
SCHEDULE

**Chapter 5 of the Treasury
Regulations for departments, trading
entities, constitutional institutions
and public entities**

**Issued in terms of the
Public Finance Management Act, 1999**

**National Treasury
Republic of South Africa
[March 2005] February 2007**



Strategic Planning

5.1 [Annual p] Preparation of strategic plans

- 5.1.1 [Each year, the] The accounting officer of an institution must prepare a strategic plan that is consistent with the period covered by the Medium Term Expenditure Framework [for the forthcoming MTEF period] for approval by the relevant executive authority.

5.2 Submission and contents of strategic plans

- 5.2.1 In order to facilitate the annual discussion of individual votes, accounting officers must provide [the approved strategic plan must be tabled in] Parliament or the relevant legislature with their respective institution's medium-term strategic plan, and where applicable, with its annual performance plan. [at least 7 days prior to the discussion of the department's budget vote.]

5.2.2 Parliament or the relevant legislature should receive the plans of departments at least 10 days prior to the discussion of the department's budget vote.

- 5.2.[2]3 The strategic plan must –
- (a) cover a period of at least three years and be consistent with the institution's published medium term expenditure estimates;
 - (b) include specific Constitutional and other legislative, functional and policy mandates that indicate the output deliverables for which the institution is responsible;
 - (c) include policy developments and legislative changes that influence programme spending plans over the **[three-year] MTEF** period;
 - (d) include the measurable objectives, expected outcomes, programme outputs, indicators (measures) and targets of the institution's programmes ;
 - (e) include details of proposed acquisitions of fixed or movable capital assets, planned capital investments and rehabilitation and maintenance of physical assets;
 - (f) include details of proposed acquisitions of financial assets or capital transfers and plans for the management of financial assets and liabilities;
 - (g) include multi-year projections of income and projected receipts from the sale of assets;
 - (h) include details of the Service Delivery Improvement Programme;
 - (i) include details of proposed information technology acquisition or expansion in reference to an information technology plan; **[and]**
 - (j) for departments, include the requirements of Chapter 1, Part III B of the *Public Service Regulations, 2001*[.]; and
 - (k) include details of specific plans that the executive authority, Parliament or the relevant provincial legislature may direct the institution to report on.

5.2.[3]4 The strategic plan must form the basis for the annual reports of accounting officers as required by sections 40(1)(d) and (e) of the Act.

5.3 Evaluation of performance [Section 27(4) read with 36(5) of the PFMA]

5.3.1 The accounting officer of an institution must establish procedures for quarterly reporting to the executive authority to facilitate effective performance monitoring, evaluation and corrective action.