	33 130	38 311	11 359	11 359	22 886	101.48	25 489	25 880
Departmental agencies and accounts	5 244	9 908	19 707	29 342	26 864	26 864	37 092	38.07	30 211	31 872
Households	182	18	89	249	311	311		(100.00)		
Total economic classification	108 379	111 431	132 195	159 486	124 168	123 195	166 330	35.01	172 634	181 699

Performance and expenditure trends

The programme increased by R43.135 million from R123.195 million in 2018/19 (revised estimate) to R166.330 million in 2019/20, this equates to a growth of 35 per cent. The growth from 2018/19 (revised estimate) of R123.195 million to R181.699 million in 2021/22 reflects an annual average growth of 13.8 per cent over the three-year period. The increase relates mainly to the priority funding allocations for the municipal financial management support grant, municipal interventions, infrastructure development improvements and transfers to WCGRB.

Programme 3 – Asset Management

Programme description

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

The programme consists of the directorates Support and Interlinked Financial Systems (SIFS), Provincial Government SCM (PG SCM) and Local Government SCM (LG SCM). SIFS provides services to 13 departments and the Revenue Fund. PG SCM delivers services to 13 departments as well to the business community through their supplier development programme in conjunction with the Department of Economic Development and Tourism. LG SCM delivers services to 30 municipalities and is also part of the supplier development programme.

All the functions of the units are either driven on the Corporate Governance Review and Outlook (CGRO), Municipal Governance Review and Outlook (MGRO) or through the MTEC processes.

Any functions that the units perform to the relative departments and municipalities are focused on ensuring that financial management within these institutions are fully developed to ensure

that the resources of government are effectively utilised. For SIFS the main focus is to manage the transversal financial systems of the WCG, ensuring the financial system data is of the highest quality and to provide credible financial information to all client departments. Both the SCM directorates focus on governance, capacity building and training, technology and strategic procurement to ensure that both departments and municipalities procure efficiently and effectively and drive service delivery objectives within the necessary governance requirements.

As a result of the magnitude of activities performed and to ensure that there is a common understanding of the purpose of the programme, the target for the strategic objective indicator is further unpacked in the Programme Performance Indicator (PPI) wherein we illustrate the number of clients we perform targeted activities with, which is further expanded in Annexure A - Technical Indicator Description.

Strategic outcome oriented goal

Strategic outcome oriented goal 3	Financial system, supply chain and moveable asset governance within the provincial and municipal spheres.
Goal statement	Financial system, supply chain and movable asset governance within the provincial and municipal spheres by assisting 13 departments and 30 municipalities to build capacity and instilling good governance practices to improve the financial management maturity that equates to a managed level.

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 the support staff of the Branch: Governance and Asset Management (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 of the programme.

Strategic objective

Strategic objective 12	To provide management and administrative support to Programme 3 – Asset Management.
Objective statement	To provide management and administrative support to Programme 3 - Asset Management to ensure that all strategic objectives and targets are achieved annually.
Baseline	100% targets achieved (2017/18 Annual Report).

Strategic objective annual targets for 2019/20

Strategic objective performance indicator	Strategic Plan Target	Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
12. Percentage of Programme 3 – Asset Management's programme performance indicator targets achieved	100% programme performance indicator targets achieved	100%	92%*	100%**	100%	100%	100%	100%

* Method of calculation 2016/17:
 Numerator: Number of achieved performance indicator targets (12)
 Denominator: Number of planned performance indicator targets (13)

** Method of calculation 2017/18:
 Numerator: Number of achieved performance indicator targets (13)
 Denominator: Number of planned performance indicator targets (13)

Risk management

Risk: Insufficient capacity to appropriately address an increasingly complex and changing environment and an inadequate mix of skills to provide a broader range of services.

Mitigation: A reorganisation of the current staff into specialised areas, with a bespoke training and development plan for each staff member.

Programme performance indicators and annual targets 2019/20

Programme performance indicator	Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
	2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
12.1 Number of quarterly performance reports for Programme 3 – Asset Management submitted	4	4	4	4	4	4	4

Quarterly targets for 2019/20

Performance indicator	PSG linkage	Reporting period	Annual target 2019/20	Quarterly targets			
				1 st	2 nd	3 rd	4 th
12.1 Number of quarterly performance reports for Programme 3 – Asset Management submitted	PSG 5	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 management of supply chain and asset management practices.

Provincial Government: Supply Chain Management Directorate is responsible for driving a centre-led approach for SCM and moveable asset management governance and performance requirements in the Province.

In the current financial year, the unit will continue in sustaining and enhancing its dynamic governance model and the SCM strategy for the Province through monitoring and evaluation functions already being performed as well as through constant impact assessments and the testing of gaps and key controls from a practical, efficiency gains and service impact perspective.

The unit will also mainstream its focus on the utilisation of technology as an enabler to improve SCM performance. Key focus will involve the continued implementation of the central supplier database, and an evidenced based approach through improved efficiencies, governance requirements and enhancements on the e-procurement solution for quotations and the further roll-out for the bids, contract management and vendor performance modules. The continuous building of the business intelligence competence to support procurement decision-making and better supply chain information management.

Procurement efficiencies and prudent procurement spending will continue to be supported by strategic sourcing methodologies in the procurement planning process to leverage efficiency gains and economies of scale through bulk/consolidated buying initiatives and potential transversal contracts. The linking of the budget to procurement planning has been a key project for the unit and the model will be developed further to address gaps and improvements to existing model as well as developing an enterprise wide procurement planning toolkit that provides for opportunity and risk assessments as well as for assessing the viability socioeconomic opportunities.

Capacity development of both SCM practitioners and suppliers will be addressed. SCM skills and knowledge development of practitioners in institutions will be facilitated through bespoke training interventions, help desk support, assistance and guidance, road shows and the SCM Forum. Further mainstreaming of capacitation and development will be led through the four Focus Groups under the SCM Forum, i.e. SCM Policy and Governance; SCM Technology; SCM Capacitation and Development and the Demand Management Focus Groups. Various platforms will also be used to engage with suppliers and to ensure that they are capacitated and better equipped in understanding the provincial SCM environment and procurement requirements when doing business with the Western Cape Government.

Strategic objective

Strategic objective 13	To maintain and implement the supply chain and asset management strategy for the Province by providing policy direction and support,
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	assistance and guidance to departments to improve governance, capacity, skill and performance within supply chain and asset management.
Objective statement	To provide policy direction and facilitating the management of supply chain and asset management systems and practices through better procurement planning, monitoring and evaluation capacity building, and transversal contracting and business process enhancement, for efficiency gains within departments and enhancing relationships with suppliers.
Baseline	13 departments assisted to manage supply chain and moveable asset management.

Strategic objective annual targets for 2019/20

Strategic objective Performance indicator	Strategic Plan Target	Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
13. Number of departments assisted to continuously improve governance, capacity and skill and performance within supply chain and moveable assets management	13 departments assisted to improve governance, capacity and skill and performance within supply chain and moveable assets management	13	13	13	13	13	13	13

Risk management

Risk: Lack of adequate resources and structure that gives effect to the Office of the Chief Procurement Officer function for the Province. Current high staff turnover further augments the said risk.

Mitigation: A review of the unit's structure via reconfiguration processes to align to National requirements; have been completed by Organizational Development; however, the current fiscal constraints may counter mitigation steps. Performance targets have been downscaled, as well as the utilization of technology as an enabler is being used as further mitigation.

Risk: The National Treasury Reform process and the issuance of SCM policies, prescripts and SCM systems by National Treasury without due consideration of legality, practicality and an ability to implement or proper impact assessments being conducted before issuance.

Mitigation: Play an active supporting role to the National Treasury in the development of policies and prescripts and utilise all mechanisms of escalation and consultation to flag concerns, constraints and challenges. This mitigation however is dependent on the National Treasury taking up the comments and risk mitigation indicated by the Province. As a further mitigation, exercising the Provincial Treasury's section 18 mandate to issue requirements not

inconsistent with legislation but that speaks to the Province's own bespoke key controls, and governance requirements.

Risk: Lack of coordination and role definition of key stakeholders within the SCM environment (SARS, National Treasury, **the dti**, SITA, DPSA, CIDB).

Mitigation: Play an active role in national processes; however, the mitigation is not totally in the provincial space, and within the Province one is dependent largely on national political will and competencies within the SCM environment.

Risk: Lack of integrated financial systems and business intelligence or data management tools.

Mitigation: Continuous maintenance and enhancements of the current data analytics and business intelligence tools to assist in supporting monitoring and evaluation, procurement planning, strategic sourcing and improved supply chain management performance that will afford process efficiencies and improved performance in respect of procurement processes and initiatives in the Province.

Programme performance indicators and annual targets 2019/20

Programme performance indicator		Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
13.1	Number of interventions performed to assist departments with the continuous improvements of their supply chain and asset management systems	Revised PI	Revised PI	31	16	16	20	20
13.2	Number of SCM/AM and SCM systems assessment reports	Revised PI	Revised PI	169	108	108	108	108
13.3	Number of interventions for strategic sourcing implementation	Revised PI	4	3	1	1	1	1
13.4	Number of supplier engagement sessions held to develop and educate suppliers	4	19	16	5	5	5	6

Quarterly targets for 2019/20

Performance indicator		PSG linkage	Reporting period	Annual target 2019/20	Quarterly targets			
					1 st	2 nd	3 rd	4 th
13.1	Number of interventions performed to assist departments with the continuous improvements of their supply chain and asset management systems	PSG 5	Quarterly	16	4	4	4	4
13.2	Number of SCM/AM and SCM Systems assessment reports	PSG 5	Quarterly	108	27	27	27	27
13.3	Number of interventions for strategic sourcing implementation	PSG 5	Annually	1	-	-	-	1
13.4	Number of supplier engagement sessions held to develop and educate suppliers	PSG 5	Quarterly	5	1	2	1	1

Element: Supply Chain Management: Local Government

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

The Local Government Supply Chain Management Directorate is responsible for providing assistance and guidance in respect of good governance and performance in both SCM and asset management to all 30 Western Cape municipalities.

In 2016 the Local Government Supply Chain Directorate introduced the District Approach Strategy for the purpose of a more streamlined, economical and efficient delivery model, which Treasury can use to fulfil its mandate to support municipalities with maximum potential impact.

To this end, the District SCM Fora were established which provided the opportunity for municipalities to take ownership of SCM related issues in their district in collaboration with the relevant district municipalities. In the current financial year, the Programme Performance Indicators have been aligned to give effect to the District Approach. The Local Government Supply Chain Management Directorate also established the Asset Management Forum which will strengthen and build capacity within District Municipalities.

Provincial Treasury's virtuous cycle assessments were enhanced with the municipal self-assessments which were validated through the district visits. The approach covers the holistic SCM strategy that focuses on governance, capacitation and training, technology and strategic procurement.

The key focus will be to use procurement as a tool for economic development within the respective districts. To this end the unit established, the SCM Indaba of which the objectives are to provide socio-economic context for the imperative of the utilisation of procurement as a significant contributor to inclusive economic growth and development. This requires that a holistic approach be followed where SCM managers, LED managers and IDP managers integrate their planning. Emanating from this initiative will be the establishment of sub projects with specific municipalities which will be utilised for practical case studies.

The unit will further focus on building data analytics and business intelligence competencies to support the municipalities, specific interventions will be undertaken to improve Data Governance and ultimately enhance procurement decision-making (i.e. including strategic sourcing and contract management and vendor performance). This initiative will also form part of the PT e-Vision.

Training and capacity development programme for both Supply Chain and Asset Management disciplines will continue in a structured format which includes, formal training interventions, informal bespoke interventions, SCM and AM forums and AM colloquiums.

In addition, the Local Government Supply Chain Unit has started with the process of developing an Asset Management Governance Framework for municipalities as a first phase, focusing on Asset Management Policies/Strategies and Business Processes.

Strategic objective

Strategic objective 14	To provide policy guidance and facilitating the management of supply chain and asset management practices in municipalities.
Objective statement	To provide policy guidance and facilitating the 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 2019/20

Strategic objective Performance indicator	Strategic Plan Target	Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
14. Number of municipalities assisted to improve management of supply chain and assets	30 municipalities assisted to improve management of supply chain and assets	30	30	30	30	30	30	30

Risk management

Risk: Inadequate capacity to respond to the ever-expanding supply chain and asset management requirements to improve SCM governance and performance in municipalities.

Mitigation: Review of the unit's capacity and alignment to the National Treasury Office of the Chief Procurement Officer Structure.

Risk: Lack of integrated financial systems and business intelligence or data management tools.

Mitigation: Implementation of data analytics tools to assist in supporting strategic procurement initiatives that will afford process efficiencies and improved performance in respect of procurement processes and initiatives in the Province.

Risk: Inadequate capacity and policy guidance in municipalities to adequately respond to the drought disaster.

Mitigation: Assist municipalities with the drafting of a Disaster Procurement Policy and implementation thereof. Furthermore, render assistance to central disaster command and control center at the Department of Local Government established to assist municipalities to prepare and respond to the drought disaster.

Programme performance indicators and annual targets 2019/20

Programme performance indicator		Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
14.1	Number of municipal SCM and MAM Virtuous Cycle assessment reports	22	10	10	10	8	8	8
14.2	Number of Municipal Districts assisted with structured training interventions and capacity building	Revised PI	Revised PI	Revised PI	5	5	5	5
14.3	Number of Municipal Districts assisted with the improvement of risk and internal control for SCM	New PI	New PI	New PI	New PI	5	5	5
14.4	Number of Municipal Districts assisted with localisation of procurement	New PI	5	5	5	5	5	5

Quarterly targets for 2019/20

Performance indicator		PSG linkage	Reporting period	Annual target 2019/20	Quarterly targets			
					1 st	2 nd	3 rd	4 th
14.1	Number of municipal SCM and MAM Virtuous Cycle assessment reports	PSG 5	Quarterly	8	1	3	3	1
14.2	Number of Municipal Districts assisted with structured training interventions and capacity building	PSG 5	Quarterly	5	1	2	1	1
14.3	Number of Municipal Districts assisted with the improvement of risk and internal control for SCM	PSG 5	Quarterly	5	1	2	1	1
14.4	Number of Municipal Districts assisted with localisation of procurement	PSG 5	Quarterly	5	-	2	2	1

Sub-programme 3.3: Supporting and Interlinked Financial Systems

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

Supporting and Interlinked Financial Systems aims to further improve financial system management in the Province by:

- a) Maintenance of effective user account management to improve security of the systems;
- b) Ensuring further development of integrated training interventions to promote the correct and optimal use of financial systems in accordance with system user profiles;
- c) Putting measures in place to improve the validity and veracity of system data; and
- d) Rendering credible and detailed system data and performing system data analysis for all Western Cape Government departments.

In preparation for the migration to the IFMS the focus will be on implementation readiness and system data cleanliness in the current provincially operated legacy financial systems.

Strategic objective

Strategic objective 15	To provide for the implementation, management and oversight of provincially operated financial systems and the migration to the IFMS.
Objective statement	To provide for the implementation, management and oversight of provincially operated financial systems through training of users in accordance with their system profiles, effective user account management, optimal utilisation of systems for migration to the IFMS.
Baseline	13 votes assisted to effectively utilise the suite of provincially operated financial systems.

Strategic objective annual targets for 2019/20

Strategic objective Performance indicator	Strategic Plan Target	Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
15. Number of votes assisted to effectively utilise the suite of financial systems	13 votes to assist to effectively utilise the suite of financial systems	14	14	14	13	13	13	13

Risk management

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

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

Risk: Integrity of data for the programmatical migration to the IFMS.

Mitigation: Assist departments in accordance with a mutually agreed project plan with the clean-up and updating of data for the programmatical migration of data, to the Integrated Financial Management System (IFMS).

Risk: Lack of integrated financial systems the readily available business intelligence management data tool.

Mitigation: Implementation of data analytics and business intelligence tool to assist in supporting effective and efficient control, and decision-making in respect of Budget processes, and Governance initiatives in the Province.

Programme performance indicators and annual targets 2019/20

Programme performance indicator		Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
15.1	Number of votes provided with user account management service i.r.o provincially operated financial systems	125	152	147	122	13	13	13
15.2	Number of votes assisted with the data maintenance planning and preparation i.r.o. all provincially operated financial systems for migration to the IFMS	Revised PI	Revised PI	13	13	13	13	13
15.3	Number of votes assisted in providing and analysing data	New PI	New PI	14	13	13	13	13

Quarterly targets for 2019/20

Performance indicator		PSG linkage	Reporting period	Annual target 2019/20	Quarterly targets			
					1 st	2 nd	3 rd	4 th
15.1	Number of votes provided with user account management service i.r.o provincially operated financial systems	PSG 5	Quarterly	13	13	13	13	13
15.2	Number of votes assisted with the data maintenance planning and preparation of data i.r.o. all provincially operated financial systems for migration to the IFMS	PSG 5	Quarterly	13	13	13	13	13
15.3	Number of votes assisted in providing and analysing data	PSG 5	Quarterly	13	13	13	13	13

Reconciling performance targets with the Budget and MTEF

Expenditure estimates

Table 6 Asset Management

	Outcome			Main appropriation 2018/19	Adjusted appropriation 2018/19	Revised estimate 2018/19	Medium-term estimate			
	Audited 2015/16	Audited 2016/17	Audited 2017/18				% Change from Revised estimate		2019/20	2020/21
1. Programme Support	3 664	4 217	3 727	3 493	2 527	2 551	3 184	24.81	3 363	3 571
2. Supply Chain Management	19 269	18 191	22 792	27 550	24 578	24 119	31 276	29.67	29 957	29 569
Supply Chain Management: Provincial Government	12 514	11 681	16 251	18 958	18 033	17 907	23 824	33.04	21 285	20 209
Supply Chain Management: Local Government	6 755	6 510	6 541	8 592	6 545	6 212	7 452	19.96	8 672	9 360
3. Supporting and Interlinked Financial Systems	30 539	31 698	24 504	31 481	29 266	28 977	31 278	7.94	36 560	43 416
Total payments and estimates	53 472	54 106	51 023	62 524	56 371	55 647	65 738	18.13	69 880	76 556

Note: Sub-programme 3.2: Asset Management and Sub-programme 3.3: Liabilities Management as per the National Treasury uniform budget and programme structure, have been subsumed within the Sub-programme Supply Chain Management.

Economic classification R'000	Outcome			Main appropriation 2018/19	Adjusted appropriation 2018/19	Revised estimate 2018/19	Medium-term estimate			
	Audited 2015/16	Audited 2016/17	Audited 2017/18				% Change from Revised estimate		2019/20	2020/21
Current payments	53 310	52 448	50 599	62 524	55 997	55 273	65 738	18.93	69 880	76 556
Compensation of employees	32 454	34 153	35 058	38 803	35 546	34 822	39 762	14.19	44 445	47 497
Goods and services	20 856	18 295	15 541	23 721	20 451	20 451	25 976	27.02	25 435	29 059
Transfers and subsidies to Households	162	1 658	424		374	374		(100.00)		
	162	1 658	424		374	374		(100.00)		
Total economic classification	53 472	54 106	51 023	62 524	56 371	55 647	65 738	18.13	69 880	76 556

Performance and expenditure trends

The programme increased by R10.091 million from R55.647 million in 2018/19 (revised estimate) to R65.738 million in 2019/20 which equates to a growth of 18.1 per cent. The growth from 2018/19 (revised estimate) of R55.647 million to R76.556 million in 2021/22 reflects an annual average growth of 11.2 per cent over the three-year period. The growth relates mainly to salary adjustments and improvement of conditions of service, increase in Information and Communication Technology (ICT) projects and further maintenance of the central supplier database.

Programme 4 – Financial Governance

Programme Description

Purpose: To promote accountability and financial governance in departments, entities and municipalities.

In congruence with PSG 5, which focuses on embedding good governance and integrated service delivery through partnerships and spatial alignment, the programme continues to focus on the continuous improvement of good financial governance in the two spheres of government.

The embedding of good governance is done through the programmes' work as part of PSG 5 Workgroup 1 and 2, in concert with the work done in Workgroup 4.

The programme will continue to focus on the implementation of the financial governance norms and standards in both municipalities and departments in an integrated manner.

The various directorates will drive financial accounting and financial governance norms and standards through the Integrated Municipal Engagements and the corporate governance strategy, and by utilising electronic platforms as enabling tools to steer the Province, from a financial governance perspective, through the information revolution.

A proportionate share of emphasis will be placed on ensuring that committees supporting the administration and executive authorities are performing their functions as intended, to add to the overall level of assurance.

Strategic outcome oriented goal

Strategic outcome oriented goal 4	To embed good governance through financial management improvement and capacity building initiatives for departments, entities and municipalities.
Goal statement	Achieving embedded good governance through accountability by promoting the continuous improvement of good financial governance through reporting frameworks and compliance with financial norms and standards with the establishment of sound financial governance within the provincial and municipal spheres. This will be continually measured continuity to achieve higher level of governance.

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, serving as the Western Cape Provincial Accountant General, and related support staff. It provides resources for structured training and development of staff within the programme.

Strategic objective

Strategic objective 16	To provide leadership, management and administrative support to Programme 4 – Financial Governance.
Objective statement	To provide management and administrative support to Programme 4 – Financial Governance to ensure that all strategic objectives and targets are achieved annually.
Baseline	100% targets achieved (2017/18 Annual Report).

Strategic objective annual targets for 2019/20

Strategic objective performance indicator		Strategic Plan Target	Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
			2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
16.	Percentage of Programme 4 – Financial Governance's programme performance indicator targets achieved	100% programme performance indicator targets achieved	100%	100%	100%*	100%	100%	100%	100%

* Method of calculation 2016/17:
 Numerator: Number of achieved performance indicator targets (15)
 Denominator: Number of planned performance indicator targets (15)

** Method of calculation 2017/18:
 Numerator: Number of achieved performance indicator targets (13)
 Denominator: Number of planned performance indicator targets (13)

Risk management

Risk: Insufficient capacity to address an increasingly complex and changing environment in terms of the accounting and governance requirements.

Mitigation: A reorganisation/realignment of how the sub-directorates work, adopting a district approach for the local government space, and an integrated approach for the provincial government space.

Programme performance indicators and annual targets 2019/20

Programme performance indicator		Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
16.1	Number of quarterly performance reports for Programme 4 - Financial Governance submitted	4	4	4	4	4	4	4

Quarterly targets for 2019/20

Performance indicator		PSG linkage	Reporting period	Annual target 2019/20	Quarterly targets			
					1 st	2 nd	3 rd	4 th
16.1	Number of quarterly performance reports for Programme 4 - Financial Governance submitted	PSG 5	Quarterly	4	1	1	1	1

Sub-programme 4.2: Accounting Services

Element: Local Government Accounting

Purpose: To improve the application of accounting standards and financial reporting within municipalities.

The key objective of this sub-unit is to assist local government to achieve accurate and complete recording of transactions as required by the relevant reporting framework, namely, the standards of generally recognised accounting practices (GRAP), and conformance with applicable financial laws, regulations and the municipal standard chart of accounts. This would contribute to preventing material misstatements, irregularities and the deeper analysis of financial statements that could drive key policy decisions.

Strategic objective

Strategic objective 17	To improve the understanding and application of accounting standards and financial reporting within municipalities.
Objective statement	To improve the application of accounting standards and financial reporting within municipalities by providing support and training to municipalities.
Baseline	30 municipalities assisted to comply with full GRAP compliance.

Strategic objective annual targets for 2019/20

Strategic objective Performance indicator		Strategic Plan Target	Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
			2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
17.	Number of municipalities supported to comply with the GRAP standards	30 municipalities supported to comply with the GRAP standards	30	30	30	30	30	30	30

Risk management

Risk: Non-compliance with the evolving accounting frameworks i.e. GRAP for municipalities and municipal entities different interpretation of these standards resulting in negative audit outcomes.

The implementation of the mSCOA regulations, which constitutes one of the biggest reforms in local government since the promulgation of the MFMA.

Mitigation: Provide ongoing support and training to municipalities and entities on the new and existing accounting standards, and monitoring and supporting municipalities with the implementation of the Municipal Standard Chart of Accounts regulations.

Programme performance indicators and annual targets 2019/20

Programme performance indicator		Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
17.1	Number of Municipalities supported with the accounting reporting framework	30	30	30	30	30	30	30
17.2	Number of Reports submitted for TIME engagements	New PI	Revised PI	Revised PI	30	30	30	30
17.3	Number of municipalities monitored and supported with mSCOA implementation	New PI	New PI	New PI	30	30	30	30
17.4	Number of reports submitted for the MTEC engagements	New PI	New PI	30	Revised PI	30	30	30

Quarterly targets for 2019/20

Performance indicator		PSG linkage	Reporting period	Annual target 2019/20	Quarterly targets			
					1 st	2 nd	3 rd	4 th
17.1	Number of Municipalities supported with the accounting reporting framework	PSG 5	Quarterly	30	30	30	30	30
17.2	Number of Reports submitted for TIME engagements	PSG 5	Annually	30	-	-	-	30
17.3	Number of municipalities monitored and supported with mSCOA implementation	PSG 5	Quarterly	30	30	30	30	30
17.4	Number of reports submitted for the MTEC engagements	PSG 5	Annually	30	30	-	-	-

Element: Provincial Government Accounting and Compliance

Purpose: To drive financial governance reforms, the implementation of accounting practices and prepare consolidated financial statements.

The key objectives of this unit are to ensure the complete and accurate recording and reporting of transactions as required by the prescribed accounting frameworks. This contributes toward preventing irregularities and material financial misstatements in both the modified cash basis of accounting applied by departments and accrual basis of accounting applied by entities.

By coordinating and incrementally driving financial norms and standards, the unit also monitors and reports progress to Cabinet on issues raised at the departmental governance engagement and CGRO (E-Gap) governance action plans to enable the improvement of financial management.

To continuously improve both governance and the application of the accounting framework through structured training programmes and the further enhancement of the E-Gap tool.

Strategic objective

Strategic objective 18	Improved application of accounting practices in line with the reporting frameworks, provincial consolidated financial statements tabled and improved financial governance.
Objective statement	To improve the application of accounting practices in line with the reporting frameworks, prepare provincial consolidated financial statements and drive financial governance reforms within departments and entities.
Baseline	14 votes assisted to comply with the applicable accounting and financial norms frameworks.

Strategic objective annual targets for 2019/20

Strategic objective performance indicators		Strategic Plan Target	Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
			2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
18.	Number of votes assisted to comply with financial accounting and governance norms and standards	14 votes assisted to comply with financial accounting and governance norms and standards	14	14	14	14	14	14	14

Risk management

Risk: Non-compliance with the evolving accounting frameworks i.e. GRAP for entities and Modified Cash Standard for departments due to interpretation issues on accounting frameworks by departments and entities resulting in negative audit outcomes.

Mitigation: Provide ongoing support and training to departments and entities on accounting standards.

Risk: The adequacy of the assessment criteria may not be comprehensive enough to assess the Financial Management Maturity Capability of Departments.

Mitigation: Benchmark against the NT FMCMM which is at a Level 3 (compliance level) and develop Level 4 - 6 assessment criteria.

Risk: The inability to monitor and provide oversight over compliance with the PFMA by departments due to inadequate structure within the Compliance unit to perform required oversight could result in no-compliance the PFMA.

Mitigation: To strengthen the existing structure to provide the required oversight over departments.

Programme performance indicators and annual targets 2019/20

Programme performance indicator		Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
18.1	Number of votes assessed against the applicable accounting and norms and standards requirements	14	14	14	14	14	14	14
18.2	Number of accounting training interventions	5	5	6	5	6	6	6
18.3	Timeous Publication and tabling of the ACFS	1 month after receipt of audit report on the ACFS	1 month after receipt of audit report on the ACFS	Audited ACFS tabled on 29 January 2018	1 month after receipt of audit report on the ACFS	1 month after receipt of audit report on the ACFS	1 month after receipt of audit report on the ACFS	1 month after receipt of audit report on the ACFS
18.4	Number of CGRO Cabinet submissions coordinated	4	4	4	4	4	4	4
18.5	Mid-year engagement with departments on their governance performance	New PI	New PI	Revised PI	Revised PI	1	2	2

Quarterly targets for 2019/20

Programme Performance indicator		PSG linkage	Reporting period	Annual target 2019/20	Quarterly targets			
					1 st	2 nd	3 rd	4 th
18.1	Number of votes assessed against the applicable accounting and norms and standards requirements	PSG 5	Quarterly	14	14	14	14	14
18.2	Number of accounting training interventions	PSG 5	Quarterly	6	1	1	1	3
18.3	Timeous Publication and tabling of the ACFS	PSG 5	Annually	1 month after receipt of audit report on the ACFS	-	-	1 month after receipt of audit report on the ACFS	-
18.4	Number of CGRO Cabinet submissions coordinated	PSG 5	Bi-Annually	4	1	1	1	1
18.5	Mid-year engagement with departments on their governance performance	PSG 5	Annually	1	-	1	-	-

Sub-programme 4.3: Corporate Governance

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

The unit is responsible for coordinating and driving the good financial governance agenda in the local sphere of government, thereby enhancing good governance practices across various disciplines to achieve maturity in governance.

Building the capabilities of municipal officials has been identified as a key enabler to sustainably improve financial governance practices and concomitantly financial performance. Support initiatives such as the Financial Management Capacity Building Grant provided to municipalities to build their skills pipeline. Identification of training needs and support initiatives are coordinated and implemented to build the capabilities of financial officials in the areas of risk management, internal audit and financial management.

Established forums such as the Chief Risk Officer and Chief Audit Executive (CAE) fora are used to drive norms and standards relating to risk management and internal audit practices towards improved systems of internal control.

Strategic objective

Strategic objective 19	To develop, monitor and advise on norms and standards of corporate governance within municipalities and financial legislation in departments.
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 governance standards.
Baseline	Assistance to improve Corporate Governance in 30 municipalities.

Strategic objective annual targets for 2019/20

Strategic objective performance indicators	Strategic Plan Target	Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
19. Number of municipalities supported to improve corporate governance	30 municipalities assisted to improve corporate governance	30	30	30	30	30	30	30

Risk management

Risk: Non-compliance with financial governance norms and standards due to lack of capacity of municipal officials to effectively conform to financial governance norms and standards resulting in low governance maturity levels.

Mitigation: Provide ongoing support and training on financial governance norms and standards.

Risk: The inability to monitor and provide oversight over the compliance of the MFMA by municipalities due to lack of uniform systems or processes.

Mitigation: To strengthen the existing structured measurement processes to provide the required oversight over municipalities.

Programme performance indicators and annual targets 2019/20

Programme performance indicator		Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
19.1	Number of municipal support initiatives on municipal finance capacity building and training	15	10	10	10	10	10	10
19.2	Number of municipal TIME assessment reports	Revised PI	Revised PI	Revised PI	Revised PI	30	30	30

Programme performance indicator		Audited/Actual performance			Estimated performance 2018/19	Medium-term targets		
		2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
19.3	Number of municipal support initiatives on Governance, Risk and Control	41	20	12	12	12	12	12
19.4	Number of municipal and departmental support initiatives on financial legal frameworks and policies	Revised PI	Revised PI	Revised PI	Revised PI	4	4	4
19.5	Number of legislative scanning reports	4	Revised PI	Revised PI	Revised PI	4	4	4

Quarterly targets for 2019/20

Performance indicator		PSG linkage	Reporting period	Annual target 2019/20	Quarterly targets			
					1 st	2 nd	3 rd	4 th
19.1	Number of municipal support initiatives on municipal finance capacity building and training	PSG 5	Quarterly	10	2	3	3	2
19.2	Number of municipal TIME assessment reports	PSG 5	Annually	30	-	-	-	30
19.3	Number of municipal support initiatives on Governance, Risk and Control	PSG 5	Quarterly	12	2	4	4	2
19.4	Number of municipal and departmental support initiatives on financial legal frameworks and policies	PSG 5	Bi-annual	4	-	2	2	-
19.5	Number of legislative scanning reports	PSG5	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- piation 2018/19	Adjusted appro- piation 2018/19	Revised estimate 2018/19	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2015/16	2016/17	2017/18				2019/20	2018/19	2020/21	2021/22
1. Programme Support	1 506	4 493	5 741	9 039	10 034	9 958	9 640	(3.19)	9 462	9 347
Programme Support	1 506	1 616	1 604	3 308	4 728	4 724	4 874	3.18	5 184	5 502
CA Academy		2 877	4 137	5 731	5 306	5 234	4 766	(8.94)	4 278	3 845
2. Accounting Services	17 479	17 084	18 873	20 442	31 522	31 489	19 958	(36.62)	21 108	22 541
Provincial Government Accounting and Compliance	10 712	9 669	9 786	10 983	11 662	11 655	10 800	(7.34)	11 220	11 974
Local Government Accounting	6 767	7 415	9 087	9 459	19 860	19 834	9 158	(53.83)	9 888	10 567
3. Corporate Governance	11 802	11 350	12 820	12 738	26 314	26 191	36 824	40.60	37 505	36 911
Total payments and estimates	30 787	32 927	37 434	42 219	67 870	67 638	66 422	(1.80)	68 075	68 799

Note: Sub-programme 4.3: Norms and Standards and Sub-programme 4.4: Risk Management as per the National Treasury uniform budget and programme structure, have been subsumed within the Sub-programme Corporate Governance. Sub-programme 4.5: Provincial Internal Audit as per the National Treasury uniform budget and programme structure, was shifted to the Department of the Premier during the 2010/11 financial year.

Earmarked allocation:

Included in Sub-programme 4.3: Corporate Governance is an earmarked allocation amounting to R11.394 million, R12.021 million and R12.670 million in 2019/20, 2020/21 and 2021/22 respectively for the Financial Management Capacity Grant. Also, an earmarked amount of R10.000 million in each year for 2019/20, 2020/21 and 2021/22 to reward/incentivise municipalities for meeting or exceeding good governance performance criteria that will be established over the MTEF period.

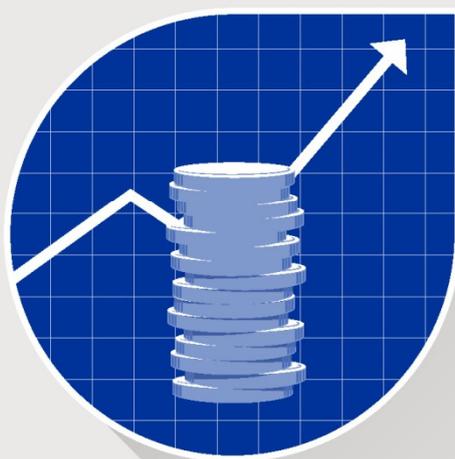
Economic classification R'000	Outcome			Main appro- piation 2018/19	Adjusted appro- piation 2018/19	Revised estimate 2018/19	Medium-term estimate			
	Audited	Audited	Audited				% Change from Revised estimate			
	2015/16	2016/17	2017/18				2019/20	2018/19	2020/21	2021/22
Current payments	30 175	32 843	37 423	42 219	40 897	40 785	46 678	14.45	46 054	46 129
Compensation of employees	25 254	27 612	28 785	34 601	32 809	32 697	35 680	9.12	37 621	39 386
Goods and services	4 921	5 231	8 638	7 618	8 088	8 088	10 998	35.98	8 433	6 743
Transfers and subsidies to Provinces and municipalities	16		11		26 973	26 853	19 744	(26.47)	22 021	22 670
Households	16		11		26 952	26 832	19 394	(27.72)	22 021	22 670
Payments for capital assets	596	84								
Machinery and equipment		84								
Software and other intangible assets	596									
Total economic classification	30 787	32 927	37 434	42 219	67 870	67 638	66 422	(1.80)	68 075	68 799

Performance and expenditure trends

The programme budget decreased by R1.216 million from R67.638 million in 2018/19 (revised estimate) to R66.422 million in 2019/20, this equates to a nominal reduction of 1.8 per cent. The growth from 2018/19 (revised estimate) of R67.638 million to R68.799 million in 2021/22 reflects an annual average growth of 0.6 per cent over the three-year period. The reduction relates to the priority funding allocations for the Municipal Financial Management Support Grant that was shifted during the 2018 Adjusted Estimates to this Programme, however remains unallocated at this stage under Programme 2: Sustainable Resource Management until the Integrated Municipal Engagement processes are finalised.

PART C

LINKS TO OTHER PLANS



PART C: LINKS TO OTHER PLANS

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

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

2. Conditional grants

The Department does not receive any conditional grants.

3. Public entities

The following entity reports to the Minister of Finance:

Name of entity	Legislation	Strategic goal of Entity	Strategic objectives of the Entity
WCGRB	WCGR Act, 1996 (Act 4 of 1996)	To ensure that the Board, in pursuit of its mandate, in respect of gambling industry regulation, designs and utilises its structure, resources and processes for effective, efficient and optimal performance of its duties.	<p>To provide leadership and oversight on all functions of the office of the Board to ensure an effective and efficient administration for the period 2015 to 2020.</p> <p>To provide effective and efficient management of all functions of the office of the Board.</p> <p>To provide legal advisory support and research services to the Board and its Office.</p> <p>To assist the Board in ensuring that it complies with HR best practices and maintaining an appropriately skilled workforce.</p> <p>To review all of the Administration and Finance's policies and procedures for relevance and effectiveness and allocate the available resources to the purpose of the policies and processes during the period.</p> <p>To ensure the efficient and timely investigation of applications received, resulting in the licensing of fit and proper persons permitted to engage in gambling operations.</p> <p>To ensure that gambling and betting activities conducted in the Province conform to the legislative provisions and regulatory requirements.</p> <p>To provide innovative and practical ICT solutions to the WCGRB both on a strategic and functional level.</p>

Ongoing evaluation of the WCGRB is conducted via a number of mechanisms, e.g.:

- Quarterly meetings between the Minister of Finance; Provincial Treasury the Western Cape Gambling and Racing Board; and
- Quarterly assessment of the WCGRB's financial and performance information and feedback to the entity.

4. Public private partnerships

The Department does not have any Public private partnerships.

ANNEXURE A

TECHNICAL INDICATOR DESCRIPTIONS



ANNEXURE A

Technical indicator descriptions

Sub-programme 1.1: Office of the Minister

Strategic objective performance indicator

Indicator title 1	Number of reports to monitor compliance with statutory and executive requirements									
Short definition	Report to monitor compliance with PFMA, MFMA and other applicable legislation.									
Purpose/importance	To ensure that Minister discharges his executive and legislative functions.									
Source/collection of data	Minutes (Action notes), relevant submissions and annexures, attendance registers of meetings.									
Method of calculation	Simple count									
Data limitations	Not applicable									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Annually									
New indicator	No									
Desired performance	Actual performance equal to targeted performance is desirable.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Not applicable									
Indicator responsibility	Head of Office: Ministry									

Programme performance Indicators

Indicator title 1.1	Number of formal engagements with the Department on meeting statutory and executive requirements									
Short definition	Minister to meet with senior management of Provincial Treasury, in furtherance of provisions of PFMA, MFMA and other applicable legislation.									
Purpose/importance	Engagements will enable Minister to discharge his executive and legislative functions.									
Source/collection of data	Minutes, relevant annexures and submissions and attendance registers of meetings with senior management (MTMM and MEMC).									
Method of calculation	Simple count									
Data limitations	Not applicable									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									

Reporting cycle	Quarterly
New indicator	No
Desired performance	Compliance with PFMA, MFMA and Western Cape Gambling & Racing Act, Act 4/1996.
Direct and Indirect Service Delivery Indicator	Indirect
Linkage to MTSF/NDP	Not applicable
Indicator responsibility	Head of Office: Ministry

Indicator title 1.2	Number of formal engagements with the Western Cape Gambling and Racing Board on meeting statutory and executive requirements									
Short definition	Minister to meet with board members of the Western Cape Gambling and Racing Board in furtherance of provisions of PFMA, MFMA and the Western Cape Gambling and Racing Act, Act 4/1996.									
Purpose/importance	Engagements will enable Minister to discharge his executive and legislative functions.									
Source/collection of data	Minutes, relevant annexures, submissions and attendance registers of meetings with Executive and officials of the Western Cape Gambling and Racing Board.									
Method of calculation	Simple count									
Data limitations	Not applicable									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	Compliance with PFMA, MFMA and Western Cape Gambling & Racing Act, Act 4/1996.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Not applicable									
Indicator responsibility	Head of Office: Ministry									

Indicator title 1.3	Number of meetings/engagements with the Consul Generals, members of the Diplomatic Corps and incoming foreign delegations.						
Short definition	Minister to meet Diplomatic Representatives to give effect to the International Relations Strategy.						
Purpose/importance	Engagements will enable Minister to foster sound International Relations with regional/foreign governments/interest groups.						

Source/collection of data	Minutes and attendance registers of meetings; Reports and Briefing documents.									
Method of calculation	Simple count									
Data limitations	Not applicable									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	Sound relations with foreign countries/regions.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Not applicable									
Indicator responsibility	Media Liaison Officer - Ministry									

Sub-programme 1.2: Management Services

Strategic objective performance Indicator

Indicator title 2	Number of material Human Resource Management and Performance Management audit findings									
Short definition	The number of material findings by the AGSA on Human Resource Management and Performance Management as reported in the Report of the AG.									
Purpose/importance	To determine the level of strategic and operational management support rendered.									
Source/collection of data	Report of the AG 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	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Non-cumulative									
Reporting cycle	Annually									
New indicator	No									
Desired performance	Actual performance equal to targeted performance is desirable.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Outcome 9 and Outcome 12									
Indicator responsibility	Director: Strategic and Operational Management Support									

Programme performance indicators

Indicator title 2.1	Number of prescribed performance plans and reports submitted									
Short definition	Submission of 1 Annual Performance Plan, 4 Quarterly Performance Reports, 1 Annual Performance Information Report. The performance plans and reports must be compliant with legislative prescripts, reporting guidelines and procedures.									
Purpose/importance	<p>The Annual Performance Plan sets the objectives, performance indicators and targets that the Department seeks 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 Information 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> <p>Evaluation report of one project/programme evaluated</p>									
Method of calculation	Simple count - Number of reports submitted									
Data limitations	Not applicable									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	Actual performance equal to targeted performance is desirable.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Outcome 9 and Outcome 12									
Indicator responsibility	Deputy Director: Strategic Management Support Services/Director: Strategic and Operational Management Support									

Indicator title 2.2	Number of reports on the implementation of the Workforce Plan									
Short definition	Quarterly report on the progress regarding the implementation of the identified interventions contained in the Workforce Plan and the adherence to legislature prescripts and procedures.									
Purpose/importance	HR planning can be defined as an inclusive and dynamic process that involves the identification of both current and future human resource needs as well as potential challenges in order for the department to consistently achieve its organisational objectives. It is also the two-way operational link between high-level strategy and action-orientated implementation that can be regularly monitored and evaluated. HR Planning aims to ensure that an organisation has the right people, with the right skills at the right time, all the time. It is therefore important to keep management informed of the implementation of interventions and progress regarding the achievement of targets outlined in the Workforce Plan and that all the Human Resource Management legislative prescripts and procedures are adhered to.									
Source/collection of data	<p>The following will be used to compile the quarterly report:</p> <ul style="list-style-type: none"> • PERSAL reports and databases; • Progress report on the implementation of the Recruitment and Selection Plan; • Progress report on the implementation of the Employment Equity Plan and Employment Equity Statistics; • Human Resource Development Implementation Plan and Human Resource Development Monitoring Tool; • Job Access Strategic Framework Implementation Report; • Gender Equity Strategic Framework Implementation Report; and • Employee Health and Wellness Implementation Review Report. 									
Method of calculation	Simple count - Number of reports submitted									
Data limitations	Information in reports is based on information collected manually.									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven		No							
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	Actual performance equal to targeted performance is desirable.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Outcome 9 and Outcome 12									
Indicator responsibility	Deputy Director: Corporate Services Relations Management/ Director: Strategic and Operational Management Support									

Sub-programme 1.3: 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 AGSA 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 AG 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	Input		Activity		Output	X	Outcome		Impact
	Demand driven			No					
Calculation type	Non-cumulative								
Reporting cycle	Annually								
New indicator	No								
Desired performance	Actual performance equal to targeted performance as outlined in the short description and purpose/importance above.								
Direct and Indirect Service Delivery Indicator	Indirect								
Linkage to MTSF/NDP	NDP: Build a government that is accountable to its people. MTSF: An efficient, effective and development-oriented public service.								
Indicator responsibility	Chief Financial Officer								

Programme performance Indicators

Indicator title 3.1	Number of IYM reports								
Short definition	Monthly In-Year Monitoring reports submitted.								
Purpose/importance	Actual spending to remain within the 2% limit of the Adjusted budget and to obtain a clean audit report with no other findings.								
Source/collection of data	BAS, PERSAL, Vulindlela, LOGIS, MTEC database, EPRE								
Method of calculation	Simple count								
Data limitations	Not applicable								
Type of indicator	Input		Activity		Output	X	Outcome		Impact
	Demand driven			No					
Calculation type	Cumulative								
Reporting cycle	Quarterly								
New indicator	No								

Desired performance	Actual performance as described under purpose/importance.
Direct and Indirect Service Delivery Indicator	Indirect
Linkage to MTSF/NDP	NDP: Build a government that is accountable to its people. MTSF: An efficient, effective and development-oriented public service.
Indicator responsibility	Chief Financial Officer

Indicator title 3.2	Number of Budget submissions									
Short definition	Submission of first draft budget, second draft budget, final budget and Adjusted Budget meeting all statutory obligations as set by Provincial and National Treasury. High quality budgets must be submitted for use in all financial reports at all levels of government and to ensure consistent information is maintained in all government documents.									
Purpose/importance	Statutory obligation in terms of PFMA in order to authorise the Department's annual expenditure and ensuring that there are no material findings from auditors.									
Source/collection of data	BAS and MTEC database									
Method of calculation	Simple count									
Data limitations	Not applicable									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	As prescribed in budget circulars and under short definition above.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	NDP: Build a government that is accountable to its people. MTSF: An efficient, effective and development-oriented public service.									
Indicator responsibility	AO and CFO									

Indicator title 3.3	Number of Corporate reports									
Short definition	Compilation of quarterly governance review and outlook reports (CGRO) to address audit findings (both internal and external). Any gaps identified within Financial Management should be improved on are also listed in the CGRO report.									
Purpose/importance	Monitoring tools to ensure clean administration. The collation of CGRO information is regarded as a priority to obtain high quality financial management within the department as acts and as a tool to minimise gaps that exist.									
Source/collection of data	AGSA, IA, PT and IC reports									
Method of calculation	Simple count									
Data limitations	Too many reports limit verification and compliance.									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	Updating of reports and monitoring quarterly progress is desirable.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	NDP: Build a government that is accountable to its people. MTSF: An efficient, effective and development-oriented public service.									
Indicator responsibility	CFO and IC Unit									

Programme 2 – Sustainable Resource Management

Sub-programme 2.1: Programme Support

Strategic objective performance indicator

Indicator title 4	Percentage of Programme 2 – Sustainable Resource Management's programme performance indicator targets achieved									
Short definition	Percentage of Programme 2 – Sustainable Resource Management's 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 Performance Plan, Quarterly Performance Reports and 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	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Non-cumulative									
Reporting cycle	Annually									
New indicator	No									
Desired performance	Optimum achievement of the planned targets.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Outcome 9 and Outcome 12									
Indicator responsibility	Programme Manager/Office Manager									

Programme performance indicators

Indicator title 4.1	Number of quarterly performance reports for Programme 2 – Sustainable Resource Management submitted									
Short definition	Number of quarterly reports submitted on the performance of Programme 2 – Sustainable Resource Management.									
Purpose/importance	To monitor progress towards the achievement of targets and to institute timeous remedial actions.									
Source/collection of data	Progress reports submitted by sub-programme and element managers.									
Method of calculation	Simple count									
Data limitations	None									
Type of indicator	Input		Activity	X	Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	Actual performance equal to targeted performance is desirable.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Outcome 9 and Outcome 12									
Indicator responsibility	Programme Manager/Office Manager									

Sub-programme 2.2: Fiscal Policy
Strategic objective performance indicator

Indicator title 5	Number of fiscal policy reports									
Short definition	Number of reports on fiscal matters that impact on the fiscal frameworks of provincial and local government.									
Purpose/importance	To research, analyse and advise on the management of provincial and municipal fiscal capabilities to inform the Provincial and Local Government fiscal framework and budget policy.									
Source/collection of data	Provincial Treasury Database									
Method of calculation	Simple count – Number of research reports									
Data limitations	Not applicable									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Non-cumulative									
Reporting cycle	Annually									

New indicator	No
Desired performance	To provide research, analysis and advice on provincial and municipal fiscal capability and cash management.
Direct and Indirect Service Delivery Indicator	Indirect
Linkage to MTSF/NDP	Linked to MTSF outcome 9 & 12 as well as NDP chapter 13
Indicator responsibility	Senior Manager: Fiscal Policy

Programme performance Indicators

Indicator title 5.1	Number of research reports on the Provincial and Local Government Fiscal System									
Short definition	Research report written on the Fiscal System.									
Purpose/importance	To present a research base allowing for intergovernmental discussion.									
Source/collection of data	Provincial Treasury Database									
Method of calculation	Simple count									
Data limitations	Limitation to access certain information regarding fiscal variables.									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	Research Reports to inform intergovernmental discussions on fiscal policy matters.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Linked to MTSF outcome 9 & 12 as well as NDP chapter 13									
Indicator responsibility	Senior Manager: Fiscal Policy									

Indicator title 5.2	Number of Provincial Revenue reports									
Short definition	Monitor, analyse and report on the Provincial Fiscal Revenue Trends and evaluate policy influences on provincial fiscal capability.									
Purpose/importance	To provide advice and support to departments in order to enhance revenue management.									
Source/collection of data	Provincial Treasury Database									

Method of calculation	Simple count									
Data limitations	Subject to quality and accuracy of department reporting.									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	To ensure timeous production of provincial revenue reports.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Linked to MTSF outcome 9 & 12 as well as NDP chapter 13									
Indicator responsibility	Senior Manager: Fiscal Policy									

Indicator title 5.3	Number of Cash Management Reports									
Short definition	Number of Provincial and Municipal Cash Management 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 order to reduce the risk of under collection through monthly monitoring.									
Source/collection of data	Provincial Treasury Database									
Method of calculation	Simple count									
Data limitations	Subject to quality and accuracy of department and municipal reporting.									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	To ensure timeous production of provincial and municipal cash management reports (4 for Provincial Government; 4 for Municipalities).									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Linked to MTSF outcome 9 & 12 as well as NDP chapter 13									
Indicator responsibility	Senior Manager: Fiscal Policy									

Indicator title 5.4	Number of reports on the performance of the WCGRB.									
Short definition	Quarterly report on the financial and non-financial performance of the WCGRB 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	Provincial Treasury Database									
Method of calculation	Simple count									
Data limitations	None									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	Strengthen oversight and promote good governance of the WCGRB.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Linked to MTSF outcome 9 & 12 as well as NDP chapter 13									
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 OPRE (Provincial Budget Overview).									
Purpose/importance	To provide a high-level overview of the main components of the provincial budget, including the key policy and budget priorities 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 OPRE is available on the Provincial Treasury Database.									
Method of calculation	Date of publication									
Data limitations	Not applicable									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Non-cumulative									

Reporting cycle	Annually
New indicator	No
Desired performance	To publish timeously by March within two weeks of the tabling of the national budget.
Direct and Indirect Service Delivery Indicator	Indirect
Linkage to MTSF/NDP	National Outcome 12
Indicator responsibility	Senior Manager: Provincial Government Budget Office

Programme performance indicators

Indicator title 6.1	Number of provincial budget policy assessment reports									
Short definition	Budget submissions assessed as part of the Provincial Government Medium Term Expenditure Committee (MTEC) process.									
Purpose/importance	To improve allocative efficiency, responsiveness of the budget to socio-economic needs, budget policy objectives and national and provincial priorities.									
Source/collection of data	The assessment reports are available on the Provincial Treasury database.									
Method of calculation	Simple count (1 assessment per vote per PG MTEC)									
Data limitations	Not applicable									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Bi-annually									
New indicator	No									
Desired performance	Assessments on all votes									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	National Outcome 12									
Indicator responsibility	Senior Manager: Provincial Government Budget Office									

Indicator title 6.2	Timeous publication of the Provincial Economic Review and Outlook									
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 economic 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 the Provincial Treasury database and hard copy publication.									
Method of calculation	Date of publication									
Data limitations	Not applicable									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Non-cumulative									
Reporting cycle	Annually									
New indicator	No									
Desired performance	To publish timeously to inform the Medium-Term Budget Policy Statement by September.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	National Outcome 12									
Indicator responsibility	Senior Manager: Provincial Government Budget Office									

Indicator title 6.3	Timeous publication of the Medium-Term Budget Policy Statement									
Short definition	Timeous publication of the 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) is available in hard copy and on the Provincial Treasury database.									
Method of calculation	Date of publication									
Data limitations	Not applicable									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
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.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	National Outcome 12									
Indicator responsibility	Senior Manager: Provincial Government Budget Office									

Element: Local Government Budgets

Strategic objective performance indicator

Indicator title 7	Number of municipal budgets with effective resource allocations									
Short definition	Annual municipal budget assessments for the local Medium-Term Expenditure Committee (LG MTEC).									
Purpose/importance	To improve the allocative efficiency and responsiveness of municipal budgets and make recommendations for improvement.									
Source/collection of data	Local Government Medium Term Expenditure Committee (LG MTEC) assessment e-copy reports available on the Provincial Treasury database.									
Method of calculation	Simple count									
Data limitations	Not applicable									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Non-cumulative									
Reporting cycle	Annually									
New indicator	No									
Desired performance	Assessment Reports on all municipalities									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	MTSF, National Outcome 9									
Indicator responsibility	Senior Manager: Local Government Budget Office									

Programme performance Indicators

Indicator title 7.1	Number of municipal budget policy assessment reports.									
Short definition	Annual municipal budget assessments for the Local Government Medium Term Expenditure Committee (LG MTEC).									
Purpose/importance	To improve the allocative efficiency and responsiveness of municipal budgets and make recommendations for improvement.									
Source/collection of data	Local Government Medium Term Expenditure Committee (LG MTEC) assessment-copy reports available on the Provincial Treasury database.									
Method of calculation	Simple count									
Data limitations	Not applicable									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Non-cumulative									
Reporting cycle	Annually									
New indicator	No									
Desired performance	Assessment Reports on all municipalities									

Direct and Indirect Service Delivery Indicator	Indirect
Linkage to MTSF/NDP	MTSF, National Outcome 9
Indicator responsibility	Senior Manager: Local Government Budget Office

Indicator title 7.2	Percentage of Quarterly Performance Reports received, assessed								
Short definition	Evaluation of the QPR 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	Numerator: Number of reports assessed. Denominator: Number of reports received.								
Data limitations	Not applicable								
Type of indicator	Input		Activity		Output	X	Outcome		Impact
	Demand driven			No					
Calculation type	Non-cumulative								
Reporting cycle	Quarterly								
New indicator	No								
Desired performance	Evaluations/assessment of all Quarterly performance reports submitted.								
Direct and Indirect Service Delivery Indicator	Indirect								
Linkage to MTSF/NDP	MTSF, National Outcome 9								
Indicator responsibility	Senior Manager: Local Government Budget Office								

Indicator title 7.3	Timeous publication of the Municipal Economic Review and Outlook								
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 the Provincial Treasury database and hard copy publication.								
Method of calculation	Date of publication								
Data limitations	Not applicable								
Type of indicator	Input		Activity		Output	X	Outcome		Impact
	Demand driven			No					

Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To publish timeously by September to feed into the municipal planning and budgeting processes.
Direct and Indirect Service Delivery Indicator	Indirect
Linkage to MTSF/NDP	MTSF, National Outcome 9
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 in order to monitor the implementation of the budget.									
Source/collection of data	The Estimates of Provincial Revenue and Expenditure is available in hard copy and e-copy on database.									
Method of calculation	Date of Publication									
Data limitations	Not applicable									
Type of indicator	Input	X	Activity		Output		Outcome		Impact	
	Demand driven			No						
Calculation type	Non-cumulative									
Reporting cycle	Annually									
New indicator	No									
Desired performance	Tabling within two weeks of the tabling of the national budget.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	MTSF: Outcome 12									
Indicator responsibility	Senior Manager: Provincial Government Finance									

Programme performance Indicators

Indicator title 8.1	Number of provincial budget assessment reports									
Short definition	The number of assessments of provincial budgets to determine the conformance, credibility and sustainability in order to influence the quality of the Estimates of Provincial Revenue and Expenditure.									
Purpose/importance	Determining whether the budget is in line with the regulatory framework, based on previous expenditure trends, capacity to spend 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. An expenditure model based on past trends and department specific anomalies.									
Method of calculation	On an annual basis each of the 14 votes submits their 1 st draft budget to Provincial Treasury by August or September. Provincial Treasury makes an assessment of the draft budget which is utilised for discussion with the department during the PG MTEC 1 engagement. By end of November or early December the 2 nd draft budget is submitted whereby again an assessment is made and utilised for discussion during the PG MTEC 2 engagement. A benchmark analysis report is prepared based on the 2 nd draft budget for each department, which is used at the discussion with the National Treasury in mid-January.									
Data limitations	The assessment is dependent on the quality and completion of databases submitted by departments.									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Bi-annually									
New indicator	No									
Desired performance	Meeting target									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	MTSF: Outcome 12									
Indicator responsibility	Senior Manager: Provincial Government Finance									

Indicator title 8.2	Number of expenditure reviews.									
Short definition	Expenditure review working paper on selected expenditure items.									
Purpose/importance	To understand and identify expenditure trends or any potential efficiency gains on selected expenditure items.									
Source/collection of data	Past expenditure trends of selected items review papers.									
Method of calculation	Simple count refers to output from processes associated with the indicator that will serve as evidence.									
Data limitations	Not applicable									
Type of indicator	Input	X	Activity		Output		Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Bi-annually									
New indicator	No									
Desired performance	Meeting target									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	MTSF: Outcome 12									
Indicator responsibility	Senior Manager: Provincial Government Finance									

Indicator title 8.3	Number of quarterly reports on the implementation of the budget									
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/Estimates of Provincial Revenue and Expenditure and the Annual Performance Plans.									
Source/collection of data	Information for the financial information section is derived from the In-year monitoring (IYM) reports submitted by Departments. Non-financial information inputs for the quarterly report are received from the Department of the Premier.									
Method of calculation	Simple count									
Data limitations	Not applicable									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	Within 60 days after the end of the particular quarter or date determined by Parliament.									

Direct and Indirect Service Delivery Indicator	Indirect
Linkage to MTSF/NDP	MTSF: Outcome 12
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 municipal budgets									
Short definition	Number of reports submitted to Cabinet and Parliament on the performance of municipalities on the implementation of their budgets.									
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 Database									
Method of calculation	Simple count									
Data limitations	Data Integrity of Information received from municipalities.									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Non-cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	Accurate IYM reporting from municipalities, and Improved Cabinet reporting to Parliament, Cabinet and relevant stakeholders.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Outcome 9 and Outcome 12									
Indicator responsibility	Senior Manager: Local Government Finance (Group 1) and Senior Manager: Local Government Finance (Group 2)									

Programme performance indicators

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 financial performance.
Purpose/importance	Legislative requirement to monitor the implementation of the budget in terms of conformance, accountability, data integrity, sustainability and efficiencies, as per section 71 of the MFMA.

Source/collection of data	Municipalities, NT LG Database									
Method of calculation	Simple count - Monthly municipal IYM Assessment reports									
Data limitations	Data Integrity of Information received from municipalities									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative (30 assessments per month plus 1 consolidated report)									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	Improved IYM reporting from municipalities.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Outcome 9 and Outcome 12									
Indicator responsibility	Senior Manager: Local Government Finance (Group 1) and Senior Manager: Local Government Finance (Group 2)									

Indicator title 9.2	Number of Municipal budget assessment reports									
Short definition	Draft municipal budgets assessed to improve conformance, credibility, and sustainability.									
Purpose/importance	Compliance with section 22 and 23 of the MFMA.									
Source/collection of data	From the Municipality: Municipal draft budgets									
Method of calculation	Sum total of municipal budget assessment reports									
Data limitations	Quality of Budget documentations received from municipalities									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Non-cumulative									
Reporting cycle	Annually									
New indicator	No									
Desired performance	Improved Municipal Budgets (in terms of credibility, sustainability and conformance to all related legislation).									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Outcome 9 and Outcome 12									
Indicator responsibility	Senior Manager: Local Government Finance (Group 1) and Senior Manager: Local Government Finance (Group 2)									

Indicator title 9.3	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 Provincial Treasury, other departments, and relevant stakeholders to improve conformance and performance in municipalities.									
Source/collection of data	Status reports from the various MFMA directorates and the Department of Local Government as inputs 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 and the Department of Local Government									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	Coordinated reporting.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Outcome 9 and Outcome 12									
Indicator responsibility	Senior Manager: Local Government Finance (Group 1) and Senior Manager: Local Government Finance (Group 2)									

Element: Infrastructure

Strategic objective performance indicator

Indicator title 10	Number of assessments on the institutionalisation of the 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 in the relevant departments (Public Works, Roads, Education, Health and Human Settlements).
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	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Non-cumulative									
Reporting cycle	Annually									
New indicator	No									
Desired performance	Greater compliance to WCIDMS and increase infrastructure delivery to Level 3+.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	NDP									
Indicator responsibility	Senior Manager: Infrastructure									

Programme performance indicators

Indicator title 10.1	Number of asset management plans 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	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Bi-annually									
New indicator	No									
Desired performance	34 assessments									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	NDP									
Indicator responsibility	Senior Manager: Infrastructure									

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 the 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	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	Improved infrastructure expenditure and delivery levels.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	NDP									
Indicator responsibility	Senior Manager: Infrastructure									

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. 10 Projects or Impact Delivery assessments to establish the impact of the infrastructure on the community.									
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	Input		Activity		Output		Outcome		Impact	X
	Demand driven			No						
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.
Direct and Indirect Service Delivery Indicator	Indirect
Linkage to MTSF/NDP	NDP
Indicator responsibility	Deputy Directors

Indicator title 10.4	Number of quarterly reports on the implementation of infrastructure budgets to Cabinet								
Short definition	This indicator relates to the preparation of 4 Cabinet Submissions outlining the expenditure of infrastructure funding within a quarter versus what was projected.								
Purpose/importance	The reports will serve to provide Cabinet with an overarching view of infrastructure expenditure in the province, to highlight certain risks at the appropriate level, and to assess whether mitigation mechanisms are adequate and/or being implemented as proposed.								
Source/collection of data	Monthly Infrastructure Reporting Model assessment reports; minutes of project meetings; minutes of Interdepartmental meetings such as the Infrastructure Delivery Management Committee; project site visits.								
Method of calculation	Simple count								
Data limitations	Accuracy and availability of data from departments.								
Type of indicator	Input		Activity		Output	X	Outcome		Impact
	Demand driven			No					
Calculation type	Cumulative								
Reporting cycle	Quarterly								
New indicator	No								
Desired performance	Improved infrastructure delivery with respect to time, quality and quantity of deliverables.								
Direct and Indirect Service Delivery Indicator	Indirect								
Linkage to MTSF/NDP	NDP								
Indicator responsibility	Senior Manager: Infrastructure								

Indicator title 10.5	Number of developed and tested municipal infrastructure delivery management system(s) in municipalities									
Short definition	To identify municipalities where the institutionalisation of the IDMS could be piloted, to assess those municipalities' current processes, to customise the IDMS for a municipality and to implement the customised version at a municipality.									
Purpose/importance	It is aimed to facilitate integration and promote seamless delivery through a holistic approach of facilitating infrastructure delivery, in 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 municipalities									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Non-cumulative									
Reporting cycle	Annually									
New indicator	No									
Desired performance	Improved infrastructure delivery in terms of expedited processes, quality of governance as well as end products delivered.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Not applicable									
Indicator responsibility	Senior Manager: Infrastructure									

Element: Business Information and Data Management

Strategic objective performance indicator

Indicator title 11	An available central repository									
Short definition	To avail a platform to Provincial Treasury Employees for the safeguarding of financial and performance information to enable proper decision-making and credible publications.									
Purpose/importance	Ensure the availability of information to Provincial Treasury officials.									
Source/collection of data	Provincial Treasury allotted space on a Ce-I file server or WCG Cloud Service									
Method of calculation	Simple count									
Data limitations	Quality of data sets received from the various Programmes.									
Type of indicator	Input		Activity		Output		Outcome		Impact	X
	Demand driven			No						
Calculation type	Non-cumulative									

Reporting cycle	Annually
New indicator	No
Desired performance	Operational and available centralised repository.
Direct and Indirect Service Delivery Indicator	Indirect
Linkage to MTSF/NDP	Outcome 9 and 12
Indicator responsibility	Senior Manager: Business Information and Data Management

Programme performance indicators

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 Provincial Treasury decision-making.								
Source/collection of data	The four datasets are compiled using different data sources. The IYM Dataset uses the IYM database as its data source. The Master Provincial Dataset is compiled from an amalgam of the NT MTEC Database and the IYM Database. The Spatial Spending Dataset is formulated from data available in the Vulindlela Database. The IRM Database serves as the data source for the IRM Dataset.								
Method of calculation	Simple count								
Data limitations	Uptime of systems and format of data.								
Type of indicator	Input	X	Activity		Output		Outcome		Impact
	Demand driven			No					
Calculation type	Non-cumulative								
Reporting cycle	Quarterly								
New indicator	No								
Desired performance	Production of four datasets per quarter.								
Direct and Indirect Service Delivery Indicator	Indirect								
Linkage to MTSF/NDP	Outcome 9 and 12								
Indicator responsibility	Senior Manager: Business Information and Data Management								

Indicator title 11.2	Number of budget process plans managed							
Short definition	This indicator refers to the planning for the LG MTEC, PG MTEC 1 and PG MTEC 2 processes during the financial year under review (Provincial and Municipal).							
Purpose/importance	Illustrates the timelines and internal deadlines of the various MTEC processes within Provincial Treasury. This in turn can provide for better planning and implementation of budget processes.							

Source/collection of data	Provincial budget process: National Treasury MTEF Guidelines and Budget Process Schedule, the Western Cape Cabinet calendar programme, the Western Cape Parliament parliamentary programme, Budget Circulars and Treasury Circulars. Municipal budget process and Provincial Circulars: National Treasury Municipal Budget Circular for the Medium-Term Revenue and Expenditure Framework.									
Method of calculation	Simple count: Provincial – PG MTEC 1 and PG MTEC 2 and Municipal - LG MTEC									
Data limitations	Quality of data received from departments and municipalities.									
Type of indicator	Input	X	Activity		Output		Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	Management of budget processes in accordance with budget process plans.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Outcome 9 and 12									
Indicator responsibility	Senior Manager: Business Information and Data Management									

Programme 3 – Asset Management

Sub-programme 3.1: Programme Support

Strategic objective performance indicator

Indicator title 12	Percentage of Programme 3 – Asset Management's programme performance indicator targets achieved									
Short definition	Percentage of Programme 3 – Asset Management's 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 Performance Plan, Quarterly Performance Reports and 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	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Non-cumulative									
Reporting cycle	Annually									
New indicator	No									

Desired performance	Optimum achievement of the planned targets
Direct and Indirect Service Delivery Indicator	Indirectly
Linkage to MTSF/NDP	NDP13: Development of a capable and developmental state
Indicator responsibility	Programme Manager

Programme performance indicators

Indicator title 12.1	Number of quarterly performance reports for Programme 3 – Asset Management submitted									
Short definition	Number of quarterly reports submitted on the performance of Programme 3 – Asset Management.									
Purpose/importance	To monitor progress towards the achievement of targets and to institute timeous remedial actions.									
Source/collection of data	Progress reports submitted by sub-programme and element managers.									
Method of calculation	Simple count									
Data limitations	None									
Type of indicator	Impact		Activity	X	Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	Actual performance equal to targeted performance is desirable.									
Direct and Indirect Service Delivery Indicator	Indirectly									
Linkage to MTSF/NDP	NDP13: Development of a capable and developmental state									
Indicator responsibility	Programme Manager									

Sub-programme 3.2: Supply Chain Management

Element: Supply Chain Management: Provincial Government

Strategic objective performance Indicator

Indicator title 13	Number of departments assisted to continuously improve governance, capacity and skill and performance within supply chain and moveable assets management.									
Short definition	Number of departments monitored and 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"> • Support and intervention reports; databases and registers, impact assessment/perception surveys and helpdesk performance reports. • SCM/moveable asset management; systems assessment reports; performance reports and Departmental Implementation Plans. • Strategic sourcing intervention reports, strategies; business cases, tools, assessment reports, presentations, implementation and/enablement plans, project reports, etc. • Query/opinion and complaint's registers, helpdesk performance reports and engagement 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. Financial systems and tools are not integrated and there is no existence of a central consolidated data warehouse a single source of information.									
Type of indicator	Input	X	Activity		Output	X	Outcome	X	Impact	
	Demand driven			No						
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.									
Direct and Indirect Service Delivery Indicator	Indirectly									
Linkage to MTSF/NDP	NDP13: Development of a capable and developmental state									
Indicator responsibility	Senior Manager: Provincial Government Supply Chain Management									

Programme performance Indicators

Indicator title 13.1	Number of interventions performed to assist departments with the continuous improvements of their supply chain and asset management systems								
Short definition	Number of departments assisted, supported and guided to have and maintain a supply chain and asset management system, which 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	16 interventions which will reflect the following: <ul style="list-style-type: none"> • Training and/or intervention reports jointly or severally completed; • Impact assessment reports/Or position papers for key SCM issues; • Policy assessment reports; • Presentations; and • Attendance Registers. 								
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	Input		Activity		Output	X	Outcome	X	Impact
	Demand driven			Yes					
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.								
Direct and Indirect Service Delivery Indicator	Indirect								
Linkage to MTSF/NDP	NDP13: Development of a capable and developmental state								
Indicator responsibility	Senior Manager: Provincial Government Supply Chain Management								

Indicator title 13.2	Number of SCM/AM and SCM systems assessment reports								
Short definition	Number of SCM/AM and SCM Systems 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"> • 4 targeted X SCM and moveable asset management assessment reports as per quarterly target per department. • (13 x 4) Procurement Planning Assessment Reports per quarter per department. • (13 x 4) Systems Insight Reports per quarter per department. 									
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	X	Activity		Output	X	Outcome	X	Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	Enhanced departmental capacity and compliance to SCM and moveable asset management policy and procedure that enables clean audits and efficiencies.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	NDP13: Development of a capable and developmental state									
Indicator responsibility	Senior Manager: Provincial Government Supply Chain Management									
Indicator title 13.3	Number of interventions 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	<p>Evidence will be any of the following:</p> <ul style="list-style-type: none"> • Business cases; • Commodity Strategies; • Implementation and/enablement plans; • Specific sourcing type Assessment reports; • Tools, templates, frameworks, guides; and • Transversal contracts. 									
Method of calculation	Simple count as per project milestone									
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	X	Activity		Output	X	Outcome	X	Impact	X
	Demand driven			Yes						

Calculation type	Cumulative
Reporting cycle	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.
Direct and Indirect Service Delivery Indicator	Direct
Linkage to MTSF/NDP	NDP13: Development of a capable and developmental state
Indicator responsibility	Senior Manager: Provincial Government Supply Chain Management

Indicator title 13.4	Number of supplier engagement sessions held to develop and educate suppliers									
Short definition	Implement supplier development initiatives that are 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"> • Project plans; • Supplier incident/query/complaints register/s; • Supplier engagement reports and quarterly helpdesk report; • Attendance registers; and • Perception surveys. 									
Method of calculation	Simple count									
Data limitations	None									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			Yes						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	Developed relationship between vendors that is responsive to provincial procurement requirements.									
Direct and Indirect Service Delivery Indicator	Direct									
Linkage to MTSF/NDP	NDP13: Development of a capable and developmental state									
Indicator responsibility	Senior Manager: Provincial Government Supply Chain Management									

Element: Supply Chain Management: Local Government**Strategic objective performance indicator**

Indicator title 14	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 and AM VC Assessment Reports, VC Assessment Action Plans, Assessment Action Minutes; • Infrastructure Procurement Model Policy Close Out Reports; Infrastructure Procurement Model Policies Assessed; • SCM and AM Training Close Out Reports; SCM and AM Policies; project plans, presentations etc; • Asset Management Business Processes Reports, Asset Management Progress Reports; • Municipal District Visit Close Out Report; Localisation of Procurement Reports; Procurement Planning and Expenditure Analysis Reports; Data Analytics Reports etc; and • Query/opinion and complaint's registers, helpdesk performance reports and engagement 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		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
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.									
Direct and Indirect Service Delivery Indicator	Direct									
Linkage to MTSF/NDP	NDP13: Development of a capable and developmental state									
Indicator responsibility	Senior Manager: Local Government Supply Chain Management									

Programme performance Indicators

Indicator title 14.1	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 Reports per quarterly targets; • Asset Management Baseline Assessment Reports; • SCM Virtuous Cycle assessment action plans; • VC SCM and AM Assessment Engagement Letters; and • VC SCM and AM Assessment Action Minutes. 									
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	Input	X	Activity		Output	X	Outcome	X	Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	To assist municipalities sustaining good governance and to improve municipal external audit process, outcomes and overall good governance.									
Direct and Indirect Service Delivery Indicator	Direct									
Linkage to MTSF/NDP	NDP13: Development of a capable and developmental state									
Indicator responsibility	Senior Manager: Local Government Supply Chain Management									

Indicator title 14.2	Number of Municipal Districts assisted with structured training interventions and capacity building									
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"> • 5 x SCM and AM Training Close Out Reports as per the quarterly targets per Municipal District; • 5 x Attendance registers as per the quarterly targets per Municipal District. • 5 x Agenda's as per the quarterly targets per Municipal District; • 5 x SCM and AM Training Presentations as per the quarterly targets per Municipal District; • 5 x Evaluation forms as per the quarterly targets per Municipal District; • 5 x SPL Training Reports as per the quarterly targets per Municipal District; and • SCM and AM Policy assessment 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	Input	X	Activity		Output	X	Outcome	X	Impact	
	Demand driven			Yes						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	Revised									
Desired performance	To assist and provide support to municipalities and municipal entities in building their capacity for efficient, effective and transparent financial management within the SCM and AM environment.									
Direct and Indirect Service Delivery Indicator	Direct									
Linkage to MTSF/NDP	NDP13: Development of a capable and developmental state									
Indicator responsibility	Senior Manager: Local Government Supply Chain Management									

Indicator title 14.3	Number of Municipal Districts assisted with the improvement of risk and internal control for SCM.									
Short definition	Number of Districts assisted with the improvement and implementation of supply chain management and internal control mechanism to meet the conformance and performance requirements.									
Purpose/importance	Strengthening in the internal control and inherent risk framework for supply chain management and utilising the assurance functions to support compliance and improve audit outcomes.									

Source/collection of data	<ul style="list-style-type: none"> • SCM Virtuous Cycle assessment action plans, MGRO Action Plans for the identified municipality; • Query/opinion and complaint's registers, helpdesk performance reports and engagement reports; • SCM Model Policies and other prescribed legislation; • TIME engagements commitments and action plans; • Municipal District Visit Close Out Report; Procurement Planning and Data Analytics Reports; • SCM Training Intervention Gaps; • Audit Action Plans on SCM; • SCM Risk Registers; • AGSA's report and AGSA Management Letters; and • SCM /LED Forms 									
Method of calculation	Simple count									
Data limitations	Quality and Integrity of data is dependent on external sources									
Type of indicator	Input	X	Activity		Output	X	Outcome	X	Impact	
	Demand driven			Yes						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	New									
Desired performance	To assist municipalities to sustain good governance by addressing better internal controls and thereby improving its service delivery obligations.									
Direct and Indirect Service Delivery Indicator	Direct									
Linkage to MTSF/NDP	NDP13: Development of a capable and developmental state									
Indicator responsibility	Local Government Supply Chain Management.									

Indicator title 14.4	Number of Municipal Districts assisted with localisation of procurement									
Short definition	To provide policy direction and facilitating the effectiveness and efficient management of supply chain and asset management practices in municipalities.									
Purpose/importance	Implementation of a district approach and bringing the two disciplines of SCM and LED closer to each other, while creating and enabling environment for local economic development.									
Source/collection of data	<ul style="list-style-type: none"> • Municipal District Visit Close Out Report; • Municipal District Minutes; • Municipal District Attendance Registers; • Municipal District Agenda's; • Localisation of Procurement Reports; • Localisation project Reports; • Procurement Planning and Expenditure Analysis Reports; • Data Analytics Reports; and • Framework Agreements 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	X	Activity		Output	X	Outcome	X	Impact	
	Demand driven			Yes						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	Municipalities developing tools and procedures to use procurement as a conduit to local and regional economic development stimulation initiatives.									
Direct and Indirect Service Delivery Indicator	Direct									
Linkage to MTSF/NDP	NDP13: Development of a capable and developmental state									
Indicator responsibility	Senior Manager: Local Government Supply Chain Management									

Sub-programme 3.3: Supporting and Interlinked Financial Systems

Strategic objective performance Indicator

Indicator title 15	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 migration to the Integrated Financial Management System (IFMS).									
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 the validity and veracity of data which includes rendering a service to all departments by providing credible data and assist departments in the analysing of data.									
Source/collection of data	Transversal financial 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		Activity		Input	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Non-cumulative									
Reporting cycle	Annually									
New indicator	No									

Desired performance	Appropriately trained system users, optimal utilisation of systems and integrity of data.
Direct and Indirect Service Delivery Indicator	Indirect
Linkage to MTSF/NDP	National Outcome 12: An efficient, effective and development-oriented public service.
Indicator responsibility	Senior Manager: Supporting and Interlinked Financial Systems

Programme performance Indicators

Indicator title 15.1	Number of votes provided with user account management service i.r.o provincially operated financial systems								
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, comprehensive user support service and detailed/management information is provided in accordance with legislative requirements.								
Purpose/importance	The effective management of transversal systems and veracity of data.								
Source/collection of data	Transversal financial systems, training database, reports (system and in-house developed), Kitso and PERSAL share.								
Method of calculation	Simple count								
Data limitations	The availability of the systems and system-generated reports.								
Type of indicator	Input		Activity		Output	X	Outcome		Impact
	Demand driven			No					
Calculation type	Non-cumulative								
Reporting cycle	Quarterly								
New indicator	No								
Desired performance	The effective management, optimal utilisation of transversal systems and integrity of data.								
Direct and Indirect Service Delivery Indicator	Indirect								
Linkage to MTSF/NDP	National Outcome 12: An efficient, effective and development-oriented public service.								
Indicator responsibility	Senior Manager: Supporting and Interlinked Financial Systems								

Indicator title 15.2	Number of votes assisted with the data maintenance, planning and preparation i.r.o. all provincially operated financial systems for migration to the IFMS									
Short definition	To enable project preparation with affected departments in migration to the IFMS in accordance with a mutually agreed project plan, leading the change management initiatives, data clean up and eventual migration to IFMS.									
Purpose/importance	To ensure the standardisation of systems and integrity of data for the programmatic migration to the IFMS.									
Source/collection of data	System reports/downloads									
Method of calculation	Simple count									
Data limitations	Resource availability and readiness of the Departments/Institutions for implementation.									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	Revised									
Desired performance	Integrity of data being for management decision-making as well as preparation for programmatic migrated to the IFMS									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	National Outcome 12: An efficient, effective and development-oriented public service.									
Indicator responsibility	Senior Manager: Supporting and Interlinked Financial Systems									

Indicator title 15.3	Number of votes assisted in providing and analysing data									
Short definition	The extracting, compilation and analysing data and providing credible information to all Departments.									
Purpose/importance	To improve sound Financial Management decision-making and contribute to enhance effective day to day management of financial processes according to legislative requirements.									
Source/collection of data	BAS, PERSAL, LOGIS, Kitso, PERSAL Share and other form of Data Collection.									
Method of calculation	Simple count									
Data limitations	Resource availability and collection of data to provide credible reports									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Quarterly									

New indicator	No
Desired performance	Improved Financial Management and enhanced decision-making.
Direct and Indirect Service Delivery Indicator	Indirect
Linkage to MTSF/NDP	National Outcome 12: An efficient, effective and development-oriented public service.
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 16	Percentage of Programme 4 – Financial Governance's programme performance indicator targets achieved									
Short definition	Percentage of Programme 4 – Financial Governance performance's indicators achieved as per the Annual Performance Plan.									
Purpose/importance	To ensure that departmental goals and objectives are achieved.									
Source/collection of data	Annual Performance Plan, Quarterly Performance Reports and 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	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Non-cumulative									
Reporting cycle	Annually									
New indicator	No									
Desired performance	Optimum achievement of the planned targets.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Outcome 9 and Outcome 12									
Indicator responsibility	Programme Manager									

Programme performance indicators

Indicator title 16.1	Number of quarterly performance reports for Programme 4 - Financial Governance submitted
Short definition	Number of quarterly reports submitted on the performance of Programme 4 - Financial Governance.

Purpose/importance	To monitor progress towards the achievement of targets and to institute timeous remedial actions.									
Source/collection of data	Progress reports submitted by sub-programme and element managers.									
Method of calculation	Simple count									
Data limitations	None									
Type of indicator	Input	X	Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	Actual performance equal to targeted performance is desirable.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Outcome 9 and Outcome 12									
Indicator responsibility	Programme Manager									

Sub-programme 4.2: Accounting Services

Element: Local Government Accounting

Strategic objective performance indicator

Indicator title 17	Number of Municipalities supported to comply with the GRAP standards
Short definition	Support 30 municipalities to ensure compliance with the relevant reporting framework.
Purpose/importance	Assists municipalities to comply with the relevant MFMA AFS reporting, to prepare AFS in according with the relevant GRAP Reporting Framework.
Source/collection of data	<ul style="list-style-type: none"> • AFS assessments housed on a central database; • Training attendance registers; • Ratio analysis; • Accounting Working Committee Meeting minutes; • Public Sector Accountants Forum minutes; • Municipal Accountants Forum minutes; • Chief Financial Officers forum minutes; • mSCOA Training attendance registers; Other training initiatives attendance registers; • TIME support; and • MGAP review.

Method of calculation	Simple count									
Data limitations	Not applicable									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Non-cumulative									
Reporting cycle	Annually									
New indicator	No									
Desired performance	Municipalities to fully comply with the accounting reporting framework.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Outcome 9 and Outcome 12									
Indicator responsibility	Senior Manager: Local Government Accounting									

Programme performance Indicators

Indicator title 17.1	Number of Municipalities supported with the accounting reporting framework									
Short definition	Supporting local government with the relevant accounting framework, as pronounced by the Accounting Standards Board.									
Purpose/importance	Assist municipalities to comply with the relevant MFMA AFS reporting, to prepare AFS in according with the relevant GRAP Reporting Framework.									
Source/collection of data	<ul style="list-style-type: none"> • Assessments on AFS based on the PT bespoke GRAP disclosure checklist; • Training attendance registers; • Ratio analysis; • Accounting Working Committee Meeting minutes; • Relevant Public-Sector Accountants Forum minutes; • Municipal Accountants Forum minutes; • Chief Financial Officers forum minutes • mSCOA Training attendance registers; • GRAP training provided to municipalities – attendance register; • Other training initiatives attendance registers; and • TIME support; MGAP review. 									
Method of calculation	Simple count									
Data limitations	Not applicable									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Non-cumulative									
Reporting cycle	Quarterly									
New indicator	No									

Desired performance	To provide support to all municipalities to fully comply with the accounting reporting framework.
Direct and Indirect Service Delivery Indicator	Indirect
Linkage to MTSF/NDP	Outcome 9 and Outcome 12
Indicator responsibility	Senior Manager: Local Government Accounting

Indicator title 17.2	Number of Reports submitted for TIME engagements									
Short definition	Reports submitted for TIME engagements based on mGAP tool and other intelligence gathered through the operational activities of the unit.									
Purpose/importance	In support of a technical engagement with each municipality focussing on improving control and governance, with the objective of improving financial and accounting governance at municipalities.									
Source/collection of data	Reports submitted to MGRO coordinators.									
Method of calculation	Simple count									
Data limitations	Not applicable									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Non-cumulative									
Reporting cycle	Annually									
New indicator	No									
Desired performance	Report submitted for inclusion in Technical Integrated Municipal Engagement Report.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Outcome 9 and Outcome 12									
Indicator responsibility	Senior Manager: Local Government Accounting									

Indicator title 17.3	Number of municipalities monitored and supported with mSCOA implementation
Short definition	Monitor and support municipalities with the implementation of mSCOA per National Treasury mSCOA regulations
Purpose/importance	Monitor mSCOA implementation at municipalities which aim is to improve reporting and management of municipal finances

Source/collection of data	<ul style="list-style-type: none"> • Municipal self-assessments; • MAF & CFO forum presentations; • MFMA Exco and Coordinators meeting presentations; • Bespoke engagements with municipalities and vendors; • Participate in NT mSCOA engagements; 									
Method of calculation	Simple count									
Data limitations	Not applicable									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Non-cumulative									
Reporting cycle	Quarterly									
New indicator	New									
Desired performance	Monitor the level of mSCOA implementation in municipalities									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Outcome 9 and Outcome 12									
Indicator responsibility	Senior Manager: Local Government Accounting									

Indicator title 17.4	Number of reports submitted for the MTEC engagements									
Short definition	Reports presented forming part of the MTEC engagements									
Purpose/importance	To support an integrated assessment of the budget of a municipality by providing insights into the financial position, performance and cash flow statement relating to historical information.									
Source/collection of data	Reports submitted for MTEC engagements									
Method of calculation	Simple count									
Data limitations	Not applicable									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Non-cumulative									
Reporting cycle	Annually									
New indicator	Revised									
Desired performance	All reports to be submitted based on the approved framework for the assessment of municipal finances.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Outcome 9 and Outcome 12									
Indicator responsibility	Senior Manager: Local Government Accounting									

Element: Provincial Government Accounting and Compliance

Strategic objective performance indicators

Indicator title 18	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	Assessment reports on the AFS/Interim Financial Statements (IFS), CGRO Cabinet submission, ACFS Publication, Training attendance registers and action minutes of the Quarterly engagements.									
Method of calculation	Simple count									
Data limitations	Not applicable									
Type of indicator	Input		Activity		Output		Outcome	X	Impact	
	Demand driven			No						
Calculation type	Non-cumulative									
Reporting cycle	Annually									
New indicator	No									
Desired performance	Unqualified audit opinion with no findings (Clean audits).									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Outcome 9 and Outcome 12									
Indicator responsibility	Senior Manager: Provincial Government Accounting and Compliance									

Programme performance indicators

Indicator title 18.1	Number of votes assessed against the applicable accounting and norms and standards requirements									
Short definition	Effective roll-out of accounting policy frameworks that enable clean audits.									
Purpose/importance	To improve the financial management capability (FMC) of departments and entities to Level 3 and beyond.									
Source/collection of data	Assessment reports on the AFS/IFS (reporting frameworks and GRAP standards).									
Method of calculation	Simple count									
Data limitations	Not applicable									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Non-cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	Unqualified audit opinion with no findings (Clean audits).									

Direct and Indirect Service Delivery Indicator	Indirect
Linkage to MTSF/NDP	Outcome 9 and Outcome 12
Indicator responsibility	Senior Manager: Provincial Government Accounting and Compliance

Indicator title 18.2	Number of accounting training interventions									
Short definition	Provide training to build and maintain accounting capacity.									
Purpose/importance	To improve the accounting skill level of staff in order to comply with the accounting frameworks.									
Source/collection of data	Attendees trained as per attendance register.									
Method of calculation	Simple count									
Data limitations	Inadequate nominations of candidates for training to make up a class.									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	To establish and maintain competent accounting staff.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Outcome 9 and Outcome 12									
Indicator responsibility	Senior Manager: Provincial Government Accounting and Compliance									

Indicator title 18.3	Timeous publication and tabling of the ACFS									
Short definition	Compilation and publication of the ACFS for the Province									
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	ACFS publication.									
Method of calculation	1 month after receipt of Audit report									
Data limitations	Dependent on the audit outcomes of the financial statements of the departments, the PRF and entities.									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Non-cumulative									
Reporting cycle	Annually									
New indicator	No									

Desired performance	Compliance with section 19 of the PFMA.
Direct and Indirect Service Delivery Indicator	Indirect
Linkage to MTSF/NDP	Outcome 9 and Outcome 12
Indicator responsibility	Senior Manager: Provincial Government Accounting and Compliance

Indicator title 18.4	Number of CGRO Cabinet submissions coordinated									
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.									
Source/collection of data	Cabinet Submissions and Governance Action Plans (GAPs)									
Method of calculation	Simple count									
Data limitations	Institutionalisation of the CGRO process.									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Bi-annually									
New indicator	No									
Desired performance	Improving the FMC level									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Outcome 9 and Outcome 12									
Indicator responsibility	Senior Manager: Provincial Government Accounting and Compliance									

Indicator title 18.5	Mid-year engagement with departments on their governance performance									
Short definition	Integrated approach to address audit and governance issues through quarterly engagements with departments.									
Purpose/importance	To achieve higher levels of governance by improving the financial management capability of departments.									
Source/collection of data	Action minutes of the engagements									
Method of calculation	Simple count									
Data limitations	Not applicable									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Cumulative									
Reporting cycle	Annually									
New indicator	Revised									
Desired performance	Improving the FMC level.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Outcome 9 and Outcome 12									
Indicator responsibility	Senior Manager: Provincial Government Accounting and Compliance									

Sub-programme 4.3: Corporate Governance

Strategic objective performance Indicator

Indicator title 19	Number of municipalities supported to improve corporate governance									
Short definition	Municipalities assisted to improve financial governance in risk management, internal audit, compliance to the MFMA and delegations.									
Purpose/importance	To improve the FMC level of 30 municipalities									
Source/collection of data	MGRO assessments									
Method of calculation	Simple count									
Data limitations	Not applicable									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			Yes						
Calculation type	Non-cumulative									
Reporting cycle	Annually									
New indicator	No									
Desired performance	Improved annually FMC level of Municipalities.									

Direct and Indirect Service Delivery Indicator	Indirect
Linkage to MTSF/NDP	Outcome 9 and Outcome 12
Indicator responsibility	Senior Manager: Financial Governance

Programme performance Indicators

Indicator title 19.1	Number of municipal support initiatives on municipal finance, capacity building and training									
Short definition	To coordinate and support municipalities with skills development and capacitation through the agreed integrated capacitation strategy.									
Purpose/importance	To improve the FMC level of municipalities through 10 support initiatives in the areas of internship, bursary support, compliance to capacity reforms, training provision that will lead to the improvement of corporate governance. One intervention may cover all 30 municipalities. The detail of these different types of initiatives is enumerated in the operational plan.									
Source/collection of data	MGRO assessments, Attendance registers, presentations, guidance documents, circulars, minutes of meetings									
Method of calculation	Simple count									
Data limitations	Not applicable									
Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			Yes						
Calculation type	Cumulative									
Reporting cycle	Quarterly									
New indicator	No									
Desired performance	To institutionalise NT capacity building – reforms in all municipalities and drive capacity at selected municipalities to the Level 3 MGRO Model.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Outcome 9 and Outcome 12									
Indicator responsibility	Senior Manager: Financial Governance									

Indicator title 19.2	Number of municipal TIME assessment reports									
Short definition	To coordinate the annual MGRO assessment reports per municipality.									
Purpose/importance	To improve the financial governance level of municipalities through MGRO process.									
Source/collection of data	MGRO assessments									
Method of calculation	Simple count									
Data limitations	The accuracy of the assessment is dependent in the reliability of the information as supplied by municipalities.									

Type of indicator	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			No						
Calculation type	Non-cumulative									
Reporting cycle	Annually									
New indicator	Revised									
Desired performance	Improving the MGRO level in line with targets set in PSG 5									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Outcome 9 and Outcome 12									
Indicator responsibility	Senior Manager: Financial Governance									

Indicator title 19.3	Number of municipal support initiatives 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. 12 Interventions to improve corporate governance within all 30 municipalities, these include attending audit committee and risk committee meetings. One intervention may cover all 30 municipalities as in a forum meeting. Different types of interventions are enumerated in the operational plan.									
Source/collection of data	MGRO assessments, fora, attendance registers, presentations, guidance documents, circulars, minutes of meetings									
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	Input		Activity		Output	X	Outcome		Impact	
	Demand driven			Yes						
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 MGRO Model.									
Direct and Indirect Service Delivery Indicator	Indirect									
Linkage to MTSF/NDP	Outcome 9 and Outcome 12									
Indicator responsibility	Senior Manager: Financial Governance									

Indicator title 19.4	Number of municipal and departmental support initiatives on financial legal frameworks and policies								
Short definition	To support and assist municipalities and department through support initiatives towards a dynamic and relevant financial legal framework that enables sound financial management and service delivery.								
Purpose/importance	To ensure that the municipal and departmental financial legislative framework addresses any possible lacuna and thereby strengthening good governance through compliance thereto and to improve the levels governance in municipalities and departments.								
Source/collection of data	MGRO assessments, attendance registers, presentations, circular, framework and guidelines								
Method of calculation	Simple count								
Data limitations	The accuracy of the assessment is dependent in the reliability of the information as supplied by municipalities and departments.								
Type of indicator	Input		Activity		Output	X	Outcome		Impact
	Demand driven			Yes					
Calculation type	Cumulative								
Reporting cycle	Bi-annually								
New indicator	Revised								
Desired performance	To provide support initiatives to municipalities and departments towards ensuring a dynamic and relevant municipal and departmental financial legal framework that will enable sound financial management and service delivery.								
Direct and Indirect Service Delivery Indicator	Indirect								
Linkage to MTSF/NDP	Outcome 9 and Outcome 12								
Indicator responsibility	Senior Manager: Financial Governance								

Indicator title 19.5	Number of legislative scanning reports								
Short definition	To support and assist departments through initiatives toward a dynamic and relevant financial legal framework that enables sound financial management and service delivery.								
Purpose/importance	To ensure that the financial legislative framework addresses any possible gaps and thereby strengthening good governance through compliance therewith and to improve the levels of governance in								
Source/collection of data	Commentary on legislative amendments bills or regulations								
Method of calculation	Simple Count								
Data limitations	None								
Type of indicator	Input		Activity		Output	X	Outcome		Impact
	Demand driven			No					

Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	Revised
Desired performance	To provide support to departments and municipalities toward ensuring a dynamic and relevant financial legal framework that will enable sound financial management and service delivery.
Direct and Indirect Service Delivery Indicator	Indirect
Linkage to MTSF/NDP	Outcome 12
Indicator responsibility	Senior Manager: Financial Governance

ANNEXURE B

CHANGES TO STRATEGIC PLAN



ANNEXURE B

Changes to Strategic Plan

Due to operational and tactical adjustments, a number of the strategic objectives and strategic objective performance indicators were amended to better articulate the desired outputs. The detail comparison between the 2018/19 and 2019/20 financial years, as reflected in the two APPs, are set in the table below:

Strategic objective in Strategic Plan 2015 - 2020 that have changed	New/Adjusted Strategic objectives in APP 2018	New/Adjusted Strategic objectives in APP 2019
Programme 3 – Provincial Government Supply Chain Management		
To provide policy direction and facilitating the management of supply chain and asset management practices in departments.	To maintain and implement the supply chain and assets management strategy for the province by providing policy direction and support, assistance and guidance to departments	To maintain and implement the supply chain and asset management strategy for the Province by providing policy direction and support, assistance and guidance to departments to improve governance, capacity, skills and performance within supply chain and asset management.

Strategic objective performance indicator (SOPI) in Strategic Plan 2015-2020 that have changed	Strategic objective performance indicator in APP 2018/19	Comments in terms of Strategic Objective Performance Indicator in APP 2019
Programme 3 – Provincial Government Supply Chain Management		
Number of departments assisted to continuously improve management of supply chain and moveable assets Target: 13 departments assisted to improve management of supply chain and movable assets	Number of departments assisted to continuously improve management of supply chain and moveable assets Target: 13 departments assisted to improve management of supply chain and movable assets	Number of departments assisted to continuously improve governance, capacity and skill and performance within supply chain and moveable assets management Target: 13 departments assisted to improve governance, capacity and skill and performance within supply chain and movable assets management

Acronyms

ACFS	Annual Consolidated Financial Statements
AFS	Annual Financial Statements
AG	Auditor-General
AGSA	Auditor-General of South Africa
AM	Asset Management
AO	Accounting Officer
AOS	Accounting Officer System
APP	Annual Performance Plan
AR	Annual Report
BAS	Basic Accounting System
BCP	Business Continuity Plan
BEE	Black Economic Empowerment
BBBEE	Broad Based Black Economic Empowerment
CAA	Chartered Accounting Academy
CAE	Chief Audit Executive
C-AMP	Custodian Asset Management Plan
CCT	City of Cape Town
Ce-I	Centre for e-Innovation
CFO	Chief Financial Officer
CGICTPF	Corporate Governance of Information Communication Technology Policy Framework
CGRO	Corporate Governance Review and Outlook
CIDB	Construction Industry Development Board
CoE	Cost of Employment
CSC	Corporate Services Centre
DEP	Departmental Evaluation Plan
DoRA	Division of Revenue Act
the dti	Department of Trade and Industry
DPSA	Department of Public Service and Administration
ERM	Enterprise Risk Management
ERMCO	Enterprise Risk Management Committee
EPRE	Estimates of Provincial Revenue and Expenditure
FMC	Financial Management Capability
GDP	Gross Domestic Product
GRAP	Generally Recognised Accounting Practice
HDI	Historically Disadvantaged Individuals

IA	Internal Audit
IIA	Institute for Internal Audits
ICT	Information and Communication Technology
IDMS	Infrastructure Delivery Management System
IDP	Integrated Development Plan
IC	Internal Control
IFMS	Integrated Financial Management System
IFS	Interim Financial Statements
IGR	Intergovernmental Relations
IYM	In-Year Monitoring
LED	Local Economic Development
LG	Local Government
LG MTEC	Local Government Medium Term Expenditure Committee
LG SCM	Local Government Supply Chain Management
LOGIS	Logistical Information System
MAM	Moveable Asset Management
MEC	Member of the Executive Council
MEMC	Minister's Executive Management Committee
MERO	Municipal Economic Review and Outlook
MFMA	Municipal Finance Management Act
mGAP	Municipal Governance Action Plan
MGRO	Municipal Governance Review and Outlook
mSCOA	Municipal Standard Chart of Accounts
MTBPS	Medium Term Budget Policy Statement
MTEC	Medium Term Expenditure Committee
MTEF	Medium Term Expenditure Framework
MTMM	Minister's Top Management Meeting
MTSF	Medium Term Strategic Framework
NDP	National Development Plan
NEPF	National Evaluation Policy Framework
NES	National Evaluation System
NT	National Treasury
NT FMCMM	National Treasury Financial Management Capability Maturity Model
NTR	National Treasury Regulations
OPRE	Overview of Provincial Revenue and Expenditure
PAIA	Promotion of Access to Information Act
PEP	Provincial Evaluation Plan
PERO	Provincial Economic Review and Outlook

PES	Provincial Evaluation System
PERSAL	Personal and Salary Administration System
PFMA	Public Finance Management Act
PG MTEC	Provincial Government Medium Term Expenditure Committee
PG SCM	Provincial Government Supply Chain Management
PI	Performance Indicator
PPI	Programme Performance Indicator
PRF	Provincial Revenue Fund
PSG	Provincial Strategic Goal
PSP	Provincial Strategic Plan
PT	Provincial Treasury
PTI	Provincial Treasury Instruction
QPR	Quarterly Performance Report
SA	South Africa
SARS	South African Revenue services
SCM	Supply Chain Management
SCOA	Standard Chart of Accounts
SDM	Service Delivery Model
SIFS	Support and Interlinked Financial Systems
SIPDM	Standard for Infrastructure Procurement and Delivery Management
SMME	Small, Medium and Micro Enterprise
SO	Strategic Objective
SOMS	Strategic and Operational Support Services
SOPI	Strategic Objective Performance Indicator
TBTP	Talking the Budget to The People
TIME	Technical Integrated Municipal Engagement
TCF	Technical Committee on Finance
TID	Technical Indicator Description
U-AMP	User Asset Management Plan
WC	Western Cape
WCG	Western Cape Government
WCGRB	Western Cape Gambling and Racing Board
WCIDMS	Western Cape Infrastructure Delivery Management System
WCMES	Western Cape Monitoring and Evaluation System
WC SCM	Western Cape Supply Chain Management

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