



**VOTE 4:
DEPARTMENT OF TREASURY**

Free State Provincial Treasury**Vote 4**

To be appropriated by Vote in 2011/12	R201 033 000
Responsible MEC	MEC of Finance
Administrating Department	Free State Provincial Treasury
Accounting Officer	CEO: Free State Provincial Treasury

1. Overview

Provincial Treasury derives its mandate, core functions and responsibilities from the Public Finance Management Act, (Act 1 of 1999), as amended and Municipal Finance Management Act (Act 56 of 2003).

Vision

A leading and influential Provincial Treasury in fiscal discipline for a better life of Free State communities.

Mission

As a leading agent, promote responsive and sustainable service delivery that is in line with government priorities in an economical, efficient and effective manner through:

- Prudent resource management
- Sound processes
- Systems and reporting measures
- Prompt and quality services
- Policy and statutory compliance.

Values

Every employee is expected to be guided by the principles and core values that the Department espouse by:

- Performance
- Discipline
- Consistency
- Transparency
- Integrity
- Sensitivity
- Accountability
- Diligence
- Prudence

- Professionalism
- Fairness
- Consultation
- Responsiveness

Legislation

The following acts, rules and regulations are considered by the department:

- Constitution Act No. 200 of 1993
- Public Finance Management Act No. 1 of 1999 (as amended)
- Treasury Regulations, May 2005
- SITA Act of 1999
- Archives act of 1962
- Municipal Finance Management Act number 56 of 2003

The Provincial Treasury will continue to render the following main services;

Provision of leadership, strategic management in accordance with legislation, regulations and policies as well as to ensure that there is appropriate support service to all other programmes;

Provision of professional advice and support on provincial economic analysis, fiscal policy, and the management of the annual budget process and the implementation of provincial budgets.

Provision of policy direction, facilitate the effective and efficient management of assets, liabilities and financial management systems.

Promotion of accountability through substantive reflection of financial activities of the province as well as compliance with financial norms and standards.

Provincial Treasury's mandate is broad; hence there was a need to revise Departmental organogram to be commensurate with its mandate. The old organogram has been revised and programme four (4) is affected. Additional posts have been added into the new organogram.

Programme four (4) has a new Chief Directorate called Municipal Finance Management. This chief Directorate consists of five (5) directorates: viz, Municipal Budget and Monitoring, Municipal Revenue and Debt Management, Municipal Accounting Services, Supply Chain Management and Compliance and Municipal Risk Management and Internal Audit.

1.1 Aligning departmental budgets to achieve government's prescribed outcomes

To speed-up service delivery and making real change in the lives and conditions of South Africans, the government-of-the-day has identified 12 outcomes.

The department has already identified outcomes that it will contribute to. Which are: - outcome 5, outcome 9 and outcome 12. Some of the outputs from these outcomes will be incorporated into the 2011- 2014 Annual Performance plan.

2. Review of the current financial year (2010/11)

Key focus areas are contained in the Strategic Plan, Annual Performance Plan and Budget Speech. The Department is expected to table its Annual Performance Plan and Budget speech in March 2011. There need to be correlation between what is contained in the MEC's budget speech and Annual Performance Plan. The implementation of what is contained in the APP and budget speech is reported through quarterly performance reporting. The Department submits on quarterly basis progress to the National Treasury.

3. Outlook for the coming financial year (2011/12)

The Department of Provincial Treasury has actually no different new policy priorities except to ensure that it contributes towards realization of the 12 outcomes. It is the responsibility of the Provincial Treasury to provide guidance on budget planning for the province. At the same time, the department is expected to make direct contribution to some of the 12 outcomes. Outcomes number 5, 9 and 12 are more relevant for Treasury to contribute towards them. Outcome 5 is about capable and skilled workforce; outcome 9 is about effective and efficient local government system and outcome 12 is about effective and efficient public service.

The Provincial treasury has integrated these outcomes into its Annual Performance Plan for 2011-2014. The department will be ready to report against these outcomes on quarterly basis because they form part of departmental planning.

4. Receipts and financing

The following sources of funding are used for the Vote:

Summary of receipts

Table 4.1: Summary of receipts: Free State Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Equitable share	122 379	135 703	156 001	171 329	166 718	166 718	194 277	196 676	206 795
Conditional grants									
Grant name									
Grant name									
Grant name									
Departmental receipts	4 733	5 428	6 256	6 180	6 180	6 180	6 756	15 076	17 076
Total receipts	127 112	141 131	162 257	177 509	172 898	172 898	201 033	211 752	223 871

Departmental receipts collection**Table 4.2: Departmental receipts: Free State Provincial Treasury**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	60	79	194	96	96	96	102	108	114
Transfers received			2						
Fines, penalties and forfeits									
Interest, dividends and rent on land	62 614	33 534	91 143	85 583	95 853	95 853	101 221	106 687	112 554
Sales of capital assets				12	12	12	13	14	14
Transactions in financial assets and liabilities	522	367	376	291	326	300	346	367	389
Total departmental receipts	63 196	33 980	91 715	85 982	96 287	96 261	101 682	107 176	113 071

The Free State Provincial Treasury is the custodian for investments within the province and generates income by means of investing allocated funding available in the revenue fund. Due to cash flow problems caused by provincial departments which overspend in the last few years the interest generated decreased, but with the implementation of cost containment measures and closely monitoring of the spending within departments the interest to be generated was increased again.

The department only generate small income with the selling of scrap paper or assets which only occur with the upgrading of cellular phones owned by the department.

Table 4.3: Summary of receipts: Free State Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Treasury funding									
Equitable share	122 379	135 703	153 298	171 329	166 718	166 718	194 277	196 676	206 795
Conditional grants									
Departmental receipts	4 733	5 428	6 256	6 180	6 180	6 180	6 756	15 076	17 076
Total Treasury funding	127 112	141 131	159 554	177 509	172 898	172 898	201 033	211 752	223 871
Departmental receipts									
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	60	79	194	96	96	96	102	108	114
Transfers received			2						
Fines, penalties and forfeits									
Interest, dividends and rent on land	62 614	33 534	91 143	85 583	95 853	95 853	101 221	106 687	112 554
Sales of capital assets				12	12	12	13	14	14
Transactions in financial assets and liabilities	522	367	376	291	300	300	346	367	389
Total departmental receipts	63 196	33 980	91 715	85 982	96 261	96 261	101 682	107 176	113 071
Total receipts	190 308	175 111	251 269	263 491	269 159	269 159	302 715	318 928	336 942

4. Payment summary

5.1 Key assumptions

Approximately 68 per cent of the budget allocated to the Free State Provincial Treasury is allocated towards the payment of compensation of employees.

- The department implemented a calculation on the following basis as outlined in the guideline relating to the compensation of employees over the Medium Term Expenditure Framework:
- 5.5 per cent for the 2011/12 financial year;
- 5.0 per cent for the 2012/13 financial year; and
- 5.5 per cent for the 2013/14 financial year.

The department is in the process of implementing a new structure in phases. The outcome of the new structure might require additional funding due to additional posts which need to be created in order to achieve the vision clean audit 2014.

5.2 Programme summary

Table 4.4 contains information by programme for the department. In instances where the MEC's remuneration is included it should be disclosed as a foot note.

Table 4.4: Summary of payments and estimates: Free State Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Programme 1: Administration	41 916	48 324	61 382	64 136	66 419	66 573	68 757	72 305	75 877
Programme 2: Sustainable Resource Management	13 372	16 448	17 613	21 156	21 657	21 391	23 717	25 014	26 289
Programme 3: Asset and Liability Management	51 098	53 372	46 146	60 024	52 629	52 301	67 439	70 159	73 680
Programme 4: Financial Governance	17 266	19 903	24 409	32 193	32 193	31 489	41 120	44 274	48 025
Total payments and estimates	123 652	138 047	149 550	177 509	172 898	171 754	201 033	211 752	223 871

6. Programme description

6.1 Programme 1: Administration

The role of this programme is to provide leadership, strategic management in accordance with legislation, regulations and policies as well as to ensure there is appropriate support service to all other programmes. The programme consists of five operational sub-programmes: office of the MEC, Office of the CEO, Corporate Services, Financial Management and Internal Audit Departmental.

Table 4.7: Summary of payments and estimates: Programme 1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Sub-programme 1: Office of the MEC	3 582	4 355	4 600	4 993	5 072	5 194	5 690	6 039	6 371
Sub-programme 2: Management Services	3 651	2 315	10 742	2 879	2 816	2 571	3 078	3 282	3 426
Sub-programme 3: Corporate Services	17 049	22 613	24 566	28 334	29 953	30 002	29 394	30 794	31 943
Sub-programme 4: Financial Management	15 468	16 345	18 843	24 125	24 763	25 612	26 409	27 963	29 720
Sub-programme 5: Internal Audit - departmental	2 148	2 696	2 631	3 805	3 815	3 194	4 186	4 444	4 500
Theft and Losses									
Total payments and estimates: Programme 1: Administration	41 898	48 324	61 382	64 136	66 419	66 573	68 757	72 522	75 960

Table 4.8: Summary of provincial payments and estimates by economic classification: Programme 1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Current payments	39 517	45 067	58 069	61 950	61 949	61 875	67 477	71 181	74 547
Compensation of employees	25 881	32 137	35 740	44 337	44 055	44 329	48 600	51 675	55 017
Goods and services	13 636	12 800	22 210	17 613	17 894	17 494	18 877	19 506	19 530
Interest and rent on land		130	119			52			
Transfers and subsidies to:	613	1 942	1 974	500	384	657	535	572	603
Provinces and municipalities	10		245						
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises		4							
Foreign governments and international organisations									
Non-profit institutions									
Households	603	1 938	1 729	500	384	657	535	572	603
Payments for capital assets	1 487	1 313	1 303	1 686	4 086	4 041	745	769	810
Buildings and other fixed structures									
Machinery and equipment	1 475	1 230	1 303	1 686	4 086	4 041	745	769	810
Cultivated assets									
Software and other intangible assets	12	83							
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Payments for financial assets	281	2	36						
Total economic classification:	41 898	48 324	61 382	64 136	66 419	66 573	68 757	72 522	75 960

6.2 Programme 2: Sustainable Resource Management

The role of this programme is to provide professional advice and support on provincial economic analysis, fiscal policy, and the management of the annual budget process and the implementation of provincial budgets. The programme consists of five operational sub-programmes:- Economic Analysis, Fiscal Policy, Budget Management and Public Finance

Table 4.9: Summary of payments and estimates: Programme 2: Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Sub-programme 1: Programme Support	1 153	1 101	1 129	1 371	1 375	1 371	1 450	1 563	1 664
Sub-programme 2: Economic Analysis	2 855	3 905	3 477	5 346	5 404	4 832	5 906	6 297	6 708
Sub-programme 3: Fiscal Policy	2 854	4 032	4 070	5 400	5 392	5 051	5 757	6 100	6 473
Sub-programme 4: Budget Management	3 973	4 518	5 837	5 382	5 864	6 736	6 676	6 967	7 079
Sub-programme 5: Public Finance	2 548	2 892	3 100	3 657	3 622	3 401	3 928	4 087	4 365
Total payments and estimates: Programme 2: Sustainable Resource Management	13 383	16 448	17 613	21 156	21 657	21 391	23 717	25 014	26 289

Table 4.10: Summary of provincial payments and estimates by economic classification: Programme 2: Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Current payments	12 630	16 386	17 194	21 046	21 300	20 955	23 406	24 720	25 973
Compensation of employees	9 269	12 918	15 525	17 354	18 004	17 756	19 955	21 000	22 102
Goods and services	3 361	3 418	1 615	3 692	3 296	3 119	3 451	3 720	3 871
Interest and rent on land		50	54			80			
Transfers and subsidies to:			17						
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households			17						
Payments for capital assets	742	46	402	110	357	436	311	294	316
Buildings and other fixed structures									
Machinery and equipment	616	46	402	110	357	436	311	294	316
Cultivated assets									
Software and other intangible assets	126								
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Payments of financial assets	11	16							
Total economic classification: Programme 2: Sustainable Res	13 383	16 448	17 613	21 156	21 657	21 391	23 717	25 014	26 289

6.3 Programme 3: Asset and Liability Management

The role of this programme is to provide policy direction, facilitate the effective and efficient management of assets, liabilities and financial management systems. The programme consists out of two sub-programmes:- Asset management, Supporting and Interlinked Financial Systems

Table 4.11: Summary of payments and estimates: Programme 3: Asset and Liability Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Sub-programme 1: Programme Support	856	981	3 130	1 260	1 316	1 558	1 341	1 416	1 566
Sub-programme 2: Asset Management	9 905	8 717	14 899	12 776	13 210	12 086	13 573	14 084	15 335
Sub-programme 3: Liability Management									
Sub-programme 4: Supporting and Interlinked Financial Systems	40 337	43 674	28 117	45 988	38 103	38 657	52 525	54 442	56 696
Total payments and estimates: Programme 3: Asset and Liability Management	51 098	53 372	46 146	60 024	52 629	52 301	67 439	69 942	73 597

Table 4.11: Summary of provincial payments and estimates by economic classification: Programme 3: Asset and Liability Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Current payments	49 252	53 177	43 580	59 420	50 675	50 127	66 089	68 618	72 295
Compensation of employees	18 865	21 280	24 182	28 718	27 763	27 421	30 578	32 576	35 331
Goods and services	30 387	31 835	15 716	30 702	22 912	22 683	35 511	36 042	36 964
Interest and rent on land		62	3 682			23			
Transfers and subsidies to:		114	2 092		270	525			
Provinces and municipalities									
Departmental agencies and									
Universities and technikons									
Public corporations and private									
Foreign governments and									
Non-profit institutions						25			
Households		114	2 092		270	500			
Payments for capital assets	1 846	47	429	604	1 684	1 649	1 350	1 324	1 302
Buildings and other fixed structures									
Machinery and equipment	1 846	47	429	604	1 684	1 649	1 350	1 324	1 302
Cultivated assets									
Software and other intangible									
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Payments for financial assets		34	45						
Total economic classification: Prog	51 098	53 372	46 146	60 024	52 629	52 301	67 439	69 942	73 597

6.4 Programme 4: Financial Governance

The role of this programme is to promote accountability through substantive reflection of financial activities of the province as well as compliance with financial norms and standards. The programme consists out of four sub-programmes:- Accounting Services, Norms and Standards, Provincial Risk Management and Internal Audit.

Table 4.12: Summary of payments and estimates: Programme 4: Financial Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Sub-programme 1: Programme Support	1 413	1 235	1 315	1 690	1 690	1 657	1 722	1 832	1 955
Sub-programme 2: Accounting Services	5 095	6 010	6 878	13 711	7 399	8 730	8 298	8 835	9 441
Sub-programme 3: Municipal Finance	7 954	8 526	10 868	9 593	14 817	16 669	23 603	25 625	28 099
Sub-programme 4: Risk Management and Internal AuditProvincial	2 811	4 132	5 348	3 962	6 046	2 713	7 497	7 982	8 530
Sub-programme 5: Provincial Internal Audit				3 237	2 241	1 720			
Total payments and estimates: Programme 4: Financial Governance	17 273	19 903	24 409	32 193	32 193	31 489	41 120	44 274	48 025

Table 4.13: Summary of provincial payments and estimates by economic classification: Programme 4: Financial Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Current payments	15 708	19 795	23 979	32 193	31 986	31 141	40 850	43 987	47 723
Compensation of employees	11 960	17 664	21 420	27 787	24 199	23 555	36 404	39 274	42 563
Goods and services	3 748	2 089	2 514	4 406	7 787	7 577	4 446	4 713	5 160
Interest and rent on land		42	45			9			
Transfers and subsidies to:	1 106								
Provinces and municipalities	1 100								
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions	6								
Households									
Payments for capital assets	452	108	430		207	347	270	287	302
Buildings and other fixed structures									
Machinery and equipment	452	108	430		207	347	270	287	302
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Payments of financial assets	7								
Total economic classification	17 273	19 903	24 409	32 193	32 193	31 488	41 120	44 274	48 025

7.1 Description and objectives

Programme 1: Administration.

- *Strategic objective 1*

To ensure that an adequate support service is rendered to the MEC towards ensuring the effective and efficient functioning of the department.

- *Strategic objective 2*

To ensure that an adequate support service is rendered to the CEO towards ensuring the effective and efficient functioning of the department.

- *Strategic objective 3*

To create a highly skilled responsive and competent workforce for the department over the planning period, the Provincial Treasury renders oversight role to Provincial departments, Municipalities and Public Entities.

- *Strategic objectives 4*

To ensure that allocated funds are planned, managed and spent efficiently and effectively in order to avoid unqualified audit reports over the planning period.

- *Strategic objective 5*

To procure and maintain quality goods and services in an economical and effective manner over the planning period to ensure sound financial management.

- *Strategic objective 6*
To procure and maintain quality goods and services in an economical and effective manner over the planning period to ensure sound financial management.
- *Strategic objective 7*
To ensure compliance with best practices, norms and standards, independent assessment of the adequacy and effectiveness of internal controls and risk management will be implemented during the planning period.

Programme 2: Sustainable Resource Management

- *Strategic objective 1*
To influence the development and/or implementation of government policies and programmes in support of enhanced economic growth and development within the Free State Province over the planning period.
- *Strategic objectives 2*
To enhance the provincial revenue growth yearly through development and implementation of sound fiscal policy framework in the Free State Province in order to promote Socio-economic growth.
- *Strategic objective 3*
To ensure that Provincial financial resources are annually allocated in line with government priorities.
- *Strategic objective 4*
To monitor and advise continuously on financial and non-financial performance of provincial departments and public entities to ensure sound management of resources.

Programme 3: Assets and Liability Management

- *Strategic objective 1*
To continuously promote the prudent management of physical and financial assets and the implementation of supply chain management framework.
- *Strategic objective 2*
To manage and support the successful functioning of transversal financial management systems on continuous basis.

Programme 4: Financial Governance

- *Strategic objective 1*
To promote prudent financial management within the Free State Provincial Government.
- *Strategic objective 2*
To enhance the successful implementation of the Municipal Finance Management Act no 56 of 2003 within local government.
- *Strategic objective 3*

To monitor and enhance Budget, Planning and Implementation.

- *Strategic objective 4*

To promote implementation of Generally Recognised Accounting Practices (GRAP) as well as liability management and reporting.

- *Strategic objective 5*

To promote implementation of Supply Chain Management and Procedures.

- *Strategic objective 6*

To promote sound Risk Management and internal Audit practices.

- *Strategic objective 7*

To create and sustain a culture of accountability within the Free State Provincial Administration.

Departmental goals

- Provision of high quality support services to internal and external stakeholders by the year 2014
- Yearly adequate resource allocation contributing to the improvement of living standards of the Free State occupants
- Effective and efficient monitoring of provincial asset and financial systems that will contribute to the realization of clean audit by 2014
- Promotion of financial accountability within the Provincial and Local spheres of government that will contribute to the realization of clean audit by 2014

Programme 1: Administration

- *Strategic objective 1*

To ensure that an adequate support service is rendered to the MEC towards ensuring the effective and efficient functioning of the department

- *Strategic objective 2*

To ensure that an adequate support service is rendered to the CEO towards ensuring the effective and efficient functioning of the department.

- *Strategic objective 3*

To create a highly skilled responsive and competent workforce for the department over the planning period, the Provincial Treasury renders oversight role to Provincial departments, Municipalities and Public Entities.

- *Strategic objectives 4*

To ensure that allocated funds are planned, managed and spent efficiently and effectively in order to avoid unqualified audit reports over the planning period.

- *Strategic objective 5*

To procure and maintain quality goods and services in an economical and effective manner over the planning period to ensure sound financial management.

- *Strategic objective 6*

To procure and maintain quality goods and services in an economical and effective manner over the planning period to ensure sound financial management

- *Strategic objective 7*

To ensure compliance with best practices, norms and standards, independent assessment of the adequacy and effectiveness of internal controls and risk management will be implemented during the planning period.

Programme 2: Sustainable Resource Management

- *Strategic objective 1*

To influence the development and/or implementation of government policies and programmes in support of enhanced economic growth and development within the Free State Province over the planning period

- *Strategic objectives 2*

To enhance the provincial revenue growth yearly through development and implementation of sound fiscal policy framework in the Free State Province in order to promote Socio-economic growth

- *Strategic objective 3*

To ensure that Provincial financial resources are annually allocated in line with government priorities

- *Strategic objective 4*

To monitor and advise continuously on financial and non-financial performance of provincial departments and public entities to ensure sound management of resources.

Programme 3: Assets and Liability Management

- *Strategic objective 1*

To continuously promote the prudent management of physical and financial assets and the implementation of supply chain management framework.

- *Strategic objective 2*

To manage and support the successful functioning of transversal financial management systems on continuous basis.

Programme 4: Financial Governance

- *Strategic objective 1*

To promote prudent financial management within the Free State Provincial Government.

- *Strategic objective 2*

To enhance the successful implementation of the Municipal Finance Management Act no 56 of 2003 within local government.

- *Strategic objective 3*

To monitor and enhance Budget, Planning and Implementation.

- *Strategic objective 4*
To promote implementation of Generally Recognised Accounting Practices (GRAP) as well as liability management and reporting.
- *Strategic objective 5*
To promote implementation of Supply Chain Management and Procedures.
- *Strategic objective 6*
To promote sound Risk Management and internal Audit practices.
- *Strategic objective 7*
To create and sustain a culture of accountability within the Free State Provincial Administration.

7.3 Other programme information

7.3.1 Personnel numbers and costs

Table 4.14: Personnel numbers and costs¹: Free State Provincial Treasury

Personnel numbers	As at 31 March 2007	As at 31 March 2008	As at 31 March 2009	As at 31 March 2010	As at 31 March 2011	As at 31 March 2012	As at 31 March 2013
1. Administration	115	135	150	147	150	155	160
2. Sustainable Resource Management	24	42	47	46	47	49	51
3. Asset and Liability Management	92	88	93	96	96	100	105
4. Financial Governance	38	59	63	69	63	88	113
Total provincial personnel numbers	269	324	353	358	356	392	429
Total provincial personnel cost (R thousand)	65 975	83 999	96 867	113 061	137 213	146 194	156 243
Unit cost (R thousand)	245	259	274	316	385	373	364

¹ Full-time equivalent

7.3.2 Training

Table 2.16(a): Payments on training: Free State Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Programme 1: Administration <i>of which</i>									
Subsistence and travel									
Payments on tuition	1307	897	1058	184	1469	1443	1729	1747	1900
Programme 2: Sustainable Resource Management									
Subsistence and travel									
Payments on tuition									
Programme 3: Asset and Liability Management									
Subsistence and travel									
Payments on tuition									
Programme 4: Financial Governance									
Subsistence and travel									
Payments on tuition									
Total payments on training: Free State Provincial Treasury									

Table 2.16(b): Information on training: Free State Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Number of staff	269	324	353	358	358	358	356	392	429
Number of personnel trained <i>of which</i>									
Male	138	174	92	150	150	150	150	175	200
Female	193	232	63	150	150	150	150	175	200
Number of training opportunities <i>of which</i>									
Tertiary	22	3	8	50	50	50	90	100	80
Workshops	107	136	105	150	150	150	200	230	300
Seminars	0	2	2	10	10	10	10	20	20
Other									
Number of bursaries offered									
External	6	12	11	0	0	0	0	0	0
Internal	5	3	9	10	10	10	12	15	15
Number of interns appointed	12	25	25	25	25	25			
Number of learnerships appointed	5	0	0	5	5	5			
Number of days spent on training	67	65	66	66	66	66	70	72	73

Annexure to the Estimates of Provincial Revenue & Expenditure

Table B.1: Specifications of receipts

Table B.1: Specification of receipts: (Treasury)

	Outcome			Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10		2011/12	2012/13	2013/14
R thousand							
Tax receipts							
Casino taxes							
Horse racing taxes							
Liquor licences							
Motor vehicle licences	60	79	194	96	102	108	114
Sales of goods and services other than capital assets							
Sale of goods and services produced by department (excluding capital assets)							
Sales by market establishments							
Administrative fees							
Other sales							
Of which							
Health patient fees							
Other (Specify)							
Other (Specify)							
Other (Specify)							
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	60	79	194	96	102	108	114
Transfers received from:							
Other governmental units			2				
Universities and technicians			2				
Foreign governments							
International organisations							
Public corporations and private enterprises							
Households and non-profit institutions							
Fines, penalties and forfeits							
Interest, dividends and rent on land							
Interest	62 614	33 534	91 143	85 583	101 221	106 687	112 554
Dividends	62 614	33 534	91 143	85 583	101 221	106 687	112 554
Rent on land							
Sales of capital assets							
Land and sub-soil assets				12	12	14	14
Other capital assets				12	12	14	14
Transactions in financial assets and liabilities	522	367	376	291	300	346	389
Total departmental receipts	63 196	33 980	91 715	85 982	96 261	107 176	113 071

Table B.3: Payments and estimates by economic classification

Table B.3: Payments and estimates by economic classification: Programme 1: Administration

	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Current payments	39 517	45 067	58 069	61 950	61 949	44 626	67 477	71 181	74 547
Compensation of employees	25 881	32 137	35 740	44 337	44 055	44 329	48 600	51 675	55 017
Salaries and wages	22 433	27 885	30 884	38 415	38 065	38 570	42 194	44 904	47 883
Social contributions	3 448	4 252	4 856	5 922	5 990	5 759	6 406	6 771	7 134
Goods and services	13 636	12 800	22 210	17 613	17 894	17 494	18 877	19 506	19 530
of which									
Administrative fees	1 324	1 001	1 147	1 325	380	394	133	141	148
Advertising	792	1 169	866	1 430	1 329	1 336	1 149	1 228	1 180
Assets < R5000	448	105	144	71	719	145	925	676	13
Audit cost: External	1 915	1 854	3 597	2 234	3 208	4 879	3 890	4 127	4 354
Bursaries: Employees	325	297	351	550	550	686	585	620	655
Catering: Departmental activities	844	319	365	540	522	462	539	572	603
Communication	1 337	1 221	767	2 130	1 367	933	1 694	1 575	1 853
Computer services	861	1 330	2 172	1 038	1 678	1 092	1 210	1 278	1 229
Consultants and Professional services: Business & consultants	593	45	75	86	149	26	273	289	306
Consultants and Professional services: Legal Advice	152	67	168	150	318	235	330	349	368
Contractors	650	375	240	337	834	803	858	910	960
Agency and support/outsourced services		332	8 619	880	469	468	265	280	296
Entertainment	41	57	9	43	33	24	48	51	51
Inv: Food Supplies		58	37	63	67	44	48	51	51
Inv: Learner and teacher support material									
Inv: Materials and supplies		26	8	20	14		23	23	24
Inv: Other consumables		1	2	621	38	12	4	4	4
Inv: Stationary and Printing	1 642	781	1 408	1 351	2 049	1 771	1 249	1 376	1 474
Lease payments	639	712		693	57				
Property payments		35			7	7			
Travel and subsistence	1 917	2 174	1 896	3 362	2 756	2 791	3 420	3 629	3 658
Training and development	143	593	221	538	298	958	1 567	1 620	1 766
Operational expenditure	13	248	118	151	107	68	56	59	63
Venues and facilities									
Interest and rent on land									
Interest									
Rent on land									

Table B.3: Payments and estimates by economic classification: Programme 1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Current payments									
Interest and rent on land		130	117			52			
Interest		130	117			52			
Rent on land									
Transfers and subsidies to:	613	1,942	1,974	500	384	370	535	572	603
Provinces and municipalities	10		245						
Provinces ²			245						
Provincial Revenue Funds									
Provincial agencies and funds	10		245						
Municipalities ³									
Municipalities	10								
<i>of which: Regional service council levies</i>									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers ⁴									
Universities and technicians									
Foreign governments and international organisations									
Public corporations and private enterprises ⁵			4						
Public corporations			4						
Subsidies on production									
Other transfers			4						
Private enterprises									
Subsidies on production									
Other transfers									
Non-profit institutions									
Households	603	1,938	1,729	500	384	657	535	572	603
Social benefits		410	13						
Other transfers to households	603	1,528	1,716	500	384	657	535	572	603

Table B.3: Payments and estimates by economic classification: Programme 1: Administration

R thousand	Outcome				Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates			
	2007/08	2008/09	2009/10	2011/12				2012/13	2013/14		
Payments for capital assets											
Buildings and other fixed structures	1 487	1 313	1 303		1 686	4 086	778	745	769	810	
Buildings											
Other fixed structures											
Machinery and equipment	1 487	1 313	1 303		1 686	4 086	4 041	745	769	810	
Transport equipment											
Other machinery and equipment	1 475	1 230	1 303		1 686	4 086	4 041	745	769	810	
Heritage Assets											
Specialised military assets											
Biological assets											
Land and sub-soil assets											
Software and other intangible assets	12	83									
Payments for financial assets	299	2	36								
Total economic classification: Programme 1 Administration	41 916	48 324	61 382		64 136	66 419	66 573	68 757	72 522	75 960	

Table B.3: Payments and estimates by economic classification: Programme 2: Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Current payments	12 630	16 386	17 194	21 046	21 300	20 955	23 406	24 720	25 973
Compensation of employees	9 269	12 918	15 525	17 354	18 004	17 756	19 955	21 000	22 102
Salaries and wages	8 121	11 302	13 575	15 408	16 045	15 598	17 466	18 360	19 317
Social contributions	1 148	1 616	1 950	1 946	1 959	2 158	2 489	2 640	2 785
Goods and services	3 361	3 418	1 615	3 692	3 296	3 119	3 451	3 720	3 871
of which									
Administrative fees	230	45	20						
Advertising	460								
Assets< R5000	304	18	32	22	295	129	60	25	26
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	114	107	8		61	27	62	11	12
Communication	74	32	34	157	211	108	164	167	172
Computer services	18	9	15	80	77	116	103	107	110
Consultants and Professional services: Business & consultants	135	1 011		414	324	159	499	564	591
Consultants and Professional services: Legal Advice									
Contractors	147	23	30	23	51	52	30	32	35
Agency and support/outsourced services									
Entertainment	32	32	12	35	25	22	25	29	30
Inv: Food Supplies		37	20	35	26	27	26	29	30
Inv: Learner and teacher support material						2			
Inv: Materials and supplies				7	1	1			
Inv: Other consumables		2		279	11	9	2	2	3
Inv: Stationary and Printing	701	914	598	575	705	852	574	741	756
Lease payments	166	302		247					
Property payments		3		3					
Travel and subsistence	753	796	723	1 645	1 308	1 145	1 747	1 838	1 919
Training and development	122	65	119	163	112	53	120	127	134
Operational expenditure			3	5		1			
Venues and facilities	105	21			87	52	37	45	50

Table B.3: Payments and estimates by economic classification: Programme 2: Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Current payments									
Interest and rent on land		50	54			80			
Interest		50	54			80			
Rent on land									
Transfers and subsidies to:									
Provinces and municipalities			17						
Provinces ²									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities ³									
Municipalities									
<i>of which: Regional service council levies</i>									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers ⁴									
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises ⁵									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Non-profit institutions									
Households									
Social benefits									
Other transfers to households									

Table B.3: Payments and estimates by economic classification: Programme 3: Asset and Liability Management

	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Current payments	49 252	53 177	43 580	59 420	50 675	50 127	66 089	68 618	72 295
Compensation of employees	18 865	21 280	24 182	28 718	27 763	27 421	30 578	32 576	35 331
Salaries and wages	16 155	18 225	20 625	24 523	23 568	23 843	26 173	27 956	30 349
Social contributions	2 710	3 055	3 557	4 195	4 195	3 578	4 405	4 620	4 982
Goods and services	30 387	31 835	15 716	30 702	22 912	22 683	35 511	36 042	36 964
of which									
Administrative fees	3								
Advertising	400		132		136	85	6	6	6
Assets< R5000	256	15	175		56	110	8		
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	218	20	4		39	13	25	27	28
Communication	67	82	30	161	175	108	187	190	193
Computer services	26 619	30 113	12 289	27 899	19 852	20 227	32 126	33 015	33 510
Consultants and Professional services: Business & consultants	995		1 621		488	312			
Consultants and Professional services: Legal Advice									
Contractors	71	32	103	22	139	94	212	224	236
Agency and support/outsourced services		65	75	67	84	83	71	74	78
Entertainment	11	9	4	14	10	2	15	15	15
Inv: Food Supplies		41	60	25	54	40	53	53	53
Inv: Learner and teacher support material									
Inv: Materials and supplies		8	1	5	5	3	5	6	6
Inv: Other consumables		10		305	89	5	2	2	2
Inv: Stationary and Printing	840	661	901	931	944	903	1 657	1 440	1 733
Lease payments	304	315		381			179	187	198
Property payments		1	10	129			46	49	52
Travel and subsistence	565	463	265	749	702	661	967	877	984
Training and development									
Operational expenditure	1		11	14	8	5	14	14	15
Venues and facilities	37		35		31	32	47	50	53

Table B.3: Payments and estimates by economic classification: Programme 3: Asset and Liability Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Current payments									
Interest and rent on land		62	3 682			23			
Interest		62	3 682			23			
Rent on land									
Transfers and subsidies to:		114	2 092		270	525			
Provinces and municipalities									
Provinces ²									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities ³									
Municipalities									
of which: <i>Regional service council levies</i>									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers ⁴									
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises ⁵									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Non-profit institutions									
Households		114	2 092		270	525			
Social benefits		114	2 092		270	25			
Other transfers to households						500			

Table B.3: Payments and estimates by economic classification: Programme 3: Asset and Liability Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Payments for capital assets									
Buildings and other fixed structures									
Buildings				604	1 684	1 649	1 350	1 324	1 302
Other fixed structures									
Machinery and equipment	1 846	47	429	604	1 684	1 649	1 350	1 324	1 302
Transport equipment									
Other machinery and equipment	1 846	47	429	604	1 684	1 649	1 350	1 324	1 302
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets			34						
Total economic classification: Programme 3 Asset and Liability Management	51 098	53 372	46 146	60 024	52 626	52 301	67 439	69 942	73 597
<i>Of which: Capitalised compensation⁶</i>					348	348	419	388	178
<i>Of which: Capitalised goods and services⁶</i>			278						

Table B.3: Payments and estimates by economic classification: Programme 4: Financial Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Current payments	15 708	19 795	23 979	32 193	31 986	31 141	40 850	43 987	47 723
Compensation of employees	11 960	17 664	21 420	27 787	24 199	23 555	36 404	39 274	42 563
Salaries and wages	10 368	15 358	18 551	24 186	21 356	20 800	31 652	35 331	38 292
Social contributions	1 592	2 306	2 869	3 601	2 843	2 755	4 752	3 943	4 271
Goods and services	3 748	2 089	2 514	4 406	7 787	7 577	4 446	4 713	5 160
of which									
Administrative fees				10					
Advertising	180								
Assets< R5000	524	109	208	69	1 980	429	92	88	288
Audit cost: External			850		2 519	2 800			
Bursaries: Employees									
Catering: Departmental activities	263	176	110	266	409	293	320	427	449
Communication	58	20	33	339	107	59	300	310	325
Computer services	16	15	9	151	35	167	132	127	130
Consultants and Professional services: Business & consultants									
Consultants and Professional services: Legal Advice									
Contractors	51	21	34	106	68	32	141	136	143
Agency and support/outsourced services									
Entertainment	27	24	4	35	26	8	53	53	53
Inv: Food Supplies		31	19	41	28	19	48	54	51
Inv: Learner and teacher support material									
Inv: Materials and supplies		1		8	11		7	4	4
Inv: Other consumables		3	468	468	28	1	1	125	132
Inv: Stationary and Printing	651	648	669	532	871	583	1 241	1 298	1 375
Lease payments	214	256		328					
Property payments		1							
Travel and subsistence	383	536	334	1 932	1 243	2 683	1 964	1 938	2 048
Training and development	1 279	87	171	21	412	432	42		
Operational expenditure	18	1	7			1			
Venues and facilities	84	160	66	100	100	70	105	153	162

Table B.3: Payments and estimates by economic classification: Programme 4: Financial Governance

R thousand	Outcome			Main appropriation 2010/11	Revised estimate	Medium-term estimates	
	2007/08	2008/09	2009/10			2011/12	2013/14
Current payments							
Interest and rent on land		42	45				
Interest		42	45				
Rent on land							
Transfers and subsidies to:	1 106						
Provinces and municipalities	1 100						
Provinces ²							
Provincial Revenue Funds							
Provincial agencies and funds	1 100						
Municipalities ³	1 100						
Municipalities							
<i>of which: Regional service council levies</i>							
Municipal agencies and funds							
Departmental agencies and accounts							
Social security funds							
Provide list of entities receiving transfers ⁴							
Universities and technikons							
Foreign governments and international organisations							
Public corporations and private enterprises ⁵							
Public corporations							
Subsidies on production							
Other transfers							
Private enterprises							
Subsidies on production							
Other transfers							
Non-profit institutions							
Households	6						
Social benefits							
Other transfers to households							

Table B.3: Payments and estimates by economic classification: Programme 4: Financial Governance

	Outcome			Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10		2011/12	2012/13	2013/14
R thousand							
Payments for capital assets			430	348	287	302	
Buildings and other fixed structures							
Buildings							
Other fixed structures							
Machinery and equipment	452	108	430	348	270	287	302
Transport equipment							
Other machinery and equipment	452	108	430	348	270	287	302
Heritage Assets							
Specialised military assets							
Biological assets							
Land and sub-soil assets							
Software and other intangible assets							
Payments for financial assets							
Total economic classification: Programme 4 Financial Governance	17 266	19 903	24 409	32 193	41 120	44 274	48 025
<i>Of which: Capitalised compensation⁶</i>				258	258	299	254
<i>Of which: Capitalised goods and services⁶</i>				258	312	299	254

Table B.4: Payments and estimates by economic classification: "Goods and Services level 4 items"

	Outcome				Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates			
	2007/08	2008/09	2009/10	2011/12				2012/13	2013/14		
R thousand											
Current payments	117 107	134 425	142 822	174 609	165 910	164 098	197 822	208 506	220 538		
Goods and services											
Administrative fees	51 132	50 142	42 055	56 413	51 889	50 873	62 285	63 981	65 525		
Advertising	1 557	1 046	1 167	1 335	380	394	133	141	148		
Assets <R5000	1 832	1 169	998	1 430	1 465	1 421	1 155	1 234	1 186		
Audit cost: External	1 532	247	559	162	3 100	813	1 155	789	327		
Bursaries (employees)	1 915	1 854	4 447	2 234	5 727	7 679	3 890	4 127	4 354		
Catering: Departmental activities	325	297	351	550	550	686	585	620	655		
Communication	1 439	622	487	806	1 031	795	946	1 037	1 092		
Computer services	1 536	1 355	864	2 787	1 860	1 208	2 345	2 242	2 543		
Cons/prof/business & advisory services	27 514	31 467	14 485	29 168	21 642	21 602	33 571	34 527	34 979		
Cons/prof: Infrastructure & planning	1 723	1 056	1 696	500	637	702	772	853	897		
Cons/prof: Laboratory services											
Cons/prof: Legal cost	152	67	168	150	642	394	330	349	368		
Contractors	919	451	407	488	1 092	981	1 241	1 302	1 374		
Agency & support/outsourced services		397	8 694	947	553	551	336	354	374		
Entertainment	111	122	29	127	94	56	141	148	149		
Government motor transport											
Housing											
Inventory: Food and food supplies		167	136	164	175	130	175	187	185		
Inventory: Fuel, oil and gas											
Inventory: Learn & teacher support material				7	1	3					
Inventory: Raw materials		36	10	35	32	4	37	36	37		
Inventory: Medical supplies											
Medc&s inventory: interface											
Inventory: Military stores											
Inventory: Other consumables	3 834	16	2	1 673	166	27	9	9	10		
Inventory: Stationery and printing		3 004	3 576	3 389	4 569	4 109	4 721	4 871	5 356		

Table B.4: Payments and estimates by economic classification: "Goods and Services level 4 items" to be included in Table B.3

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Goods and services : - continued									
Lease payments	1 323	1 585		1 649	57				
Owned & leasehold property expenditure		40	10	132	7	7	46	49	52
Transport provided dept activity	1								
Travel and subsistence	3 617	3 969	3 218	7 688	6 009	7 280	8 098	8 390	8 722
Training & staff development	1 279	152	290	184	1 469	1 443	1 729	1 747	1 900
Operating expenditure	284	594	242	557	306	366	625	662	695
Venues and facilities	239	429	219	251	325	222	285	307	328
Total economic classification: Free State Provincial Treasury	51 132	50 142	42 055	56 413	51 889	50 873	62 285	63 981	65 525

Table B.8: Details on transfers to local government

Table B.8: Transfers to local government by transfer / grant type, category and municipality: (name of department)

R thousand	Outcome			Main appropriation	Adjusted appropriation 2010/11	Revised estimate	Medium-term estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Total departmental transfers/grants									
Category A									
	Municipality 1 (name)								
	Municipality 2 (name)								
	Municipality n (name)								
Category B									
	1 100								
	1 100								
	Municipality 2 (name)								
	Municipality n (name)								
Category C									
	Municipality 1 (name)								
	Municipality 2 (name)								
	Municipality n (name)								
	10								
Unallocated									
Total transfers									
	1 100								