

VOTE 6

Provincial Treasury

To be appropriated by Vote	R398 164 000
Statutory amount	R562 000
Total	R398 726 000
Responsible MEC	Mr P. M. Miller, Minister of Finance
Administering department	Provincial Treasury
Head of Treasury	Superintendent General: Provincial Treasury
Accounting officer	Senior General Manager: Accounting Control

1. Overview

Vision

We will help support and ensure that your Rand goes the extra mile.

Mission statement

We, the Provincial Treasury, pledge to provide the KwaZulu-Natal Provincial Government with efficient and effective public-finance management support. This we will achieve by adhering to the highest standards in financial management, and by developing and implementing optimal systems and processes.

Strategic objectives

The Provincial Treasury has set four high level strategic objectives. Firstly, the department aims to become more effective overall as an organisation, and to achieve the operational objectives outlined at a lower operating cost. The target is to achieve the operational objectives at 10 per cent less than the previous year's actual expenditure.

Secondly, the Provincial Treasury aims to satisfy customer/client needs through expansion and improvement in the department's involvement with its clients, and to provide high quality services that will meet with the satisfaction of its clients.

Furthermore, the department plans to have a 50 per cent improvement in the performance of its core functions, by enhancing service delivery. This will be done by developing ways of working in a faster, simpler, better and cheaper manner.

Finally, the department will create learning and growth opportunities through developing skills, maintaining high staff satisfaction, and retaining targeted individuals.

Core functions

The core functions of the department are listed below:

- Development, implementation and monitoring fiscal and financial management and procurement policies for the KwaZulu-Natal Provincial Government;

- Allocation of provincial funds by means of budget preparation and implementation;
- Provision of treasury services to the KwaZulu-Natal Provincial Government;
- Maintaining and supporting the provincial financial management systems;
- Managing the provincial revenue fund;
- Management and control of provincial financial management and procurement systems; and
- Provision of internal audit and risk management services to the Provincial Administration.

Legislative mandate

The responsibilities of the department are mandated in terms of the following Acts, rules and regulations:

- Public Finance Management Act (Act 1 of 1999 as amended)
- Treasury Regulations
- Public Service Act and Regulations
- Constitution Act, 108 of 1996
- Labour Relations Act, 66 of 1995,
- KwaZulu-Natal Internal Audit Act
- Criminal Procedures Act
- National Prosecuting Act
- Promotion of Access to Information Act
- KwaZulu-Natal Procurement Act (Act 3 of 2001) and Regulations
- Bill of Exchange (Act 34 of 1964 as amended)
- Income Tax Act 58 of 1962
- Banking Act
- Division of Revenue Act
- Appropriation Act
- Adjustments Appropriation Act
- Provincial Tax Regulation Process Act (Act No. 53 of 2001)
- Provincial Borrowing Powers Act
- Intergovernmental Fiscal Relations Act (Act No. 97 of 1997)

Challenges and developments

The type of services to be rendered by the department is not expected to differ significantly in the forthcoming period as compared to current services offered. The focus, however, will be on improving the level of customer satisfaction, based on the outcome of client surveys. With regard to procurement, dedicated attention will need to be given to the effective functioning of the supplier database. The extent of internal audit activities is largely determined by the demand for services by provincial departments.

The establishment of the Accounting Standard Board has initiated the process of developing accounting standards for the public sector. The impact of these standards will need to be taken into consideration in terms of organisational structures, resources and skills.

National Treasury's decision to replace the current Financial Management System (FMS) with the Basic Accounting System (BAS), commencing in 2003/04, has had a significant impact on the department's budget, as funds will be required to fund the implementation and maintenance of this new system. The implementation of BAS will impact on the nature of services that the Provincial Treasury renders to other provincial departments.

Any budget reform or new policy implemented by the National Government will have an impact on the functioning of the Provincial Treasury. For example, the anticipated passing of the Municipal Finances Management Bill in 2003 will impact on the size of the Budget Office component, and will extend the scope of its responsibilities.

2. Review of the current financial year – 2002/03

The province agreed on an asset management policy framework, incorporating the principles as contained in National Treasury's practice guidelines. The implementation process has been hindered to some extent so far, as the available systems are limited in terms of providing the necessary support in undertaking asset management to its full extent.

2002/03 saw the publication and quarterly performance reviews of service delivery targets for provincial departments. During the reviews, specific attention was given to strengthening the links between the strategic planning and the MTEF budgeting process. Departments tabled their strategic plans in Parliament for the first time in 2002/03, although this practice only becomes a statutory requirement in 2003/04. Accordingly, the 2003/04 budget process, culminating in the provincial Budget Statements for 2003/04, placed even greater emphasis on performance budgeting than in previous years, focussing on the need to link strategic planning and budgeting.

The preparation of the main budget for the 2003/04 financial year commenced early in May 2002, with the issuing of the annual Treasury Guideline Circular to departments. This allowed departments more time in which to compile their budget submissions. The provincial policy priorities were known at the very beginning of the budget process, a distinct advantage over previous years, as departments were able to develop their respective strategic plans within the framework of the provincial policy priorities.

In respect of expenditure monitoring and control, the Provincial Treasury continued to monitor provincial expenditure vigorously during 2002/03. Effective use of both the Early Warning System (EWS) and close monitoring and analysis of quarterly expenditure reports, as well as quarterly bi-lateral meetings, enabled the detection of potential provincial expenditure pressures earlier on in the financial year, than was previously the case. This early detection enabled Provincial Treasury to engage the departments concerned in intensive discussions, aimed at limiting the extent of the projected over-expenditure.

In 2002/2003, the Internal Audit Unit had an establishment of 68 posts, of which 18 were vacant. During the year, 16 of these vacant posts were filled, and an additional 10 posts were created based on the established need in risk management. These posts are likely to be filled in the first quarter of 2003/2004.

An extensive review was undertaken in terms of audit software packages that are currently available in order to enhance the efficiencies of the internal audit services. A suitable package was identified, and will be procured and implemented in 2003/04.

Procurement reforms have reached the implementation phase, whereby policies and regularity frameworks will now be put to the test. The procurement delegations were issued in April 2002, giving departments specific powers in terms of procuring goods and services, independently of the Central Procurement Committee. Furthermore, the tender process was examined and amendments were made with regard to both the processes and the underlying instruments (such as tender documentation). This is an ever-changing environment, as the implementation process and introduction of electronic information systems will highlight the need for constant review.

A substantial amount of work was required to amend and finalise the provincial practice notes in light of policy and system changes. The process of implementation highlighted further amendments, and interaction with provincial departments' Chief Financial Officers and the office of the Auditor-General is crucial, to ensure that all role-players understand the full implications of the processes.

3. Outlook for the coming financial year – 2003/04

The Budget Office component of the Provincial Treasury will continue conducting well-researched studies into economic and financial policy areas relevant to the improvement of financial planning and budgeting in the province, as and when required. One such study will be an investigation into budgeting for and managing the collection of own revenue in the province.

The Treasury Committee will continue to hold quarterly budget review bi-lateral meetings with all provincial departments, with the focus on monitoring performance and ensuring that departments are spending in line with their strategic plans and performance targets. Similarly, in the quarterly expenditure reports, the Budget Office will not only monitor potential under/over-expenditure, but will pay more attention to monitoring progress by provincial departments in achieving their service delivery targets.

One of the main challenges in 2003/04 will be the uncertain role that the Provincial Treasury will have in municipal finances. The anticipated passing of the Municipal Finances Management Bill in 2003 is likely to impact on the size of the Budget Office component, and will extend the scope of its responsibilities. It is anticipated that Provincial Treasury will be responsible for the monitoring, evaluation and reporting on the state of municipal finances in the province, which will require the sourcing of relevant skills.

The Budget Office has begun engaging in some discussions with the various line departments regarding the preparation of meaningful plans, at project level, for the 2003 Medium Term Expenditure period. It is envisaged that these preliminary discussions will lead to the establishment of a Public Private Partnership unit within the Provincial Treasury in the 2003/04 financial year. The purpose of the unit will be to facilitate planning for increased infrastructure expenditure in the province, and to assist departments in identifying and using alternative infrastructure funding mechanisms.

The responsibility of successfully implementing the Basic Accounting System (BAS) lies with each provincial department. This department will, however, play the crucial project leader role, in order to ensure that the necessary structures and support are provided. This project will commence in January 2003 for an approximate period of 20 months.

The existing supplier database does not meet with the current demands of both the public and provincial departments. An extensive review is required to ensure that all needs are accommodated and a long-term solution developed and implemented for the efficient selection and review of suppliers. This project is currently receiving priority in order to address the desperate need of provincial departments to access relevant and accurate data before procuring goods in the province.

The procurement of audit software will realise improvements in methodologies and costing of internal auditing to the state. The implementation of such best practices will further enhance the capacity of the Internal Audit Unit, and will diminish the reliance placed on external expertise resources.

4. Revenue and financing

4.1 Summary of revenue

As illustrated in Table 6.1 below, the equitable share of the Provincial Treasury shows a substantial increase over the MTEF period. The department received two conditional grants in 2000/01, namely, for Financial Management improvement and the implementation of the LOGIS stores system, as well as the roll-out of *Vulindlela* in the province.

Table 6.1 Summary of revenue

R000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
Equitable share	204,982	141,668	417,631	398,726	734,362	953,280
Conditional grants	4,667	0	0	0	0	0
Financial Management	3,000	0	0	0	0	0
Vulindlela/Logis Roll-out	1,667	0	0	0	0	0
Other (specify)						
Total: Revenue	209,649	141,668	417,631	398,726	734,362	953,280

In order to explain the marked increase in the equitable share, a distinction should be made between the operating budget of the department and the MTEF balance as follows:

Departmental budget	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06
Operational budget	125,879	104,834	144,033	147,667	159,983	169,581
MTEF Balance	79,103	37,000	273,598	251,059	574,379	783,699
Total: Provincial Treasury	204,982	141,834	417,631	398,726	734,362	953,280

The operational budget has seen a general increase due to the nature and type of services being rendered by the department, and the underlying resources required to undertake these services. For example, the review of the organisational structure of the department and the decision to appoint suitably skilled specialists had an impact on personnel costs, and related costs such as furniture and equipment for newly appointed personnel. In particular, the need to capacitate the centralised provincial internal audit unit and the reliance on external support had an impact on spending in these areas.

The cost implications of the implementation of an alternative financial management system in the province has been provided for from the 2002/03 financial year, and this has contributed to the increase in the operational budget.

The department funded the financial management improvement programme (FinMIP), a provincial project, during the period 2000 to 2002.

The provision made for the MTEF balance in the province is based on the assessment of provincial departments' spending patterns and anticipation of spending pressures, as well as a provision or funding requirements in periods of emergencies. The amounts provided for in 2000/01 and 2001/02 were to recover debt incurred in 1997. The 2003/04 – 2005/06 MTEF amounts include provision for the King Shaka International Airport.

4.2 Departmental revenue collection

Table 6.2 reflects revenue collected by the Provincial Treasury. The department generates interest revenue through the management of the Provincial Revenue Fund, in the form of short and medium term investments. The significant increase in 2001/02 is mainly due to the surplus of cash available for investment. However, it is anticipated that the province will not have the same level of cash resources available in the forthcoming period, and the changes in the interest rates were taken into account in the estimation of future projections. Note that the projected interest revenue earned for 2002/03 is estimated at R244 million. This figure is not reflected in Table 6.2, since provincial own revenue collection is not adjusted in the Adjustments Estimate.

Two additional sources of revenue indicated in Table 6.2 are linked to automatic transactions taking place, which this department is responsible for managing. These are, firstly, the commission earned on payroll deductions paid over on behalf of the province to the relevant third parties and, secondly, the writing back of unrepresented cheques. The nature of both these revenue sources is such that the estimation thereof is reliant on third parties.

Table 6.2 Departmental revenue collection

R000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
Current revenue	193,072	270,028	48,768	53,789	160,232	185,681
Tax revenue	0	0	0	0	0	0
Casino taxes	0	0	0	0	0	0
Motor vehicle licences	0	0	0	0	0	0
Horseracing	0	0	0	0	0	0
Other taxes	0	0	0	0	0	0
Non-tax revenue	193,072	270,028	48,768	53,789	160,232	185,681
Interest	153,173	237,266	20,500	28,703	133,967	158,260
Health patient fees	0	0	0	0	0	0
Reimbursements	0	0	0	0	0	0
Other sales	0	0	0	0	0	0
Other revenue	39,899	32,762	28,268	25,086	26,265	27,421
Capital revenue	0	0	0	0	0	0
Sale of land and buildings	0	0	0	0	0	0
Sale of stock, livestock, etc	0	0	0	0	0	0
Other capital revenue	0	0	0	0	0	0
Total: Revenue	193,072	270,028	48,768	53,789	160,232	185,681

5. Expenditure summary

This section summarises the expenditure and budgeted estimates for the Vote in terms of programmes and economic classification. Details according to GFS classification as well as the standard item classification are presented in *Annexure to Vote 6 – Provincial Treasury*.

5.1 Programme summary

Table 6.3 provides a summary of expenditure and budgeted estimates by programmes over the MTEF. The expenditure of the department indicates an upward trend over the period under review, and this can be attributed to the increase in the skills base of the department, in line with the move towards attaining a highly qualified management. This includes the capacitating of the internal audit component, and the appointment of suitable management for the procurement and budget reforms currently taking place. Furthermore, the department carries the cost of the provincial financial management reserve, which increases substantially from 2004/05 onwards.

The increases in Programme 2 reflect the department's responsibilities in terms of driving the procurement reforms and underlying policies and systems, and the anticipated role that the Provincial Treasury will have in municipal finances, once the Municipal Finances Management Bill is passed. Programme 3 caters for the implementation costs of BAS, including recurrent data processing costs. Programme 4 reflects the activities of internal audit, a component that has now grown to full capacity. The increase in the level of services to be provided and in the number of clients being serviced is reflected in the projected increases in the MTEF cycle.

Table 6.3 Summary of expenditure and estimates by Programme

Programmes	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
R000	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
1. Transverse Support	15,827	7,081	9,683	9,599	9,977	10,436
2. Budget & Procurement Management	11,819	8,547	19,965	27,819	27,274	28,548
3. Accounting Control	57,217	56,250	90,010	77,354	88,346	95,174
4. Internal Audit	20,860	19,973	30,322	32,333	33,824	34,861
5. MTEF Balance	0	0	273,598	251,059	574,379	783,699
Sub-total	105,723	91,851	423,578	398,164	733,800	952,718
Statutory payment	487	526	526	562	562	562
Total	106,210	92,377	424,104	398,726	734,362	953,280

5.2 Summary of economic classification

The summary of expenditure and budgeted estimates per GFS classification is given in Table 6.4. Personnel expenditure has shown a gradual increase over the past years. The appointment of 45 staff members (specifically at management level with specialised skills) in 2002/03, due to the increase in the services as well as the type and quality of services being rendered, has had a direct influence over the expenditure pattern.

The current transfer payment of R1 million is for the establishment of a Trust for promoting African Culture and Arts. Other current expenditure is made up primarily of the financial management support fund (approximately 72 per cent) and professional services (20 per cent). The services currently being outsourced by the department on behalf of the province are the system maintenance and processing costs, internal audit costs, central procurement committees and Auditor-General fees (prior to 2002/03). There has been a steady increase in the costs of these services in line with inflation, with the exception of internal audit, which is based on the demands of clients departments. In addition, as stated above, the costs of both FinMIP and BAS are included under professional and special services.

The peak in the acquisition of capital assets between the 2002/04 financial years is as a result of the increase in the number of personnel, as well as the investment in IT equipment and software to enable the department to better deliver its services.

Table 6.4 Summary of expenditure and estimates - GFS classification

R000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
Current expenditure	105,157	89,833	418,789	393,996	732,394	951,796
Personnel	31,905	32,475	40,253	48,899	51,440	53,962
Transfer	251	0	1,000	0	0	0
Other current	73,001	57,358	377,536	345,097	680,954	897,834
Capital expenditure	566	2,018	4,789	4,168	1,406	922
Acquisition of capital assets	566	2,018	4,789	4,168	1,406	922
Transfer payments	0	0	0	0	0	0
Sub-total	105,723	91,851	423,578	398,164	733,800	952,718
Statutory payment	487	526	526	562	562	562
Total	106,210	92,377	424,104	398,726	734,362	953,280

6. Programme description

The services rendered by this department are categorised under five programmes, the details of which are discussed at greater length below. The expenditure and budgeted estimates for each programme are summarised in terms of the economic classification. Details according to the GFS and standard item classifications are presented in *Annexure to Vote 6 – Provincial Treasury*.

6.1 Programme 1: Transverse Support

This Programme consists of three sub-programmes, namely Head of Department, Human Resource Management, and Minister. The purpose of this programme is to render human resource management and legal advice to the department to ensure maximum compliance with all applicable personnel prescripts through constant monitoring. A further purpose is to render support service to the Minister.

The main services rendered are as follows:

- Manage the communication services and public relations of the department;
- Render a support and give advice in terms of human resource practices and labour relations;
- Proper implementation of the human resource plan, legislative and labour relation practices;

- Capacity building, skills development and transfer in accordance with Skills Development Act;
- Manage and mitigate legal risks that might face the department; and
- Provide support to the Minister.

The major policy changes involving this programme are, firstly, changes to the S&T policy in line with the provincial policies as issued by the Office of the Premier, and secondly, changes in the bursary policy in accordance with best practices and in line with the skills development plan. In addition, a further policy change is the development of a policy on the appointment of officials on an acting capacity. Finally, the recruitment and selection policy will be amended to accommodate transfers of staff to this department who have been employed in previous departments in terms of any law other than the Public Service Act.

Tables 6.5 and 6.6 below provide a summary of expenditure and budgeted estimates pertaining to Programme 1: Transverse support, over the MTEF. The expenditure patterns of the sub-programme Minister have remained fairly constant, with the gradual increase being mainly attributable to the annual improvement in conditions of service.

The Human Resource Management sub-programme has undergone major changes in terms of its structure and core functions, causing fluctuations in expenditure. The registry function and the management of the PABX systems were transferred to the Corporate Services sub-programme in Programme 3 during 2002/03, in order to refine the human resources component. Furthermore, a new sub-programme has been created specifically for expenditure relating to the management of the department by the Head of the Department.

Table 6.5 Summary of expenditure and estimates by sub-programme: Programme 1

Sub-programmes	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
R000	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
Head of Department	0	0	2,981	3,880	3,993	4,153
Minister	1,648	1,742	1,773	1,750	1,839	1,925
Human Resource Management	14,179	5,339	4,929	3,969	4,145	4,358
Total	15,827	7,081	9,683	9,599	9,977	10,436

Table 6.6 Summary of expenditure and estimates - GFS classification: Programme 1

R000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
Current expenditure	15,743	6,949	9,415	9,390	9,855	10,313
Personnel	6,092	5,090	5,222	4,872	5,125	5,377
Transfer	251	0	1,000	0	0	0
Other current	9,400	1,859	3,193	4,518	4,730	4,936
Capital expenditure	84	132	268	209	122	123
Acquisition of capital assets	84	132	268	209	122	123
Transfer payments	0	0	0	0	0	0
Total	15,827	7,081	9,683	9,599	9,977	10,436

6.2 Programme 2: Budget and Procurement Management

The programme consists of two sub-programmes, namely Budget and Procurement. The main purpose of this programme is to provide expertise and advice in terms of budget and procurement management. The main services rendered by this programme is as follows:

- To monitor, evaluate and control revenue and expenditure of provincial departments;
- To plan, co-ordinate and prepare provincial main estimates and adjustments estimates;

- To review and formulate policies and legislation that have financial implications;
- To formulate, implement and monitor procurement policies and practices; and
- To provide advice, manage and monitor the evaluation and awarding of provincial tenders.

One of the main expected policy changes that will have an impact on this programme is the anticipated passing of the Municipal Finances Management Bill, which will transfer specific responsibilities onto Provincial Treasury, such as the monitoring, evaluation and reporting on the state of municipal finances in the province. This has been taken into account in the provision of resources under this programme

The objectives of this programme are as follows:

- To monitor and evaluate departmental expenditure and revenue collection with a view to enhancing the financial management performance of the provincial government;
- To plan and manage the annual budget process with a view to achieving maximum allocative efficiency in the provincial budget;
- To provide the provincial government with an analytical research and information service in respect of fiscal and budgetary policy matters;
- To provide well-researched studies into economic and financial policy areas relevant to the improvement of financial planning and budgeting and hence service delivery in the province;
- To provide on-going economic and financial policy advice/reviews (by type and sector) to the MEC for Finance and the provincial government; and
- To provide a stable procurement database which meets the requirements of the users.

Tables 6.7 and 6.8 provide a summary of expenditure and budgeted estimates pertaining to Programme 2, over the MTEF. The personnel and other current expenditure reflected in the tables below indicate a substantial increase in 2002/03 relating to the costs associated with the anticipated passing of the Municipal Finances Management Bill, as mentioned above. Furthermore, the Budget Office has expanded substantially in size over the period in order to ensure a variety of expertise, which will assist in rendering professional advice to client departments. In certain fields, expertise will be sourced on a temporary basis, particularly in areas of research.

Recent procurement reforms and legislation have necessitated a stronger support base in terms of both personnel and infrastructure in this department, in terms of suitably qualified advisors, an electronic procurement system and tender advice centers. Again, this has impacted on increasing personnel costs and other current costs. In this regard, the budget for 2003/04 has increased substantially due to 15 new staff appointments and the acquisition of a provincial procurement system.

Table 6.7 Summary of expenditure and estimates by sub-programme: Programme 2

Sub-programmes	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
R000	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
Budget	7,356	3,804	13,514	16,156	16,607	17,375
Procurement	4,463	4,743	6,451	11,663	10,667	11,173
Total	11,819	8,547	19,965	27,819	27,274	28,548

Table 6.8 Summary of expenditure and estimates - GFS classification: Programme 2

R000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
Current expenditure	11,695	8,103	19,600	26,364	27,190	28,460
Personnel	4,262	6,448	8,690	13,894	14,616	15,332
Transfer	0	0	0	0	0	0
Other current	7,433	1,655	10,910	12,470	12,574	13,128
Capital expenditure	124	444	365	1,455	84	88
Acquisition of capital assets	124	444	365	1,455	84	88
Transfer payments	0	0	0	0	0	0
Total	11,819	8,547	19,965	27,819	27,274	28,548

Service delivery measures

Table 6.9 below illustrates the main service delivery measures pertaining to Programme 2: Budget and Procurement Management.

Table 6.9 Service delivery measures – Programme 2: Budget and Procurement Management

Objective/Key Focus Area	Output	Performance Measure	Performance Target 2003/04
Provincial Budgets			
<ul style="list-style-type: none"> Manage the formulation, execution, and monitoring of main and adjustment budgets Establish Public-Private Partnership Unit to support infrastructure services provision Manage the preparation, execution and monitoring of provincial infrastructure plan Ensure compliance to national policies, legislation, regulations and delegations Report on progress on execution of provincial budgets and infrastructure plans 	<ul style="list-style-type: none"> Main and Adjustments Budgets and accompanying appropriation bills PPP Unit Provincial Infrastructure Plan Early Warning Reports Budget Performance Reports Report on Infrastructure Delivery 	<ul style="list-style-type: none"> Complete, error free and on time Well-functioning Unit Complete, error free and on time Compliance with prescripts Complete, error free and on time 	<ul style="list-style-type: none"> Main - 2 weeks after Nat Adjusts budget - 30 days after National June 2003 April 2003 Monthly Quarterly Quarterly
Provincial Procurement			
<ul style="list-style-type: none"> Manage the preparation, execution and monitoring of provincial procurement plan Ensure provision of administrative and logistical support to provincial procurement processes Report on progress on implementation of procurement plans, policies and legislation Ensure establishment of provincial procurement database Ensure compliance to policies, legislation, regulations and delegations 	<ul style="list-style-type: none"> Provincial Procurement Plan CPC Meetings and Meetings of the Appeals Tribunal Reports Suppliers database Policies and Procedure Manual 	<ul style="list-style-type: none"> Complete and error free On time and as scheduled In full and error free Well-functioning database Complete and user friendly 	<ul style="list-style-type: none"> March 2003 CPC – monthly Appeal Tribunal - when required Quarterly April 2003 Policies – quarterly Manual - April 2003
Policy Advice			
<ul style="list-style-type: none"> Manage research on financial, fiscal and procurement issues Formulate financial, fiscal, infrastructure, procurement, etc., policies Provide advice to HOD and Minister on financial, fiscal, procurement, infrastructure, etc. issues Provide guidance and grant approvals (within delegated limits) to departments on financial, fiscal, procurement and infrastructure matters Provide advice on compliance to national and provincial policies, legislation, regulations, etc. to HOD and Minister 	<ul style="list-style-type: none"> Reports Reports Reports and memorandums Budget Guideline, Approval letters; meetings Reports and memorandums 	<ul style="list-style-type: none"> Relevant and on time Accurate and comprehensive Accurate and on time Complete, error free and on time Accurate and on time 	<ul style="list-style-type: none"> Quarterly Quarterly Daily and on request Daily and on request Daily and request
Performance Enhancement			
<ul style="list-style-type: none"> Monitor, evaluate and report on departments' strategic plans, output measures and programs Plan, implement, monitor and report on client satisfaction program Ensure effective utilization of human, financial and physical resources of the Division 	<ul style="list-style-type: none"> Service delivery reports Client Satisfaction Plan and Reports Divisional Reports 	<ul style="list-style-type: none"> Complete and error free Complete, error free and on time Complete, error free and on time 	<ul style="list-style-type: none"> Quarterly Plan - Dec. 2003 Monthly
Special Projects			
<ul style="list-style-type: none"> Plan, execute, monitor and report on Msunduzi municipality's budget and financial management reforms 	<ul style="list-style-type: none"> Reports 	<ul style="list-style-type: none"> Complete, accurate and on time 	<ul style="list-style-type: none"> Monthly

6.3 Programme 3: Accounting Control

This programme consists of four sub-programmes, namely Chief Financial Office, Revenue Management, Financial Management Support and Corporate Services.

The purpose of this programme is to provide financial management support through the development of policies, procedures and systems. The main services undertaken by this programme are as follows:

- To provide the financial management support in terms of developing and reviewing policies and procedures and systems maintenance;
- To maintain accurate and appropriate accounting records for the department;
- To co-ordinate/compile the required financial reports, budget statements and annual reports;
- To provide Information Technology support to the department;
- To ensure efficient policies and procedures are implemented and maintained in terms of provincial banking, revenue and asset management;
- Management and pay over of all provincial salary deductions and issuance of accurate IRP5 tax certificates; and
- To provide a corporate support service to the department, including archive/registry support, building management, vehicle fleet and departmental provisioning.

The objectives of the programme are the project management of the implementation of BAS System, the formulation of an information technology strategy for the internal business processes, and to provide and efficient corporate service support internally.

Tables 6.10 and 6.11 provide a summary of expenditure and budgeted estimates pertaining to Programme 3, over the MTEF. The Chief Financial Office (CFO) component has been realigned to the core functions of the department. This resulted in specific functions, such as transport and stationary, being transferred to corporate services during 2002/03. This accounts for the substantial reduction in the budget in 2003/04. Furthermore, the CFO was responsible for the costs of FinMIP during 2000 to 2002.

With regard to Financial Systems, approximately R20 million in external audit fees was transferred to provincial departments in 2001/02, causing the substantial reduction in budget. The 2002/03 year reflects the anticipated roll-out of LOGIS throughout the province, and the start of the implementation of BAS. This has had an impact on both other current and capital in terms of providing suitable equipment to support the various systems. BAS is anticipated to continue for a period of 20 months, and the ongoing maintenance costs are being carried by this department on behalf of the province.

The expenditure trends of the Revenue and Asset Management sub-programme are fairly constant, with minor fluctuations resulting from the devolvement of certain functions to provincial departments. Furthermore, the drive to support the Treasury Regulation requirements of electronic payments has seen a reduction in bank charges from 2002/03. Revenue management has fluctuated, due to a reduction in both personnel and bank charges, which accounts for a significant portion of the budget.

The Corporate Services sub-programme was created in November 2002, in line with the realignment of the department's functions. The expenditure reflected in the table below for 2002/03 therefore only reflects expenditure for 5 months, whereas the MTEF figures pertain to a full year. Specific areas of improvement have been identified in terms of office automation, printing utilities and fleet management and these will require an initial outlay of capital in 2003/04, hence the increase on capital expenditure during 2003/04.

Table 6.10 Summary of expenditure and estimates by sub-programme: Programme 3

Sub-programmes	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
R000	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
Chief Financial Office	0	20,270	18,529	7,676	6,578	7,381
Financial Systems	42,529	22,922	49,610	44,483	56,627	61,485
Revenue & Asset Management	14,688	13,058	16,174	15,035	15,282	16,000
Corporate Services	0	0	5,697	10,160	9,858	10,308
Total	57,217	56,250	90,010	77,354	88,346	95,174

Table 6.11 Summary of expenditure and estimates - GFS classification: Programme 3

R000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
Current expenditure	56,859	55,446	87,611	75,455	87,953	94,781
Personnel	15,221	13,992	16,561	16,458	17,313	18,162
Transfer	0	0	0	0	0	0
Other current	41,638	41,454	71,050	58,997	70,640	76,619
Capital expenditure	358	804	2,399	1,899	393	393
Acquisition of capital assets	358	804	2,399	1,899	393	393
Transfer payments	0	0	0	0	0	0
Total	57,217	56,250	90,010	77,354	88,346	95,174

Service delivery measures

Table 6.12 below illustrates the main service delivery measures pertaining to Programme 3: Accounting Control.

Table 6.3.4 Service delivery measures – Programme 3: Accounting Control

Output type	Performance measures	Performance targets 2003/04
1. To implement BAS	• No. of departments on-line as per project plan	4 Depts – 1 April 2003 4 Depts – 1 July 2003 4 Depts – 1 Oct 2003
2. To develop provincial practice notes & policies	• No. of practice notes published	3 practice notes
3. To provide user support to all provincial accounting & stores system	• Response time	Within 24 hours of query
4. To implement accounting standards developed by ASB	• No. of GRAP standards documents reviewed and accepted	3 documents
5. To implement appropriate asset management system in line with provincial policy	• Timeliness • Relevance	Procure system by 30 June 2003 System operational by March 2004
6. Facilitate the process of EFT	• No. of payments processed electronically vs number per cheque	90%
7. Manage payovers of salary deductions & provincial tax reconciliation	• No. of reconciliation undertaken • Accuracy	12 – monthly process on time to avoid penalty
8. Decentralise administration of taxation	• No. of departments administering tax independently	All departments

6.4 Programme 4: Internal Audit

This programme consists of the two sub-programmes, namely Internal Audit and Risk Management. The purpose of the programme is to provide an innovative, cost-efficient and value added internal audit service to client departments to ensure good corporate governance in KwaZulu-Natal. The main services rendered are as follows:

- Assist client department's management team in meeting their strategic objectives;
- Review accounting and management control systems for effectiveness and efficiency and provide recommendations for improvement;
- Develop, implement and monitor integrated risk management strategies and frameworks;
- Collaborate with other functions in detecting, investigating and reporting on illegal or fraudulent activities within the Province of KwaZulu-Natal.

- Develop an analytic capability that would provide intelligence managing, providing live management information and support prevention initiatives;
- Performance audits and computer audits;
- Risk management;
- Forensic investigations; and
- Investigations on financial transactions involving provincial government funds, as well as other irregularities such as theft, fraud, corruption and misconduct by civil servants

Two main policy changes will have an impact on Internal Audit. Firstly, is the aim to increase the Internal Audit Unit's participation in the activities of the SAPS and Scorpions, by having legislative appointments as Peace Officers. This will make the unit's investigations admissible in Court, decrease reliance on outside agencies for investigations, as well as enhance, not only the image of the department, but of government as a whole, by showing that it is serious in the fight against corruption. Secondly, the Scorpions and Director of Public Prosecutions (KZN) is championing the Internal Audit unit's cause, resulting in this component becoming a significant role-player in the province.

With regard to Internal Audit, the expected level of service delivery dictates the resources requirements. The guiding factors are legislative obligations, as well as the impact of current trends. For example, work traditionally done by the SAPS/Scorpions is increasingly being dealt with by the Internal Audit Unit. Another important aspect is the recent emphasis placed by the Director of Public Prosecutions' office, as well as the Premiers' Prevention of Government Fraud and Corruption sub-committee, on the need for Internal Audit to urgently expand its investigative activities. Consequently, a request for 10 additional investigators was approved on 15 November 2002.

The main objectives of the programme for 2003/04 are as follows:

- Development of the required internal audit skills amongst internal auditors;
- Monitoring a productive, professional internal audit staff with sufficient knowledge, skills and experience to meet the requirements of the Standards for the Professional Practice of Internal Audit of the Institute of Internal Auditors;
- Submission of Amendment Bill regarding Section 4 of the KZN Internal Audit Act 2 of 2001;
- Ministerial appointment of fraud detection and recovery investigators as peace officers, as defined in the Criminal Procedure Act;
- Decreasing reliance and expenditure on external auditors in proportion to the expansion of departmental capacity.

Tables 6.13 and 6.14 provide a summary of expenditure and budgeted estimates pertaining to this programme, over the MTEF. The internal audit component has grown substantially in size and capacity over the past few years and this trend will continue in terms of its legislated responsibilities. Such growth is reflected in the steady increase in the expenditure indicated in the tables below. In particular, personnel numbers have grown substantially, and this impacts on administrative expenditure, particularly subsistence and travel. Substantial reliance is placed on sourcing additional resources on a temporary basis, in order to provide the required level of service. This is reflected in the significant proportion of consulting fees which represents the majority of the other current expenditure.

Table 6.13 Summary of expenditure and estimates by sub-programme: Programme 4

Sub-programmes	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
R000	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
Internal Audit	20,860	17,133	21,526	22,648	24,246	24,660
Risk Management	0	2,840	8,796	9,685	9,578	10,201
Total	20,860	19,973	30,322	32,333	33,824	34,861

Table 6.14 Summary of expenditure and estimates - GFS classification: Programme 4

R000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
Current expenditure	20,860	19,335	28,565	31,728	33,017	34,543
Personnel	6,330	6,945	9,780	13,675	14,386	15,091
Transfer	0	0	0	0	0	0
Other current	14,530	12,390	18,785	18,053	18,631	19,452
Capital expenditure	0	638	1,757	605	807	318
Acquisition of capital assets	0	638	1,757	605	807	318
Transfer payments	0	0	0	0	0	0
Total	20,860	19,973	30,322	32,333	33,824	34,861

Service delivery measures

Table 6.15 below illustrates service delivery measures pertaining to Programme 4: Internal Audit.

Table 6.15 Service delivery measures – Programme 4: Internal Audit

Output type	Performance measures	Performance targets	
		2002/03 Est. Actual	2003/04 Estimate
1. Improvement in internal control in client departments	<ul style="list-style-type: none"> No. of audit assignments completed and reports issued as per annual audit plan No. of workshops conducted per dept No. of performance appraisal questionnaires completed 	Installation of audit software package by 31 March 2002 First revision by 31/03/02; Second revision 31/03/03 September each year Assessment report 21/12/02 First report on 31/03/02	Complete scheduled audit assignments by 31/03/04 Complete scheduled risk assessment work-shops and issue reports by 31 March each year By end of March 2004
2. Develop the required skills in risk analyst specialists and corporate investigators	<ul style="list-style-type: none"> Client feedback and extent of reliance by Auditor-General No. of officials in TOPP Programme Number of forensic audit assignments completed and reports issued No. of fraud prevention plans developed & implemented 		

6.5 Programme 5: MTEF Balance

This programme was created to draw a clear distinction between the department's operational budget and the MTEF Balance.

Table 6.16 Summary of expenditure and estimates by sub-programme: Programme 5

Sub-programmes	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
R000	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
MTEF Balance	0	0	273,598	251,059	574,379	783,699
Total	0	0	273,598	251,059	574,379	783,699

Table 6.16 Summary of expenditure and estimates - GFS classification: Programme 5

R000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
Current expenditure	0	0	273,598	251,059	574,379	783,699
Personnel	0	0	0	0	0	0
Transfer	0	0	0	0	0	0
Other current	0	0	273,598	251,059	574,379	783,699
Capital expenditure	0	0	0	0	0	0
Acquisition of capital assets	0	0	0	0	0	0
Transfer payments	0	0	0	0	0	0
Total	0	0	273,598	251,059	574,379	783,699

7. Other programme information

Table 6.17 below illustrates the personnel estimates pertaining to the Provincial Treasury, per programme, as at 31 March 2002, 2003 and 2004. The organisational restructuring has introduced more managerial positions. The majority of the expected increases are a result of the need to capacitate the risk management, budget and procurement sub-programmes, as specialised skills are required in these three areas.

Table 6.17 Personnel numbers and estimates

Programme	At 31 March 2002	At 31 March 2003	At 31 March 2004
Programme 1: Transverse Support	37	25	25
Programme 2: Budget and Procurement Management	42	45	65
Programme 3: Accounting Control	110	131	118
Programme 4: Internal Audit	56	80	100
Programme 5: MTEF Balance	-	-	-
Total: Provincial Treasury	245	281	308

8. Reconciliation of structural changes

During the course of the current year, there have been various structure changes, as outlined above. The financial implications of these shifts are reflected in Table 6.17 below.

Table 6.17 Reconciliation of structural changes

Current programme	2000/01 Actual	2001/02 Actual	2002/03 Adjust Estimate	2003/04 MTEF	2004/05 MTEF	2005/06 MTEF	New programme
Prog 3: Accounting Control	0	0	273,598	251,059	574,379	713,699	Prog 5: MTEF Balance

ANNEXURE TO VOTE 6 – Provincial Treasury

Table 6.A Summary of Expenditure and Estimates - GFS Classification

Economic classification	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
R000	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
Current	105,157	89,833	418,789	393,996	732,394	951,796
Compensation of employees	31,905	32,475	40,253	48,899	51,440	53,962
<i>Salaries and wages</i>	31,905	32,475	40,253	48,899	51,440	53,962
<i>Other remuneration</i>	0	0	0	0	0	0
Use of goods and services	73,001	57,358	377,536	345,097	680,954	897,834
Interest paid	0	0	0	0	0	0
Transfer payments	251	0	1,000	0	0	0
<i>Subsidies to business enterprises</i>	251	0	1,000	0	0	0
<i>Local government</i>	0	0	0	0	0	0
<i>Extra-budgetary institutions</i>	0	0	0	0	0	0
<i>Households</i>	0	0	0	0	0	0
<i>Non-profit organisations</i>	0	0	0	0	0	0
Capital	566	2,018	4,789	4,168	1,406	922
Non-financial assets	566	2,018	4,789	4,168	1,406	922
<i>Buildings and structures</i>	0	0	0	0	0	0
<i>Machinery and equipment</i>	566	2,018	4,789	4,168	1,406	922
<i>Non-produced assets</i>	0	0	0	0	0	0
Other assets	0	0	0	0	0	0
Capital transfers	0	0	0	0	0	0
<i>Local government</i>	0	0	0	0	0	0
<i>Other capital transfers</i>	0	0	0	0	0	0
Sub-total	105,723	91,851	423,578	398,164	733,800	952,718
Lending						
Statutory Payments	487	526	526	562	562	562
Total	106,210	92,377	424,104	398,726	734,362	953,280

Table 6.B Summary of Expenditure and Estimates - Standard Item Classification

Standard item	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
R000	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
Personnel	31,905	32,475	40,253	48,898	51,440	53,962
Administrative expenditure	4,956	5,676	9,168	12,958	12,793	13,359
Stores and livestock	784	952	1,503	1,519	1,591	1,660
Equipment	1,926	2,483	4,423	5,319	2,611	2,180
Land and buildings	5,344	0	3,880	2,853	2,987	3,118
Professional and special services	55,919	45,071	355,135	320,607	656,087	871,862
Transfer payments	251	0	1,000	0	0	0
Miscellaneous	4,638	5,194	8,216	6,010	6,290	6,577
Sub-total	105,723	91,851	423,578	398,164	733,800	952,718
Statutory Payments	487	526	526	562	562	562
Total	106,210	92,377	424,104	398,726	734,362	953,280

Table 6.C Programme 1 - GFS Classification

Economic classification	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
R000	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
Current	15,743	6,949	9,415	9,390	9,855	10,313
Compensation of employees	6,092	5,090	5,222	4,872	5,125	5,377
<i>Salaries and wages</i>	6,092	5,090	5,222	4,872	5,125	5,377
<i>Other remuneration</i>	0	0	0	0	0	0
Use of goods and services	9,400	1,859	3,193	4,518	4,730	4,936
Interest paid	0	0	0	0	0	0
Transfer payments	251	0	1,000	0	0	0
<i>Subsidies to business enterprises</i>	251	0	1,000	0	0	0
<i>Local government</i>	0	0	0	0	0	0
<i>Extra-budgetary institutions</i>	0	0	0	0	0	0
<i>Households</i>	0	0	0	0	0	0
<i>Non-profit organisations</i>	0	0	0	0	0	0
Capital	84	132	268	209	122	123
Non-financial assets	84	132	268	209	122	123
<i>Buildings and structures</i>	0	0	0	0	0	0
<i>Machinery and equipment</i>	84	132	268	209	122	123
<i>Non-produced assets</i>	0	0	0	0	0	0
Other assets	0	0	0	0	0	0
Capital transfers	0	0	0	0	0	0
<i>Local government</i>	0	0	0	0	0	0
<i>Other capital transfers</i>	0	0	0	0	0	0
Sub-total	15,827	7,081	9,683	9,599	9,977	10,436
Lending						
Total	15,827	7,081	9,683	9,599	9,977	10,436

Table 6.D Programme 1 - Standard Item Classification

Standard item	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
R000	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
Personnel	6,092	5,090	5,222	4,871	5,125	5,377
Administrative expenditure	1,831	1,557	2,117	1,810	1,894	1,976
Stores and livestock	184	143	150	166	173	181
Equipment	538	228	416	353	273	280
Land and buildings	5,344	0	0	0	0	0
Professional and special services	1,547	63	778	2,399	2,512	2,622
Transfer payments	251	0	1,000	0	0	0
Miscellaneous	40	0	0	0	0	0
Total	15,827	7,081	9,683	9,599	9,977	10,436

Table 6.E Programme 2 - GFS Classification

Economic classification	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
R000	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
Current	11,695	8,103	19,600	26,364	27,190	28,460
Compensation of employees	4,262	6,448	8,690	13,894	14,616	15,332
<i>Salaries and wages</i>	4,262	6,448	8,690	13,894	14,616	15,332
<i>Other remuneration</i>	0	0	0	0	0	0
Use of goods and services	7,433	1,655	10,910	12,470	12,574	13,128
Interest paid	0	0	0	0	0	0
Transfer payments	0	0	0	0	0	0
<i>Subsidies to business enterprises</i>	0	0	0	0	0	0
<i>Local government</i>	0	0	0	0	0	0
<i>Extra-budgetary institutions</i>	0	0	0	0	0	0
<i>Households</i>	0	0	0	0	0	0
<i>Non-profit organisations</i>	0	0	0	0	0	0
Capital	124	444	365	1,455	84	88
Non-financial assets	124	444	365	1,455	84	88
<i>Buildings and structures</i>	0	0	0	0	0	0
<i>Machinery and equipment</i>	124	444	365	1,455	84	88
<i>Non-produced assets</i>	0	0	0	0	0	0
Other assets	0	0	0	0	0	0
Capital transfers	0	0	0	0	0	0
<i>Local government</i>	0	0	0	0	0	0
<i>Other capital transfers</i>	0	0	0	0	0	0
Sub-total	11,819	8,547	19,965	27,819	27,274	28,548
Lending						
Total	11,819	8,547	19,965	27,819	27,274	28,548

Table 6.F Programme 2 - Standard Item Classification

Standard item	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
R000	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
Personnel	4,262	6,448	8,690	13,894	14,616	15,332
Administrative expenditure	790	969	1,489	2,915	2,570	2,684
Stores and livestock	219	342	568	486	509	531
Equipment	717	561	646	1,871	520	543
Land and buildings	0	0	439	0	0	0
Professional and special services	5,803	227	8,133	8,653	9,060	9,458
Transfer payments	0	0	0	0	0	0
Miscellaneous	28	0	0	0	0	0
Total	11,819	8,547	19,965	27,819	27,274	28,548

Table 6.G Programme 3 - GFS Classification

Economic classification	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
R000	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
Current	56,859	55,446	87,611	75,455	87,953	94,781
Compensation of employees	15,221	13,992	16,561	16,458	17,313	18,162
<i>Salaries and wages</i>	15,221	13,992	16,561	16,458	17,313	18,162
<i>Other remuneration</i>	0	0	0	0	0	0
Use of goods and services	41,638	41,454	71,050	58,997	70,640	76,619
Interest paid	0	0	0	0	0	0
Transfer payments	0	0	0	0	0	0
<i>Subsidies to business enterprises</i>	0	0	0	0	0	0
<i>Local government</i>	0	0	0	0	0	0
<i>Extra-budgetary institutions</i>	0	0	0	0	0	0
<i>Households</i>	0	0	0	0	0	0
<i>Non-profit organisations</i>	0	0	0	0	0	0
Capital	358	804	2,399	1,899	393	393
Non-financial assets	358	804	2,399	1,899	393	393
<i>Buildings and structures</i>	0	0	0	0	0	0
<i>Machinery and equipment</i>	358	804	2,399	1,899	393	393
<i>Non-produced assets</i>	0	0	0	0	0	0
Other assets	0	0	0	0	0	0
Capital transfers	0	0	0	0	0	0
<i>Local government</i>	0	0	0	0	0	0
<i>Other capital transfers</i>	0	0	0	0	0	0
Sub-total	57,217	56,250	90,010	77,354	88,346	95,174
Lending						
Total	57,217	56,250	90,010	77,354	88,346	95,174

Table 6.H Programme 3 - Standard Item Classification

Standard item	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
R000	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
Personnel	15,221	13,992	16,561	16,458	17,313	18,162
Administrative expenditure	1,029	1,596	2,573	2,593	2,695	2,815
Stores and livestock	299	349	544	424	445	464
Equipment	572	1,020	1,566	2,414	932	956
Land and buildings	0	0	3,441	2,853	2,987	3,118
Professional and special services	35,572	34,099	57,109	46,602	57,684	63,082
Transfer payments	0	0	0	0	0	0
Miscellaneous	4,524	5,194	8,216	6,010	6,290	6,577
Total	57,217	56,250	90,010	77,354	88,346	95,174

Table 6.I Programme 4 - GFS Classification

Economic classification	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
R000	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
Current	20,860	19,335	28,565	31,728	33,017	34,543
Compensation of employees	6,330	6,945	9,780	13,675	14,386	15,091
<i>Salaries and wages</i>	6,330	6,945	9,780	13,675	14,386	15,091
<i>Other remuneration</i>	0	0	0	0	0	0
Use of goods and services	14,530	12,390	18,785	18,053	18,631	19,452
Interest paid	0	0	0	0	0	0
Transfer payments	0	0	0	0	0	0
<i>Subsidies to business enterprises</i>	0	0	0	0	0	0
<i>Local government</i>	0	0	0	0	0	0
<i>Extra-budgetary institutions</i>	0	0	0	0	0	0
<i>Households</i>	0	0	0	0	0	0
<i>Non-profit organisations</i>	0	0	0	0	0	0
Capital	0	638	1,757	605	807	318
Non-financial assets	0	638	1,757	605	807	318
<i>Buildings and structures</i>	0	0	0	0	0	0
<i>Machinery and equipment</i>	0	638	1,757	605	807	318
<i>Non-produced assets</i>	0	0	0	0	0	0
Other assets	0	0	0	0	0	0
Capital transfers	0	0	0	0	0	0
<i>Local government</i>	0	0	0	0	0	0
<i>Other capital transfers</i>	0	0	0	0	0	0
Sub-total	20,860	19,973	30,322	32,333	33,824	34,861
Lending						
Total	20,860	19,973	30,322	32,333	33,824	34,861

Table 6.J Programme 4 - Standard Item Classification

Standard item	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
R000	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
Personnel	6,330	6,945	9,780	13,675	14,386	15,091
Administrative expenditure	1,306	1,554	2,989	5,640	5,635	5,884
Stores and livestock	82	118	241	443	464	484
Equipment	99	674	1,795	681	887	401
Land and buildings	0	0	0	0	0	0
Professional and special services	12,997	10,682	15,517	11,894	12,453	13,001
Transfer payments	0	0	0	0	0	0
Miscellaneous	46	0	0	0	0	0
Total	20,860	19,973	30,322	32,333	33,824	34,861

Table 6.K Programme 5 - GFS Classification

Economic classification	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
R000	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
Current	0	0	273,598	251,059	574,379	783,699
Compensation of employees	0	0	0	0	0	0
<i>Salaries and wages</i>	0	0	0	0	0	0
<i>Other remuneration</i>	0	0	0	0	0	0
Use of goods and services	0	0	273,598	251,059	574,379	783,699
Interest paid	0	0	0	0	0	0
Transfer payments	0	0	0	0	0	0
<i>Subsidies to business enterprises</i>	0	0	0	0	0	0
<i>Local government</i>	0	0	0	0	0	0
<i>Extra-budgetary institutions</i>	0	0	0	0	0	0
<i>Households</i>	0	0	0	0	0	0
<i>Non-profit organisations</i>	0	0	0	0	0	0
Capital	0	0	0	0	0	0
Non-financial assets	0	0	0	0	0	0
<i>Buildings and structures</i>	0	0	0	0	0	0
<i>Machinery and equipment</i>	0	0	0	0	0	0
<i>Non-produced assets</i>	0	0	0	0	0	0
Other assets	0	0	0	0	0	0
Capital transfers	0	0	0	0	0	0
<i>Local government</i>	0	0	0	0	0	0
<i>Other capital transfers</i>	0	0	0	0	0	0
Sub-total	0	0	273,598	251,059	574,379	783,699
Lending						
Total	0	0	273,598	251,059	574,379	783,699

Table 6.L Programme 5 - Standard Item Classification

Standard item	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
R000	Actual	Actual	Adj. Budget	Budget	MTEF	MTEF
Personnel	0	0	0	0	0	0
Administrative expenditure	0	0	0	0	0	0
Stores and livestock	0	0	0	0	0	0
Equipment	0	0	0	0	0	0
Land and buildings	0	0	0	0	0	0
Professional and special services	0	0	273,598	251,059	574,379	783,699
Transfer payments	0	0	0	0	0	0
Miscellaneous	0	0	0	0	0	0
Total	0	0	273,598	251,059	574,379	783,699

