

Department of Free State Provincial Treasury

Vote 4

To be appropriated by Vote in 2009/10	R152 389 000
Responsible MEC	MEC for Finance
Administering Department	Department of Free State Provincial Treasury
Accounting Officer	Superintendent General: Free State Provincial Treasury

1. Overview

In the publication of the 2009/10 - 2011/12 Annual Performance Plan for this department creates a platform for improved efficiency and effectiveness in service delivery. The plan allows for a greater strategic focus on the newly established Economic Analysis, Fiscal Policy and Risk Management and Internal Audit units within the department. In addition the Plan will assist the Provincial Treasury to execute its mandate of enforcing overall fiscal discipline more effectively and enabling a better servicing of the needs of the citizens of the Free State province while at the same time measuring the outcomes and impact of provincial expenditure programmes.

The Provincial Treasury continues to focus on its core functions and responsibilities emanating from the Public Finance Management Act (PFMA) Act No. 1 of 1999, as amended, Treasury Regulations promulgated in terms of Section 76 of the Act, and oversight and support functions to be executed in respect of municipalities in terms of the Municipal Finance Management Act (MFMA), Act 56 of 2003, it does so in a manner that:

- Facilitates effective and efficient management of provincial assets, liabilities and financial management systems;
- Promotes accountability and transparency through substantive reflection of financial activities of the Province, as well as effective compliance with prevailing financial norms and standards; and
- Promotes the use of government service delivery as a catalyst for enhanced economic growth and development and social equity.

1.1 Vision

A leading change agent for improved economic growth and social equity through prudent financial management.

1.2 Mission

Render timely and responsive service delivery to clients through:

- Enforcing the implementation of the Public Finance Management Act;
- Preparation of sound and sustainable provincial budgets;
- Promotion and monitoring of the sustainability of local government budgets;
- Sound management of departmental and provincial government's financial assets and liabilities;
- Promotion of sound supply chain management practices;
- Optimisation of provincially collected revenue;
- Enhancement of sound cash management, accounting practices, policies and systems;
- Promotion and implementation of restructuring and transformation process and
- Sound management of departmental resources.

1.3 Values

The core values that the department espouses are:

- Performance
- Consistency
- Transparency
- Integrity
- Sensitivity
- Accountability
- Diligence
- Prudence
- Professionalism
- Fairness
- Consultation
- Responsiveness

1.4 Acts, rules and regulations

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
- Employment Equity Act of 1998
- Public Service Act of 1994
- Public Service Regulations, 2001
- Public Service Coordinating Bargaining Council Collective Agreement
- SITA Act of 1999
- SITA Regulations of 1999
- Archives act of 1962
- Protection of Information Act, Act 84 of 1982
- Access to Information Act of 1998 (as amended)
- Minimum Information Security Standard (MISS)
- Annual Division of Revenue Act
- Municipal Finance Management Act number 56 of 2003
- Municipal Supply chain Regulations of 2005
- Municipal Investment Regulations of 2005
- Municipal PPP Regulations of 2005
- Preferential Procurement Policy Act No. 5 of 2000
- SCM Regulations of 2004
- Borrowing Powers of Provincial Government Act
- Provincial Tax Act
- Promotion of Administrative Justice (PAJA) Act 3 of 2000
- Labour Relations Act

2. Review of the current financial year (2008/09)

During the 2008/09 financial year the main focus of the Provincial Treasury was to continue to improve financial management and foster practices to ensure that ongoing fiscal and budgetary reform promotes sustainable growth and development in the Province.

To live up to the afore-mentioned challenge, this department set out to ensure that:

- It effectively utilized its operations in the areas of economic analysis, fiscal policy and public finance, to create a treasury environment that allows all important role-players and stakeholders in the Province to contribute towards the attainment of the long-term development objectives of this Province;
- It seriously addresses the incidence of over expenditure and under expenditure of provincial departments as well as to engage in processes and initiatives aimed at ensuring that provincial resource planning processes and actual service delivery programmes take place in a manner that allows for more effective synergy, alignment and co-ordination with Provincial Public Entities and District and Local Municipalities; and
- Necessary technical expertise was built in-house to better position the Treasury to oversee and support processes related to the implementation of the Municipal Finance Management Act (MFMA) in designated municipalities as well as the development of beneficial Public-Private Partnerships (PPP's) in the province.

Significant strides were made in respect of all the afore-mentioned areas.

The 10 Year Socio Economic Review of the Free State Province was launched in May 2008 by the Premier of the Province, Ms. Beatrice Marshoff. The Review is aimed at deepening the understanding of the socio-economic state of the province and the associated challenges. This review consists of 113 indicators of the state of the province, covering the issues of demographics, poverty, welfare and access to basic infrastructure, education, health, labour as well as the economy. The Review serves as a planning, monitoring and evaluation tool which will assist the Department to allocate provincial and local government budgets in a manner which will redress the imbalances and inequities of the past.

Due to the continuation of the practice of producing monthly treasury oversight monitoring reports in respect of key performance indicators regarding various accounting matters, as well as effective engagement in audit steering committees, financial management within the province has improved significantly. Key Performance Indicators have also been developed in respect of banking related matters for Departments and Trading Entities as well as for internal audit and risk management functions of Departments and Trading Entities.

As a result of the development of a monitoring tool for Provincial Entities, the ability of this Department to monitor the performance of its public entities has been significantly strengthened, and the Free State is now the only province that has such framework in place to effectively gauge the performance of the entities on a monthly and a quarterly basis.

In addition there have been significant improvements with regard to reporting requirements emanating from the Municipal Finance Management Act (MFMA), largely arising from capacity building initiatives and technical support provided to municipalities by the Provincial Treasury Department.

The province has been under financial constraints this current financial year and this necessitated the Treasury to review and improve on the distribution of cash to departments as well as to introduce tough measures such as cost containment and took fund shifting powers from certain departments.

3. Outlook for the coming financial year (2009/10)

The Department will continue to strive to draft a better and more informed provincial budget with the aid of the following internally-produced documents, namely:

- ❖ The 10 Year Provincial Socio-economic Review and Outlook
- ❖ A Social Accounting Matrix for the province
- ❖ The Provincial Labour Market Review

In addition, preparatory work will also proceed in earnest to finalize a Free State Regional Econometric Model, to be completed by 2011/12. All of this work that will continue in 2009/10 and beyond will improve the analytical ability of the Provincial Treasury to analyze changes in the socio-economic variables of the province to ensure that the provincial budget meaningfully impact on identified provincial needs whilst at the same time, supports sustainable provincial growth and development.

Work related to financial governance will be further enhanced in 2009/10 with the development of key performance indicators to measure financial management performance of provincial entities, as well as the performance of internal audit and risk management units in provincial departments and other public entities. The significance of this work that will continue to be executed during the remainder of the 2008/09 financial years as it will go a long way to further promote sound financial management in the Free State Provincial Government and also promote reliance by external audit on work carried out by internal audit.

Support to municipalities to improve financial management practices at the local government level will continue in 2009/10 with particular focus on compliance assessment and initiatives to build capacity in the areas of asset management, supply chain management as well as risk management at all municipalities in the province.

Notwithstanding the intentions for the 2008/09 financial year, the challenge regarding the growing incidence of provincial departments over-spending voted budgets still remains a concern for the Provincial Treasury. Stringent measures will be enforced to ensure that such transgressions of the prescripts of the PFMA by provincial departments will be penalized accordingly.

4. Receipts and financing

4.1 Summary of receipts

Table 4.1: Summary of receipts: Free State Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimates	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
Equitable share	109 538	115 124	122 379	131 703	135 703	135 703	146 150	155 624	163 669
Conditional grants									
Departmental receipts	4 510	4 555	4 733	5 428	5 428	5 428	6 239	6 666	7 303
Total receipts	114 048	119 679	127 112	137 131	141 131	141 131	152 389	162 290	170 972

4.2 Departmental receipts collection

Table 4.2: Departmental receipts: Free state Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimates	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital at	55	54	60	81	81	101	86	91	96
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	52 679	73 727	62 614	72 675	72 675	39 674	75 279	78 488	82 412
Sale of capital assets	5	5		11	11		11	11	11
Financial transactions in assets and liabilities	723	27	522	174	174	296	177	180	184
Total departmental receipts	53 462	73 813	63 196	72 941	72 941	40 071	75 553	78 770	82 703

5. Payment Summary

5.1 Key assumptions

Salary increases of 6 per cent in 2009/10, 6 per cent in 2010/11 and 5.6 per cent in 2011/12 effective from 1 July of the year the budget was tabled. The 2009/2010 increment includes budgeted posts to be filled. The increment calculated includes both the 1 per cent pay progression and the 1.5 per cent performance bonus for the department over the MTEF. Actual cost and percentage increases from different service providers were taken into account in respect of goods and services. However, there was a general decrease in goods and services of 1.06 per cent in 2009/10 due to the decrease of percentage forecasting of Auditor General and GG vehicle, and an increase of 0.96 per cent in 2010/11 and 0.98 per cent in 2011/12. The budget was planned to ensure fully functional and effective Employee Assistance Programme (EAP).

5.2 Programme summary

Table 4.3: Summary of provincial payments and estimates: Free State Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2008/09	Revised estimates	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
1. Administration	35 113	38 984	41 916	47 410	50 576	50 691	54 518	59 352	62 696
2. Sustainable Resource Management	11 326	8 703	13 372	17 491	17 012	16 905	18 646	19 167	19 883
3. Asset and Liability Management	43 795	41 941	51 098	50 105	51 511	52 655	54 487	56 677	59 761
4. Financial Governance	7 826	14 680	17 266	22 125	22 032	20 880	24 738	27 094	28 632
Total payments and estimates	98 060	104 308	123 652	137 131	141 131	141 131	152 389	162 290	170 972

Uniform treatment of the salary of the MECs: Provincial Treasury would further like to promote uniform treatment of expenditure with regard to the salary of Political Office Bearers and in particular that of the Member of the Executive Council (MEC). The treatment of these payments is prescribed in the Remuneration of Public Office Bearers Amendment Act, 2000 (Act 9 of 2000).

Current practice dictates that the salary of Political Office Bearers is either regarded as a statutory payment, in which case it would be a direct charge against the Provincial Revenue Fund or a first charge against the departmental equitable share. If legislation provides for statutory payment of the salary of the MEC, then the departmental appropriation should include the amount allocated for the salary of the MEC.

In instances where no legislation exists, provinces should appropriate the funds whereby the salary of the MEC becomes a first charge on the departmental equitable share. At this stage provinces are using a combination of these approaches. National Treasury is however of the view that the approach that leads to a first charge against the departmental equitable share, provides for clearer accountability with regard to spending of that particular Vote. It further promotes better planning and budgeting for expenditure, which include amongst others: Travel allowances, hotel accommodation, subsistence and the payment of allowances other than that of the salary of the MEC.

5.3 Summary of economic classification

Table 4.4: Summary of provincial payments and estimates by economic classification: Free State Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimates	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
Current payments	94 615	98 907	117 406	136 213	139 498	139 316	151 407	161 236	169 844
Compensation of employees	52 972	55 323	65 975	83 999	89 016	88 430	103 508	110 781	117 967
Goods and services	40 877	39 559	51 132	52 214	50 448	50 857	47 899	50 455	51 877
Interest and rent on land					34	13			
Financial transactions in assets and liabilities	766	4 025	299			16			
Unauthorised expenditure									
Transfers and subsidies	1 433	3 577	1 719	161	1 335	1 375	982	1 054	1 128
Provinces and municipalities	181	2 494	1 110						
Departmental agencies and accounts	257	20							
Universities and technikons									
Public corporations and private enterprises						4			
Foreign governments and international organisations									
Non-profit institutions	5	30	6						
Households	990	1 033	603	161	1 335	1 371	982	1 054	1 128
Payments for capital assets	2 012	1 824	4 527	757	298	440			
Buildings and fixed structures									
Machinery and equipment	1 987	1 806	4 389	757	298	440			
Cultivated assets									
Software and other intangible assets	25	18	138						
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Total economic classification	98 060	104 308	123 652	137 131	141 131	141 131	152 389	162 290	170 972

Due to cost containment in the province, the provincial Treasury decided to cut all the procurement of capital items over the MTEF at this stage in order to first check the outcome and the financial growth in the province. This will be reviewed again in the 2009/10 financial year.

5.4 Transfers

5.4.1 Transfers to local government

Table 4.5: Summary of departmental transfer to local government by category

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
Category A									
Category B	181	2 400	1 100						
Category C		94							
Unallocated			10						
Total departmental transfer to local gove	181	2 494	1 110						

6. Programme description

6.1 Programme 1: Administration

This programme will provide leadership, strategic management in accordance with legislation, regulations and policies as well as ensure that there is an appropriate support service to all other programmes.

Table 4.6. : Summary of payments and estimates: Programme 1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
1: Office of the MEC ¹	4 767	3 882	3 582	3 935	4 078	4 446	4 526	4 885	5 235
2: Management Services	2 901	2 731	3 651	2 273	2 434	2 430	2 525	2 710	2 844
3: Corporate Services	10 955	13 179	17 049	21 827	23 137	23 488	22 866	25 462	26 599
4: Financial Management	13 390	13 503	15 187	16 184	17 767	17 273	21 015	22 417	23 881
5: Internal Audit - departmental	2 334	1 664	2 148	3 191	3 160	3 054	3 586	3 878	4 137
Theft and Losses	766	4 025	299						
Total payments and estimates: Programme (nur	35 113	38 984	41 916	47 410	50 576	50 691	54 518	59 352	62 696

¹ Note salaries of the MEC included under sub-programme 1: Office of the MEC

Table 4.7: Summary of provincial payments and estimates by economic classification: Programme 1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
Current payments	33 130	36 853	39 816	47 249	49 199	49 220	53 536	58 298	61 568
Compensation of employees	20 909	21 695	25 881	32 396	34 635	35 067	39 477	42 269	44 994
Goods and services	11 455	11 133	13 636	14 853	14 548	14 150	14 059	16 029	16 574
Interest and rent on land					16	3			
Financial transactions in assets and liabilities	766	4 025	299						
Unauthorised expenditure									
Transfers and subsidies to:	1 317	1 095	613	161	1 231	1 261	982	1 054	1 128
Provinces and municipalities	65	12	10						
Departmental agencies and accounts	257	20							
Universities and technikons									
Public corporations and private enterprises						4			
Foreign governments and international organisation									
Non-profit institutions	5	30							
Households	990	1 033	603	161	1 231	1 257	982	1 054	1 128
Payments for capital assets	666	1 036	1 487	146	146	210			
Buildings and other fixed structures									
Machinery and equipment	666	1 018	1 475		146	210			
Cultivated assets									
Software and other intangible assets		18	12						
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Total economic classification	35 113	38 984	41 916	47 410	50 576	50 691	54 518	59 352	62 696

6.1.1 Description and objectives

Sub programme 1.1: Office of the MEC

Provide for the efficient operation of the Office of the MEC.

Sub programme 1.2: Management Services

Provide for the efficient operation of the office of the CEO and provide for the cost related to efficient running of the programme.

Sub programme 1.3: Corporate services

Provide an effective corporate support service to the Department.

Sub programme 1.4: Financial Management (Office of CFO)

Provide an effective financial management support service to the Department as well as effective and efficient supply chain management service to the Department

Sub programme 1.5: Internal Audit

Provide an effective internal audit service to the Department.

6.2 Programme 2: Sustainable Resource Management

Provide professional advice and support to the MEC on provincial economic analysis, fiscal policy, public finance development and management of the annual budget process.

Table 4.8 : Summary of payments and estimates: Programme 2: Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
1: Programme Support	1 071	1 067	1 152	1 133	1 130	1 095	1 210	1 277	1 351
2: Economic Analysis	163	547	2 855	4 156	4 012	4 023	4 328	4 617	4 665
3: Fiscal Policy	2 792	2 477	2 854	4 478	4 059	3 976	4 384	4 665	5 004
4: Budget Management	3 727	2 915	3 973	4 572	4 815	4 858	5 425	5 093	5 148
5: Public Finance	3 573	1 697	2 538	3 152	2 996	2 953	3 299	3 515	3 715
Total payments and estimates: Program	11 326	8 703	13 372	17 491	17 012	16 905	18 646	19 167	19 883

Table 4.9: Summary of provincial payments and estimates by economic classification: Programme 2: Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
Current payments	11 012	8 333	12 630	17 491	16 949	16 859	18 646	19 167	19 883
Compensation of employees	8 337	6 196	9 269	12 462	13 016	12 988	15 466	15 849	16 737
Goods and services	2 675	2 137	3 361	5 029	3 924	3 852	3 180	3 318	3 146
Interest and rent on land					9	3			
Financial transactions in assets and liabilities						16			
Unauthorised expenditure									
Transfers and subsidies to:	29	10							
Provinces and municipalities	29	10							
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisation									
Non-profit institutions									
Households									
Payments for capital assets	285	360	742		63	46			
Buildings and other fixed structures									
Machinery and equipment	285	360	616		63	46			
Cultivated assets									
Software and other intangible assets			126						
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Total economic classification	11 326	8 703	13 372	17 491	17 012	16 905	18 646	19 167	19 883

6.2.1 Description and objectives

Sub programme 2.1: Programme support

Provide for the cost related to the efficient running of the programme.

Sub programme 2.2: Economic analysis

Provide for provincial economic and social research and analysis that informs fiscal policy development and the annual budget process thereby contributing to the provincial growth and development strategy.

Sub programme 2.3: Fiscal Policy

Provide fiscal policy advice, determine the Medium Term Fiscal framework, develop and optimise the provincial revenue base and develop the provincial borrowing framework.

Sub programme 2.4: Budget Management

Prepare the provincial budget in line with the provincial growth and development strategy.

Sub programme 2.5: Public Finance

Monitor budget implementation and advice on the compilation of expenditure and non-financial performance reports.

7.2 Service delivery measures

Performance Measures	Target for 2009/10 as per (APP)	Target for 2010/11 as per (APP)	Target for 2011/12 as per (APP)
QUARTERLY OUTPUTS			
Programme 2: Sustainable Resource Management			
2.2 Economic Analysis			
Updated database by the end of financial year	31-Mar-10	31-Mar-11	31-Mar-12
Fully operational and maintained model	1	1	1
Number of research based reports produced	4	4	4
Workshops conducted with stakeholders	6	6	6
Number of discussion documents produced	1	1	1
2.3 Fiscal Policy			
Number of departments and entities receiving capacity building assistance annually	8	8	8
Annual increase in compliance with revenue related legislation	13	13	13
Number of departments and entities publishing revenue collection plans annually	12	12	12
Provincial borrowing framework developed	1	1	1
Provincial Medium Term Fiscal Framework developed	1	1	1
Provincial Medium Term Budget policy statement developed	1	1	1
Developed credible revenue bases for each department and public entities	8	10	10
Annual publication of comparative revenue analysed reports	4	4	4
Number of reports on revenue sources exploited and optimised by Provincial departments and public	4	4	4
2.4 Budget Management			
Number of analytical reports	1	1	1
Number of assessment reports	3	3	3
Tabled Provincial Budget in line with National prescripts	1	1	1
Tabled Adjustment Budget in line with National prescripts	1	1	1
Report on alignment of budget, strategic and annual performance plans	1	1	1
2.5 Public Finance			
Number of reports prepared in terms of In-Year Monitoring (IYM) model (Departments & Public Entities)	19	19	19
Number of reports prepared in terms of infrastructure (IRM) reporting model	4	4	4
Number of reports prepared in terms of quarterly performance model (Departments & Public Entities)	8	8	8
ANNUAL OUTPUTS			
Programme 2: Sustainable Resource Management			
2.2 Economic Analysis			
Updated database by the end of financial year	1	1	1
Fully operational and maintained model	1	1	1
Number of discussion documents	1	1	1
2.3 Fiscal Policy			
Provincial borrowing framework is developed	1	1	1
Provincial Medium Term Fiscal Framework is developed	1	1	1
Provincial Medium Term Budget Policy Statement is developed	1	1	-
2.4 Budget Management			
Tabled provincial budget in line with National prescripts	1	1	1
Tabled adjustment budget in line with National prescripts	1	1	1

6.3 Programme 3: Asset and Liability Management

This programme will provide policy direction, facilitating the effective and efficient management of physical and financial assets, PPPs and liabilities.

Table 4.10. : Summary of payments and estimates: Programme 3: Asset and Liability Management

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
1: Programme Support	896	879	856	974	975	954	1 098	1 173	1 255
2: Asset Management	7 316	7 287	9 905	9 225	9 588	9 151	11 478	12 355	13 343
3: Supporting and Interlinked Financial S	35 583	33 775	40 337	39 906	40 948	42 550	41 911	43 149	45 163
Total payments and estimates: Program	43 795	41 941	51 098	50 105	51 511	52 655	54 487	56 677	59 761

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	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
Current payments	42 761	41 700	49 252	49 348	51 407	52 495	54 487	56 677	59 761
Compensation of employees	17 091	17 528	18 865	21 068	22 248	22 464	26 284	28 092	30 002
Goods and services	25 670	24 172	30 387	28 280	29 159	30 031	28 203	28 585	29 759
Interest and rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies to:	65	14			104	114			
Provinces and municipalities	65	14							
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisation									
Non-profit institutions									
Households					104	114			
Payments for capital assets	969	227	1 846	757		46			
Buildings and other fixed structures									
Machinery and equipment	944	227	1 846	757		46			
Cultivated assets									
Software and other intangible assets	25								
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Total economic classification	43 795	41 941	51 098	50 105	51 511	52 655	54 487	56 677	59 761

6.3.1 Description and objectives

Sub programme 3.1: Programme support

Provide for the cost related to the efficient running of the programme.

Sub programme 3.2: Asset management

Facilitate the effective, efficient, economical and transparent management of physical and financial assets and the implementation of the PPP and SCM frameworks.

Sub programme 3.3: Liability management

Facilitate the effective and efficient management of liabilities.

Sub programme 3.4: Supporting and Interlinked Financial Systems

Manage the implementation and maintenance of financial systems.

Services delivery measures

Performance Measures	Target for 2009/10 as per (APP)	Target for 2010/11 as per (APP)	Target for 2011/12 as per (APP)
QUARTERLY OUTPUTS			
Programme 3: Asset & Liability Management			
3.2 Asset Management			
Number of assets management reform project plan template developed	1	1	1
Number of assets management forums and training sessions conducted	12	12	12
Number of FSPT asset management steering committee held	4	4	4
Number of Asset management inspection visits conducted (Consolidated inspection reports)	12	12	12
Number of Asset management monitoring visits conducted (Departmental monitoring reports)	144	144	144
Number of supply chain management forums and training sessions conducted	4	8	8
Number of monitoring and evaluation reports produced	44	44	44
Number of supplier management systems maintained	1	1	1
Number of Infrastructure delivery meetings held	46	46	46
Number of training sessions conducted/facilitated	1	1	1
Number of infrastructure site visits conducted	120	120	120
Number of infrastructure monitoring reports produced	16	16	16
Timely and reliable provincial revenue fund annual financial statements reports produced	1	1	1
Number of cash transfer reports produced	12	12	12
Number of reports produced to facilitate revenue generation through investments	12	12	12
3.4 Support and Interlinked Financial Systems			
Availability and stability of the Transversal System per working hours	95%	95%	95%
Provide technical and functional support within working hours	8	8	8
Interfaces successfully integrated with external systems	100%	100%	100%
Number of clear and user-friendly Transversal System Circulars and Practice Notes	26	26	26
Credible and accurate entity register	100%	100%	100%
Items codified and standardized	3 389	3 389	3 389
Number of officials trained on BAS, PERSAL and LOGIS	850	850	1 100
ANNUAL OUTPUTS			
Programme 3: Asset & Liability Management			
3.2 Asset Management			
Number of asset management reform project plan template developed	1	1	1
Number of monitoring and evaluation plan developed	2	2	2
Number of training sessions conducted / facilitated	1	1	1
Number of supplier management system maintained	1	1	1
Timely submission of annual financial statements for Provincial Revenue Fund	1	1	1
3.4 Support and Interlinked Financial Systems			
Credible and accurate Entity Registers	1	1	1

6.4 Programme 4: Financial Governance

This programme will promote accountability through the substantive reflection of financial activities of the province as well as compliance with financial norms and standards.

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
1: Programme Support	1 259	1 323	1 413	1 383	1 355	1 239	1 533	1 692	1 800
2: Accounting Services	4 355	4 498	5 095	5 997	6 138	6 098	6 746	7 140	7 490
3: Norms and Standards		6 630	7 947	9 462	9 223	9 265	10 326	10 963	11 536
4: Risk Management and Internal Audit	2 212	2 229	2 811	5 283	5 316	4 278	6 133	7 299	7 806
Total payments and estimates: Programr	7 826	14 680	17 266	22 125	22 032	20 880	24 738	27 094	28 632

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
Current payments	7 712	12 021	15 708	22 125	21 943	20 742	24 738	27 094	28 632
Compensation of employees	6 635	9 904	11 960	18 073	19 117	17 911	22 281	24 571	26 234
Goods and services	1 077	2 117	3 748	4 052	2 817	2 824	2 457	2 523	2 398
Interest and rent on land					9	7			
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies to:	22	2 458	1 106						
Provinces and municipalities	22	2 458	1 100						
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisation									
Non-profit institutions			6						
Households									
Payments for capital assets	92	201	452		89	138			
Buildings and other fixed structures									
Machinery and equipment	92	201	452		89	138			
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Total economic classification	7 826	14 680	17 266	22 125	22 032	20 880	24 738	27 094	28 632

6.4.1 Description and objectives

Sub programme 4.1: Programme support

Provide for the cost related to efficient running of the programme.

Sub programme 4.2: Accounting services

Ensure the effective implementation of accounting practices in line with Generally Recognized Accounting Practice; prepare consolidated financial statements that reflect the financial position of the province.

Sub programme 4.3: Norms and standards MFMA

Promote, support, monitor and report on the implementation of the MFMA at delegated municipalities and municipal entities in the Province and ensure that quality reports translate into service delivery performance.

Sub programme 4.4: Risk Management and Internal Audit

Promote effective optimal financial resource utilization and internal audit.

Services delivery measures

Performance Measures	Target for 2009/10 as per (APP)	Target for 2010/11 as per (APP)	Target for 2011/12 as per (APP)
QUARTERLY OUTPUTS			
Programme 4: Financial Governance			
4.2: Accounting Services			
Number of Departments monitored to adhere to 87% accounting related KPI's from weighted 100%	11	11	11
Number of Trading Entities monitored to adhere to 89% accounting related KPI's from weighted 100%	2	2	2
Number of listed Public Entities monitored to adhere to 60% accounting related KPI's from weighted 100%	5	5	5
Provincial Departments adhering to 92% of accounting-related KPI's	11	11	11
Timely submission of annual report for consolidated financial information to be tabled	23-Oct-09	24-Oct-10	25-Oct-11
Number of training session for Provincial Departments, public and Trading Entities:	10	9	8
Number of Departments and Trading Entities able to comply with 82% of banking arrangement	13	13	13
4.3: Norms and Standards: MFMA			
Number of Asset management surveys conducted in all municipalities	24	24	24
Number of SCM assessment reports	24	24	24
Number of municipalities monitored to adhere to 50% of Internal Audit KPI's from weighted 100%	6	12	24
Number of municipalities monitored to adhere to 50% of Risk management KPI's from weighted 100%	6	12	24
Number of budget assessments reports	72	72	72
Number of reports to PROPAC committee	4	4	4
Number of IYM assessment reports	288	288	288
Number of training sessions conducted	4	4	4
4.4: Risk Management and Internal Audit			
An average of 90% implementation of legislative resolutions for 11 departments and 5 registered public entit	80%	85%	90%
Updated and aligned delegation in place for all provincial departments and public entities (Departments)	33	33	33
Updated and aligned delegation in place for all provincial departments and public entities (Entities)	15	15	15
Number of departments monitored bi-annually to achieve 75% of KPI's for the risk management units and c	11	11	11
Number of public entities monitored bi-annually to achieve 60% of KPI's for the risk management units and	5	5	5
Number of departments monitored bi-annually to achieve 85% of KPI's for the risk management units and c	11	11	11
Number of public entities monitored bi-annually to achieve 85% of KPI's for internal audit units and committ	5	5	5
ANNUAL OUTPUTS	2009/10	2010/11	2011/12
Programme 4: Financial Governance			
4.3: Norms and Standards: MFMA			
Asset management survey conducted in all municipalities	1	1	1
Number of training sessions for municipalities in the application of physical and financial assets	1	1	1

6.5 Other programme information

6.5.1 Personnel numbers and costs

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

Personnel numbers	As at	As at	As at				
	31 March 2006	31 March 2007	31 March 2008	31 March 2009	31 March 2010	31 March 2011	31 March 2012
1: Administration	115	115	135	163	166	166	166
2: Sustainable Resource Management	24	24	42	44	44	44	44
3: Asset and Liability Management	92	92	88	119	120	120	120
4: Financial Governance	38	38	59	79	79	79	79
Total personnel numbers:	269	269	324	405	409	409	409
Total personnel cost (R thousand)	52 972	55 323	65 975	88 430	103 503	110 781	117 967
Unit cost (R thousand)	197	206	204	218	253	271	288

1. Full-time equivalent

Table 4.15: Summary of departmental personnel numbers and costs

	Outcome			Main Appropriation	Adjusted Appropriation 2008/09	Revised estimates	Medium Term Estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Total for department									
Personnel numbers (head count)	269	269	324	324	405	405	409	409	409
Personnel cost (R'000)	52 972	55 323	65 975	83 999	89 016	88 430	103 508	110 781	117 967
Human resources component									
Personnel numbers (head count)	45	49	49	61	65	65	61	61	61
Personnel cost (R'000)	7 200	7 917	9 846	13 501	14 517	14 632	15 750	16 862	17 932
Head count as % of total for department	16.7%	18.2%	15.1%	18.8%	16.0%	16.0%	14.9%	14.9%	14.9%
Personnel cost as % of total for department	13.6%	14.3%	14.9%	16.1%	16.3%	16.5%	15.2%	15.2%	15.2%
Finance component									
Personnel numbers (head count)	49	48	50	62	70	70	70	70	70
Personnel cost (R'000)	8 157	8 204	10 901	11 733	12 644	12 267	14 648	15 648	16 687
Head count as % of total for department	18.2%	17.8%	15.4%	19.1%	17.3%	17.3%	17.1%	17.1%	17.1%
Personnel cost as % of total for department	15.4%	14.8%	16.5%	14.0%	14.2%	13.9%	14.2%	14.1%	14.1%
Full time workers									
Personnel numbers (head count)	269	269	324	304	385	385	389	389	389
Personnel cost (R'000)	52 972	55 323	65 975	83 999	88 134	87 548	101 533	109 256	116 725
Head count as % of total for department	100.0%	100.0%	100.0%	93.8%	95.1%	95.1%	95.1%	95.1%	95.1%
Personnel cost as % of total for department	100.0%	100.0%	100.0%	100.0%	99.0%	99.0%	98.1%	98.6%	98.9%
Part-time workers									
Personnel numbers (head count)									
Personnel cost (R'000)									
Head count as % of total for department									
Personnel cost as % of total for department									
Contract workers									
Personnel numbers (head count)		10	22	20	20	20	26	26	20
Personnel cost (R'000)				1 007	882	882	1 955	1 525	1 242
Head count as % of total for department	0.0%	3.7%	6.8%	6.2%	4.9%	4.9%	6.4%	6.4%	4.9%
Personnel cost as % of total for department	0.0%	0.0%	0.0%	1.2%	1.0%	1.0%	1.9%	1.4%	1.1%

6.5.2 Training

Table 4.16(a) Payments on training: Free State Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimates	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
Programme 1: Administration	725	1 015	1 307	1 100	897	897	900	900	900
of which									
Subsistence and travel				800					
Payments on tuition	725	1 015	1 307	300	897	897	900	900	900
Programme 2: Sustainable Resource Man:	195	61		103					
Subsistence and travel	44								
Payments on tuition	151	61		103					
Programme 3: Asset and Liability Manage	236	17		259					
Subsistence and travel	20								
Payments on tuition	216	17		259					
Programme 4: Financial Governance	226			134					
Subsistence and travel	102								
Payments on tuition	124			134					
Total payments on training: Free State Prc	1 382	1 093	1 307	1 596	897	897	900	900	900

Table 4.16(b): Information on training: Free State Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimates	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
Number of Staff	185	264	269	370	341	341	408	408	408
Number of personnel trained									
of Which									
Male	86	129	111	166	148	148	211	211	211
Female	99	135	158	204	193	193	197	197	197
Number of training opportunities									
of which									
Tertiary	4	2							
Workshops	181	37	442		300	300	340	345	345
Seminars		6							
Other									
Number of bursaries offered	13	17	17	25	22	22	30	25	25
Number of interns appointed		10	22	20	20	20	20	20	20
Number of learnerships appointed		5							
Number of days spent on training		180	180	180	192	192	192	192	192

Annexure to Budget Statement 2

Table B.1: Specifications of receipts

Table B.1: Specification of receipts: Free State Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2008/09	Revised estimates	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Tax receipts									
Casino taxes									
Motor vehicle licenses									
Horseracing									
Other taxes									
Sale of goods and services other than capital assets	55	54	60	81	81	102	86	91	96
Sales of goods and services produced by department									
Sales by market establishments									
Administrative fees									
Other sales									
Of which									
<i>Rental of Buildings</i>									
<i>Abnormal loads</i>									
<i>Vehicle & Drivers services & Other</i>									
<i>Other (Specify)</i>									
Sales of scrap, waste, arms and other used current goods	55	54	60	81	81	102	86	91	96
Transfers received from:									
Other governmental units									
Universities and technikons									
Foreign governments									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions									
Fines, penalties and forfeits									
Interest, dividends and rent on land	52 679	73 727	62 614	72 675	72 675	62 580	75 279	78 488	82 412
Interest	52 679	73 727	62 614	72 675	72 675	62 580	75 279	78 488	82 412
Dividends									
Rent on land									
Sales of capital assets	5	5		11	11	11	11	11	11
Land and subsoil assets									
Other capital assets	5	5		11	11	11	11	11	11
Financial transactions in assets and liabilities	723	27	522	174	174	280	177	180	184
Total departmental receipts	53 462	73 813	63 196	72 941	72 941	62 973	75 553	78 770	82 703

Table B.2: Payments and estimates by economic classification**Table B2: Payments and estimates by economic classification:Provincial Treasury**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimates	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
Current payments	94 615	98 907	117 406	136 213	139 498	139 316	151 407	161 236	169 844
Compensation of employees	52 972	55 323	65 975	83 999	89 016	88 430	103 508	110 781	117 967
Salaries and wages	45 951	47 371	57 077	72 738	77 197	76 780	89 999	96 300	102 696
Social contributions	7 021	7 952	8 898	11 261	11 819	11 650	13 509	14 481	15 271
Goods and services	40 877	39 559	51 132	52 214	50 448	50 857	47 899	50 455	51 877
of which:									
Audit cost: external	2 428	1 963	1 915	1 468	1 641	1 881	1 500	1 500	1 500
Administration fees				902	1 065	1 107	900	900	900
Communications				1 000	1 290	1 108	1 000	1 000	1 000
Computer services	22 746	21 533	26 366	22 953	26 692	28 271	25 523	25 592	26 437
Other	15 703	16 063	22 851	25 891	19 760	18 490	18 976	21 463	22 040
Interest and rent on land					34	13			
Interest					34	13			
Rent on land									
Financial transactions in assets and liabilities	766	4 025	299						
Unauthorised expenditure									
Transfers and subsidies to:	1 433	3 577	1 719	161	1 335	1 375	982	1 054	1 128
Provinces and municipalities	181	2 494	1 110						
Provinces 2									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities 3									
Municipalities	181	2 494	1 110						
of which: Reginal service council levies									
Municipal agencies and funds									
Departmental agencies and accounts	257	20							
Social security funds									
Provide list of entities receiving transfers	257	20							
Universities and technikons									
Public corporations and private enterprises 5						4			
Public corporations									
Subsidies on production									
Other transfers						4			
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions	5	30	6						
Households	990	1 033	603	161	1 335	1 371	982	1 054	1 128
Social benefits					104	114			
Other transfers to households	990	1 033	603	161	1 231	1 257	982	1 054	1 128
Payments for capital assets	2 012	1 824	4 527	757	298	440			
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	1 987	1 806	4 389	757	298	440			
Transport equipment									
Other machinery and equipment	1 987	1 806	4 389	757	298	440			
Cultivated assets									
Software and other intangible assets	25	18	138						
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Total economic classifications	98 060	104 308	123 652	137 131	141 131	141 131	152 389	162 290	170 972

Table B2: Payments and estimates by economic classification: Programme 1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimates	Medium-term estimates		
	2005/06	2006/07	2007/08	2008/09	2008/09		2009/10	2010/11	2011/12
Current payments	33 130	36 853	39 816	47 249	49 182	49 285	53 536	58 298	61 568
Compensation of employees	20 909	21 695	25 881	32 396	34 635	35 006	39 477	42 269	44 994
Salaries and wages	18 133	18 496	22 433	28 216	30 047	30 588	34 389	36 836	39 310
Social contributions	2 776	3 199	3 448	4 180	4 588	4 448	5 088	5 433	5 684
Goods and services	11 455	11 133	13 636	14 853	14 531	14 256	14 059	16 029	16 574
of which:									
Audit cost: external	2 428	1 963	1 915	1 468	1 641	1 881	1 500	1 500	1 500
Administration fees				902	1 065	1 107	900	900	900
Communications				1 000	1 290	1 108	1 000	1 000	1 000
Other	9 027	9 170	11 721	11 483	10 552	10 054	10 659	12 629	13 174
Interest and rent on land					16	3			
Interest					16	3			
Rent on land									
Financial transactions in assets and liabilities	766	4 025	299						
Unauthorised expenditure									
Transfers and subsidies to:	1 055	1 045	613	161	1 231	1 261	982	1 054	1 128
Provinces and municipalities	65	12	10						
Provinces 2									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities 3									
Municipalities	65	12	10						
of which: Reginal service council levies									
Municipal agencies and funds									
Departmental agencies and accounts	257	20							
Social security funds									
Provide list of entities receiving transfers	257	20							
Universities and technikons									
Public corporations and private enterprises 5						4			
Public corporations									
Subsidies on production									
Other transfers						4			
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions	5	30							
Households	990	1 033	603	161	1 231	1 257	982	1 054	1 128
Social benefits									
Other transfers to households	990	1 033	603	161	1 231	1 257	982	1 054	1 128
Payments for capital assets	666	1 036	1 487	163	165				
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	666	1 018	1 475	163	165				
Transport equipment									
Other machinery and equipment	666	1 018	1 475	163	165				
Cultivated assets									
Software and other intangible assets		18	12						
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Total economic classifications	34 851	38 934	41 916	47 410	50 576	50 691	54 518	59 352	62 696

Table B2: Payments and estimates by economic classification: Programme 2 Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimates	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
Current payments	11 012	8 333	11 630	17 491	16 949	16 859	18 646	19 167	19 883
Compensation of employees	8 337	6 196	8 269	12 462	13 016	12 988	15 466	15 849	16 737
Salaries and wages	7 324	5 434	8 121	10 924	11 455	11 419	13 722	14 002	14 785
Social contributions	1 013	762	148	1 538	1 561	1 569	1 744	1 847	1 952
Goods and services	2 675	2 137	3 361	5 029	3 924	3 852	3 180	3 318	3 146
<i>of which:</i>									
Specify item									
Specify item									
Specify item									
Other	2 675	2 137	3 361	5 029	3 924	3 852	3 180	3 318	3 146
Interest and rent on land					9	3			
Interest					9	3			
Rent on land									
Financial transactions in assets and liabilities						16			
Unauthorised expenditure									
Transfers and subsidies to:	29	10							
Provinces and municipalities	29	10							
Provinces 2									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities 3									
Municipalities									
<i>of which: Regional service council levies</i>	29	10							
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers									
Universities and technikons									
Public corporations and private enterprises 5									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions									
Households									
Social benefits									
Other transfers to households									
Payments for capital assets	285	360	742		63	46			
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	285	360	616		63	46			
Transport equipment									
Other machinery and equipment	285	360	616		63	46			
Cultivated assets									
Software and other intangible assets			126						
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Total economic classifications	11 326	8 703	12 372	17 491	17 012	16 905	18 646	19 167	19 883

Table B2: Payments and estimates by economic classification: Programme 3: Asset and Liability Management

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimates	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
Current payments	42 761	41 700	49 252	49 348	51 407	52 495	54 487	56 677	59 761
Compensation of employees	17 091	17 528	18 865	21 068	22 248	22 464	26 284	28 092	30 002
Salaries and wages	14 730	14 793	16 155	17 979	19 005	19 296	22 407	23 974	25 633
Social contributions	2 361	2 735	2 710	3 089	3 243	3 168	3 877	4 118	4 369
Goods and services	25 670	24 172	30 387	28 280	29 159	30 031	28 203	28 585	29 759
<i>of which:</i>									
Computer services	22 746	21 533	26 366	22 953	26 692	28 271	25 523	25 592	26 437
Specify item									
Specify item									
Other	2 924	2 639	4 021	5 327	2 467	1 760	2 680	2 993	3 322
Interest and rent on land									
Interest									
Rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies to:	65	14			104	114			
Provinces and municipalities	65	14							
Provinces 2									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities 3									
Municipalities									
<i>of which: Reginal service council levies</i>	65	14							
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers									
Universities and technikons									
Public corporations and private enterprises 5									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions									
Households					104	114			
Social benefits					104	114			
Other transfers to households									
Payments for capital assets	969	227	1 846	757		46			
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	944	227	1 846	757		46			
Transport equipment									
Other machinery and equipment	944	227	1 846	757		46			
Cultivated assets									
Software and other intangible assets	25								
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Total economic classifications	43 795	41 941	51 098	50 105	51 511	52 655	54 487	56 677	59 761

Table B2: Payments and estimates by economic classification: Programme 4: Financial Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimates	Medium-term estimates		
	2005/06	2006/07	2007/08	2008/09			2009/10	2010/11	2011/12
Current payments	7 712	12 021	15 708	22 125	21 943	20 742	24 738	27 094	28 632
Compensation of employees	6 635	9 904	11 960	18 073	19 117	17 911	22 281	24 571	26 234
Salaries and wages	5 764	8 648	10 368	15 619	16 693	15 564	19 481	21 488	22 968
Social contributions	871	1 256	1 592	2 454	2 424	2 347	2 800	3 083	3 266
Goods and services	1 077	2 117	3 748	4 052	2 817	2 824	2 457	2 523	2 398
of which:									
Specify item									
Specify item									
Specify item									
Other	1 077	2 117	3 748	4 052	2 817	2 824	2 457	2 523	2 398
Interest and rent on land					9	7			
Interest					9	7			
Rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies to:	22	2 458	1 100						
Provinces and municipalities	22	2 458	1 100						
Provinces 2									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities 3									
Municipalities	22	2 458	1 100						
of which: <i>Reginal service council levies</i>									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers									
Universities and technikons									
Public corporations and private enterprises 5									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions			6						
Households									
Social benefits									
Other transfers to households									
Payments for capital assets	92	201	452		89	138			
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	92	201	452		89	138			
Transport equipment									
Other machinery and equipment	92	201	452		89	138			
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Heritage assets									
Specialised military assets									
Total economic classifications	7 826	14 680	17 260	22 125	22 032	20 880	24 738	27 094	28 632

Table B.7: Details on transfers to local government

Table B.7: Transfers to local government by transfer/grant type, category and municipality

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
Type of transfer/ grant 1 RSC Levies									
Category B									
Kopanong		200							
Letsemeng		100							
Mafube		100							
Masilonyana		1 000							
Mohokare		100							
Naledi		800	1 100						
Nketoana		100							
Category C									
Motheo	181	44							
Xhariep		50							
Unallocated			10						
Total transfer	181	2 494	1 110						