VOTE 13: GAUTENG SHARED SERVICE CENTRE

To be appropriated by Vote: R476 483 000
Responsible MEC: MEC for Finance and Economic Affairs
Administering Departments: Gauteng Shared Services Centre
Accounting Officer: Chief Executive Officer

Overview

Vision

Our vision is to improve the quality of service in the public sector by providing province-wide, cost- effective and efficient transversal services.

This will be achieved by:

*   Being customer and process focused
*   Using leading-edge technologies
*   Implementing quality service standards and performance measures
*   Consolidating limited (high-level) functional expertise into centres of excellence

Mission

To deliver a World-class reference site with the best of breed practices, procedures and systems – to provide province-wide support services to the public sector.

Values

In our quest to achieve our vision and mission, we embrace and are driven by the following values:

*   Striving for superior performance and continuous improvement.
*   Striving for high levels of customer satisfaction.
*   Focus on organisational learning and development to continuously maximise the return on our Human Capital Investment.
*   Maintaining high moral and ethical standards.
*   Optimise the use of appropriate technologies to improve efficiency and productivity.
*   Being competitive and cost-effective.

Mandate and role of the Department

The core business mandate of the Gauteng Shared Service Centre is to provide support services to the GPG Departments in the areas of Human Resources, Procurement Services, Finance, Technology Support Services and Internal Auditing. The GSSC's core focus is on providing customer satisfaction using the benefits of centralisation such as economies of scale, standardisation and the provision of a single leading edge technological base for improved service delivery. This Department was set up with a view to free up the line Departments to spend more time performing higher value–adding tasks.

Furthermore, the GPG PEC established the shared service centre to optimise the productive use of scarce resources within the province. This will improve the focus of management in all the departments - and their attention to the core Government services they provide - whilst ensuring that internal support functions are provided in a professional manner that reduces duplication, and improves the allocation of funds between the core functions and support functions.

Good Governance Mandate

The Gauteng Shared Service Centre is one of the departments of the Gauteng Provincial Government and will thus observe and adhere to the principles of good governance promoted by Gauteng Provincial Government - and conduct its activities within the parameters of section 41 of the Constitution of the Republic of South Africa.

Monitoring Mechanisms and implementation of mandates
The following mechanisms are in place to monitor effective performance and service delivery:-
• Oversight by the Standing Committees in the Gauteng Legislature
• Regular review of the Department's performance against the Service Level Agreements.
• Periodic risk management assessments to ensure that all the required checks and balances are in place.
• Review of monthly, quarterly and annual financial reports
• Regular review by the internal auditors
• Annual audit by the Auditor General

2. CORE FUNCTIONS AND RESPONSIBILITIES OF THE DEPARTMENT

The Gauteng Shared Service Centre brings together the support functions that are frequently duplicated across the eleven departments of the Gauteng Provincial Government. These service functions include Human Resource Services, Procurement Services, Technology Support Services, Financial Services, and Internal Audit Services. By operating these functions along best practice business principles and benchmarking them against national and international performance standards, the Gauteng Shared Service Centre aims to free up the GPG departments to focus on performing their core value-adding services, whilst the Gauteng Shared Centre ensures that business support services will be delivered to them effectively and efficiently. The GSSC programmes have been established to focus on and to achieve the following strategic objectives:

2.1 INTERNAL AUDIT SERVICES

Sub-Programme	Strategic Objectives
1. Risk and Compliance Audit	• Evaluates a department's level of compliance with legislation, regulations, plans and procedures and to ensure that each entity in the Province has an updated risk assessment to assist management.
2. Forensic Audit	• assists the Accounting Officers in discharging their responsibility of actively preventing, detecting and investigating fraud, as required in section 38 of the PFMA
3. Computer Audit	• evaluates a department's general computer environment, specific applications being used as well as new systems being developed
4. Performance Audit	• Assists managers to assess the effectiveness, efficiency as well as the economic viability of any specific system or project and to Implement control self assessment (a self assessment tool) throughout the Province.

2.2 HUMAN RESOURCES SERVICES

A. Transaction Based Services

Sub-Programme	Strategic Objectives
1. Sources and Select	• The advertising, short listing and response handling for department vacancies
2. Reward and Retain	• The administration of all basic conditions of employment for non SMS level staff, whilst in the GPG employ.
3. Senior Management Service	• A "one stop HR service" for senior managers regarding conditions of employment
4. Terminations	• The administration of all GPG employee exits (resignations, dismissals, retirements etc)

B. Consulting Services

Sub-Programme	Strategic Objectives
1. Human Resource and Organisation Development	• The provision of HR and organisational development consulting services
2. Organisational Design and Implementation	• The provision of organisation design, job evaluation consulting services, as well as establishment administration services
3. Policy Planning and HR Procedure Development	• The development of transversal policies, HR Communications and HR reporting services
4. Employee Relations	• The provision of labour relations and employee well being services

2.3 PROCUREMENT SERVICES

Sub-Programme	Strategic Objectives
1. Strategic Sourcing	• To develop commodity strategies and set savings targets for the top 20 GPG spend items
2. Vendor Management and Development	• To implement a GPG BEE Policy to increase BEE spend and to pre-qualify and accredit vendors
3. Purchasing	• To develop and maintain World Class Cycle Times in the public sector in purchasing goods and services
4. Procurment Support	• To support the Procurement Business Unit in terms of providing legal services, secretariat services to the DACs of the GPG departments, the Provincial AC and the various Supply Chain Forums and a Tender Administration and BEE Helpdesk service
5. Supply Chain Management	• To improve the delivery lead times, stock availability and stock holding in identified pilot sites

2.4 FINANCE SERVICES

Sub-Programmes	Strategic Objectives
1. Cashbook Services	• To provide timeous bank reconciliation services, effective accounting for cash related transactions and timeous detection of cheque & EBT fraud.
2. General Accounting Services	• To provide effective and sound financial accounting for GPG (including the assurance that all GPG Departments receive unqualified reports on all GSSC's works)
3. Accounts Payable (Expenditure)	• To make GPG a client of choice by making sure that the creditors are paid according to negotiated payment terms using best practices and maintaining a high level of customer satisfaction
4. Debt Management	• To achieve the collection targets re all legacy debt cost effectively over a 3 year period and minimise the inflow of new debts
5. Salary Administration	• To administer salaries using best practices for all bona fide GPG employees
6. Systems Support (BAS & PERSAL)	• Maintain all financial transversal systems and support all GPG end users and develop and maintain an effective user support system
7. Quality Assurance	• To enable GPG to improve general financial management

2.5 TECHNOLOGY SUPPORT SERVICES

Sub-Programmes	Strategic Objectives
2. Planning & Architecture	• To develop and implement a GPG-wide enterprise architecture framework in conjunction with departmental CIOs.
3. Programme Management	• To provide a unified and consistent programme management methodology and a project office through a central Programme Management Office (PMO).
4. Applications Management	• To provide an 'application management' centre of excellence to GPG
5. Information Security	• To develop an information security strategy, policies and procedures for GPG that incorporate compliance to existing regulations and legislation
6. Operations Management	• To provide a flexible and adaptable IT infrastructure that meets the business needs of GPG
7. Provincial CIO driven initiatives	• To implement strategic e-government pilot projects to improve employee productivity and access to services by citizens

3. REVIEW OF 2003/4 and OUTLOOK FOR 2004/5

Internal Audit Services

Review of the financial year ending 31 March 2004
• During the year Gauteng Audit Services will perform more than 150 audits on areas identified as high risk by the various departments. Areas that have already been highlighted by the Auditor General will be targeted. We hope to ensure that no department gets an AG qualification in respect of an area that has been audited by GAS during the year.

• In 2003/2004 and GAS will not only assist in updating the risk assessments of the departments, but will be extending

the scope of such assessments – so that responsible officials can have a risk profile per programme – as well as per entity. It is vital that large entities, such as some of our hospitals, be equipped with their own risk assessments – rather than being absorbed into the overall assessment of a department.

- The Forensic unit aims to help departments recover R28 million this financial year through empowering them to take civil action, disciplinary action or negotiation with involved parties. By doing this, the unit will have – in effect – recovered the full cost of the entire unit.

- In the interest of good governance, it is essential that our officials are informed about their responsibilities and are equipped to measure their performance against peers in similar units. GAS will be introducing a specialised tool, Control Self Assessment, to allow managers to measure their unit's own levels of risk, and to measure their performance relative to their peers in similar areas such as hospitals, schools and pension pay-points.

- A Performance Audit unit will be set up during the year to allow managers to assess the effectiveness and efficiency – as well as the economical viability – of any specific system or project. As the unit is only being set up this year, the aim is only to perform one audit as a pilot and to achieve a saving of R2 million for the department concerned.

- GAS will further implement various personnel development programmes during the year – that will help equip GPG departments with adequately trained staff in the financial and internal auditing environment.

Key activities for the 2004/5 financial year
- Identification of significant risks
- Compiling a three year audit plan
- Performance of regular audits to provide assurance on, Corporate governance, Control environment and Risk management
- Value-adding consultancy services
- Conduct forensic audits as requested by departments, and identified through risk audit reports, hotline facility and detection mechanisms
- Conduct awareness training sessions with regards to fraud prevention and provincial anti-corruption strategy
- Conduct data interrogation projects to pro-actively identify actual and potential irregular transactions and risk areas
- Performance of regular reviews in the areas of Application controls, General computer controls, Security and Systems development
- Establish and bring the Performance Audit Unit to full operation.
- Conduct identified performance audits
- Facilitate control self assessments by the departments

Human Resource Services

Review of the 2003-4 financial year
By the end of 2004, the following will have been achieved:
- Processed almost 500 000 CV's (excluding teachers and student nurses)
- Completed more than 600 000 HR administration transactions
- Administered more than 80 000 backlog leave forms
- Caught up on the provincial backlog of 250 Labour Relations cases
- Supported the implementation of SAP HR in 2 pilot sites
- Implemented a uniform performance management system across the province
- Evaluated around 1000 job in the province
- Administered the exit of more than 5000 people from the province
- Provided 1200 HR Information reports to departments

By September 2003, the business unit will be providing services to all the identified (93) entities in the province.

The focus for the HR Administration Division during this period has been on enhancing the application of the support systems and streamlining business processes. Service delivery in the division will however have fallen short of the SLA timeframe commitments that have been made to departments – mostly due to the lower level of resourcing, unforeseen backlogs and internal systems challenges. The division has also been challenged with effective resource planning –

2003/4 will have been the first complete year of operation, from which trends and business cycles could be established. Activity peaks created by Resolution 7 (such as an abnormal recruitment drive by departments) and other business initiatives, have not only challenged the division's capacity to deliver essential services, but has led to the implementation coping strategies for the future – as well as inter business unit collaboration. Seamless interface with departments remains a challenge, when more than one business unit in the GSSC is involved.

The development of a Performance management approach, against performance benchmarks has become an imperative now that migration is complete. Having become fully operational, the division has been able to assess employee capacity, alongside transaction volumes, in order to determine benchmarked performance at individual and team level. The implementation of performance contracting and review processes have aimed to enhance the quality and quantity of HR administration transactions – against agreed standards.

The HR Consulting Division has been delayed in its impact – primarily due to resource and budget limitations. Certain services, such as Organisation Design, Policy Planning and HR Information Services have been fully operational. Others, such as HR Communications, HR and Organisational Development have invested time in product / service development, before releasing these to the province. Labour Relations has been severely impacted by resource limitations – to the extent that the 18 month secondment business model with the 4 major departments has had to be reviewed in order to deliver an acceptable level of service with available resources.

Service benchmarks and measurement in this division, whilst less tangible than the administration business unit, are no less important. Consultants have had to develop competence in contracting for services with departments – inter alia through "Letters of Engagement". This has been necessary to ensure an appropriate allocation of resources to projects and to tightly manage inflated expectations from department RLS's

Key activities for the 2004-05 financial year
• Skills development remains a priority – especially project management, HR technologies and methodologies and business case planning. The consulting environment will benefit from a second "wave" of development to consolidate the basic skills already learnt, whilst the challenges in the business processing area will remain around customer service delivery skills.
• Benchmarking and measuring our services, with specific emphasis on developing a pricing strategy. Productivity savings (doing more with less) will be driven
• Capitalising on the growing IT infrastructure in the province for purposes of web based service delivery – specific projects around e-recruitment and e-learning will be delivered.
• Implementation of an automated leave processing solution (this is being piloted during 2003-4)
• Expansion of our service suite in the consulting area

3.3 Procurement Services

Review of 2003 / 04 Financial Year:
During the first year of operations the Procurement Business Unit focused on the migration of GPG Departments and Institutions. Once the migration of the remaining entities is completed, GSSC will be the Common Service Provider for procurement services to the whole Province. As part of the migration process GSSC Procurement played a leading role in aligning Financial and Procurement delegations across the Province. These actions contributed towards improving good governance in GPG.

The roll-out of procuremet services has been impacted by the scale of the changes that were implemented in procurement as a result of National and Provincial initiatives. The procurement environment was totally transformed both nationally and in this province to accord with the PFMA. In the past, we had no procurement (IT) system - we did it all manually. At the same time as the above, we introduced a new procurement system - SAP. The timing of the migration of procurement functions to the GSSC - coincided with the above changes. This produced many challenges in this area.

GSSC Procurement is delivering basic procurement services to the 43 migrated sites, which include placing purchase orders based on the three-quotation process. We improved procurement service delivery in the Province significantly by not only meeting the Procurement Service Level Agreement (SLA) timeframes of 19 days fully, but now having upped the metric to 5 days. We are still attempting to meet this new SLA level fully.

As in the case of the HR Business Unit, service delivery initially fell short of the SLA timeframes due to the lower level of resourcing as well as the impact of learning to function according to the newly designed best practice process and getting to grips with the new SAP system. By the end of November 2003 the Procurement Business Unit has processed in excess of 65 000 line items, or 21 500 purchase orders.

GSSC Procurement is automating procurement within the Province by using the new SAP system, implemented in the GSSC. As of the middle of December 2003, 12 of the migrated institutions will be connected to the central SAP instance, via terminals at these institutions. The sites working on the SAP system are processing their own requisitions and goods receipts, thereby communicating electronically with the GSSC. GSSC Procurement continues to process the requisitions and goods receipts for those migrated sites not yet on SAP.

During the current financial year the various COEs were phased in, supported by an intensive training programme for these Procurement officials. The Procurement Centres of Excellence are delivering value-added services such as increasing the level of term agreements in the Province. These new term agreements will have a positive impact both in terms of cost savings and service delivery timelines for our customers. GSSC Procurement also implemented effective price increase measures as part of our new vendor management system on all new term agreements.

Key activities for the 2004/2005 financial year:
* Skills development, both in terms of training on basic Procurement practices as well as training in the various Centres of Excellence (COE) areas. These advanced skills are needed to continue with Procurement Reforms in the Province. Customer service delivery skills will be a specific area of focus in the processing areas.
* Leveraging strategic procurement by focusing on top 20 suppliers and top 20 commodities and investigating strategic commodities in terms of market and empowerment opportunities
* Ensure a stable vendor base for GPG, by developing BEE and SME vendors, while pre-qualifying vendors and accrediting BEE SME vendors
* Implementing the SAP Procurement system at all migrated entities while overseeing SAP system enhancements and integration for Procurement at GSSC.
* Administering ad-hoc procurement requirements, in line with the Procurement Strategy and managing the implementation of new terms agreements
* Optimising inventory management by spearheading follow-on initiatives based on the successful Shared Supply Chain pilot in the Department of Health

3.4 Finance Services

Review of the year ending 31 March 2004
The Finance Business Unit provides transversal Finance services to the 12 GPG Departments. During the year provided are as follows:
* Administration and reconciliation of the GPG's bank accounts and cash books
* General Financial Accounting services
* Debts Management for GPG sundry debts
* Payroll Administration for more than 120,000 GPG employees
* Accounts Payable for the GPG suppliers (approximately 1,000 payments are processed daily)
* Help Desk Support for the financial systems

The migration of all entities to the GSSC was completed (otherthan Accounts Payable for Transport and Housing). The migration occurred over a period of twelve months (the first entities migrated on 15 September 2002).

The services were provided in accordance with the SLA's (approximately 80% of the SLA's targets were achieved). The response times on the transversal applications created big problems, and they adversely affected the Unit's performance.

Since September 2002, the general accounting environment for GPG has improved significantly. More than 80% of the accounting back-logs(some of them were older than five years) have been eliminated and all new cases have 30 day turn-around times.

Despite the fact that most of ex-employee GPG debts are older than six years, 15% of the original debts were recovered over a period of nine months.

We managed to stabilise all migrated services within a short period of time.

Outlook for the 2004/5 Financial Year

The Business Unit is planning to set up a new section which will provide financial advisory services, roll-out accrual accounting, provide financial training, risk analysis and quality assurance.

The BU will also be assisting the Department of Health in recovery all old patient debts and in setting up controls and procedures which will shorten the turn-around times with regard to the collection of debts.

The plan for the remainder of the current year and the budget year is to exceed the SLA's targets and improve the staff's work ethics.

Key activities for the year ending 31 March 2005 include the following items:

- Provision of Finance services in accordance with the SLA's.
- Develop and maintain relationships with other major commercial banks in order to allow for quick resolution of fraud cases.
- Develop and implement the MIS System with interrogating functionality for trend analysis and performance reports.
- Automation of accounting journals (replace manual journals by electronic journals).
- Automate the extraction of performance reports from the financial systems (e.g. ageing of the accounts).
- Implementation of all financial year-end requirements, monthly, in order to eliminate all year-end delays.
- Migration and stabilisation of Sundry payables on SAP for remaining Departments.
- Develop and pilot an electronic reconciliation process of supplier statements.
- Develop and pilot an electronic upload of supplier invoices (only for major suppliers) into SAP.
- Strengthen the partnership with the co-service providers and manage the SLA' with relevant parties.
- Stabilisation of the new debt management system – Debtpack.
- Streamline and strengthen controls around the creation of debts.
- Develop and maintain collaboration relationship with the HR units within the entities.
- Strengthen of controls around the potential existence of "ghost employees".
- Develop and pilot the use of electronic documents for salary inputs (automation of salary mandates).
- Replace the manual payrolls by electronic payrolls.
- Use of electronic statements for all payroll creditors.
- Develop and maintain collaborative relationship with all major suppliers and payroll creditors.
- Assist with the completion of tax returns for a limited number of employees.
- Implement and roll-out an electronic reconciliation of BAS and PERSAL to all 12 Departments

3.5 Technology Support Services

Review of the financial year ending 31 March 2004

The current financial year continued to build on the foundation achieved last year and also to address some of the challenges and shortcomings identified.

The improvement in providing IT services to the province depends on a lot of aspects within the IT environment, but some of those challenges were taken head-on during this year and below is a summary of the major initiatives to be completed:-

- The completion of the transformation of all Head Offices onto the new GSSC data centre will cover about 7000 desktops to ensure that a standard is achieved regarding key areas like e-mail, internet access, and backup services to
- The transition of the GPG connectivity (with respect to transversal systems from SITA) from the problematic red network to the green network to ensure quality of service.
- The upgrade of the existing GPG Wide Area Network (WAN) and connectivity to more than 50 new departmental sites. The current WAN's design was old and could not respond top new demands for bandwidth capacity from departments.
- The execution of Phase 2 of the ERP Pilot. The first phase went live in November 2003 as the enabling tool for procurement processes within the GSSC. Phase 2 focuses on an end-to-end pilot that extends the current functionality to include inventory management, full finance incorporating budgeting, cost control, debt management and asset management; and most HR areas including performance management - to name but a few of the new key areas.
- The development of the basic information management standards and policies throughout GPG
- The integration of 10 new student cadets into GPG as part of the capacity building programme for IT skills.
- The initiation of two e-government pilots for a GPG Portal and GPG wide Call Centre

We have also been successful in providing practical training for over 50 IT students in conjunction with SITA and the ISSET SETA . This provided us with resources during some of our peak precinct transformation period and we provided the students supervised with practical work as required in their programme.

During the period between July 2003 to October 2003, the world experienced the most aggressive computer related virus attacks ever and major organizations in South Africa (and around the world) lost a lot a productive work and money as they closed down computer systems in order to contain the viruses. In GPG a lot of our departments had a similar experience and we set up a technical task team that was deployed across departments to provide assistance. However the new GPG infrastructure utilized by the GSSC and a few of the departments that had been completely transformed withstood all these attacks without any downtime at all. This achievement indicated to us that the new security model is robust and provides us with the required monitoring visibility required to manage and quickly contain such attacks.

Key Activities for the year ending March 2005 include the following:
Information Security
• Finalization and approval of a GPG-Wide IT Disaster Recovery Plan (DRP). In addition the implementation of the plan will be executed based on available budget.
• E-mail Encryption for MECs and HODs will be implemented as the first phase after which all SMS employees will be covered.
• Set up and execute Intrusion Detection and monitoring function for security breaches
• Set and implement GPG-wide Information Security Standards and Policies
• Capacitate the information security team through recruitment and training

Operations Management
• Ensure that the Data Centre is operational all the times by monitoring the systems, ensuring backups are taken and ensuring that all daily procedures are followed
• Periodically execute and sign-off disaster recovery procedures to test the reliability of our DRP
• Ensure that GPG is protected against intruders and hackers by administering firewalls
• Continue with the GPG IT Platform transformation by extending the programme to GPG locations outside of the precinct in line with available funds
• Manage the ASP Services provided by the GSSC to GPG departments including Transversal systems, productivity applications (e-mail, internet, Microsoft Office, etc) and the new ERP system for Procure to Pay and all GSSC applications
• Manage the GPG Wide-Area Network including the monitoring of traffic patterns in order to tune network performance
• Provide desktop services to departments according to SLAs
• Continue with the roll-out of the IT Service Management standards to other GPG departments

Architecture
• Development and implementation of an IT Strategy development process for GPG Departments
• Start with the Development GPG Enteprise Architectures for Departments (Information, Application and Technology)
• Develop and get approval for Security Architectures for Departments
• Development of Technology standards and policies for GPG
• Conduct IT research and development for service delivery improvement and/or cost reduction in GPG (Voice over IP, Use of open source software, etc)

Programme Management
• Develop and implement a Programme management office that will ensure there is a common project management methodology in GPG.
• Implement business case development methodology for IT projects
• E-government
  - Execute a project to implement a GPG-wide intranet
  - Continue with the implementation of a GPG-wide portal through pilots in conjunction with other departments
  - Continue with the implementation of a GPG-wide call centre in conjunction with other departments
• Stabilise the ERP procure to pay system for GPG and continue with the roll-out to the Remaining Line Structures of entities that have migrated to the GSSC.

Applications Management
• Develop an Application portfolio (master listing) for GPG as input into the development of the province-wide Master systems plan (MSP)
• Ensure that the applications are implemented according to standards developed by the architecture team. In addition, finalise and get approval for the integration strategy of departmental applications into the GPG transversal systems
• Ensure that GPG-wide Web standards are finalized and approved.
• Continue with the roll-out of Electronic Document Management system into other GPG departments that have initiated projects in conjunction with the GSSC
• Establish the applications centre of excellence for GSSC and GPG cross-departmental applications

MECHANISMS TO MONITOR PERFORMANCE

Balanced Score Card
Performance Management in the GSSC is driven primarily through the use of a Balanced Scorecard (BSC) methodology. Each Business Unit has a BSC which is driven by a GSSC balanced scorecard and such BSC forms the basis of each general manager's performance contract. Each section manager within a business unit has a BSC for his / her own team. Within the business processing areas, the BSCs for each section will be very similar. However, in the consulting or centre of excellence sections, team outputs often warrant customised BSCs. BSCs also form part of the team leaders' performance contracts.

Individual Performance Agreements
In line with the prescribed performance management system of GPG, GSSC has a performance agreement in place for each staff member. Most staff members are assessed against the competency requirements for their positions, in order to ensure that an individual career development plan is implemented. This ensures continuous improvement of service delivery of staff members. Performance assessments are/will be done for each staff member every quarter. The purpose of the performance assessments is to update the individual career development plans of each staff member on a regular basis to ensure continuous development.

Individual development remains a GSSC imperative in both transaction processing units but more so in the consulting teams (in general) where an entirely new approach to delivering services is being cultivated. The notion of client service and consulting to the client are both relatively new to the public service business environment – thus requiring ongoing focus and measurement

Measurement in the consulting division has been somewhat trickier, than in the processing division where services are more tangible and therefore more easily measured. Consulting services tend to be less tangible and requires additional effort to quantify. The primary vehicle for doing so is a tool termed the "Letter of engagement" – this attempts to scope an intervention in terms of time, costs and deliverables. Consultants are generally to be measured in terms of the frequency and the extent to which they comply with the LOE's.

Performance measurement in the business processing division is generally governed by Service Level Agreements (SLAs) – these attempt to quantify the volume OR time taken, per transaction. Practitioners in this area are measured against benchmarks – some of which are still being tried and tested. The challenge associated with establishing a benchmark, remains the risk of fixing the benchmark too early in the start up of the service. New systems, new work processes and new team dependencies all significantly impact the end result until the service has been optimised.

Team Assessments
Within each business unit, specific teams are evaluated based on the balance score card and exceptional performance is rewarded through a reward system.

4. ACITIVITIES RELATED TO PROVINCIAL IMPERATIVES

4.1 HIV/Aids
The Gauteng Shared Services Centre (GSSC) HIV/AIDS Programme has been developed. GSSC specific policies and the programme of implementation have been finalized. HIV/Aids is being viewed as part of a broader Employee Wellness Process, which includes Voluntary Counseling and Testing, (VCT). To this end, the GSSC will form part of the broader Employee Well Being service, which will be implemented in the 2004/5 financial year. The budget of R180 per person (total of around R270 000), per annum has been set aside for these services.

Further to the above, steps have been taken by the GSSC to change behaviour and achieve a mindset change. These are: distribution of HIV/AIDS material, installation of condom dispensers, saliva prevalence testing, VCT and a communication campaign scheduled to coincide with the celebration of World Aids Day. On 1st December

It is also planned that VCT will be done quarterly at the GSSC in order to continually encourage employees to "Know their Status". First line managers are being (and will continue to be) encouraged to undergo VCT in order to promote the adoption of the process by employees. The Department has established a committee to facilitate and manage the HIV/Aids programme.

4.2 Gender
The adoption of a gender sensitisation programme is being incorporated into the work that the GSSC needs to do. A performance driven culture essentially promotes outputs and places emphasis on tolerance, problem solving and dialogue.

To this end, the GSSC will be piloting an intervention called "Khuluma Ndoda", in which men are encouraged to talk about their changing roles in society. The programme is an intensive process of story telling which aims to alter stereo typical views about gender and equip men with new conversational skills that assist in problem solving domestic and other challenges. Should this programme be successfully piloted, it will form part of the overall Employee Assistance service offering to the province.

In addition the GSSC Employment Equity plans will be aimed at specifically addressing gender discrimination.

4.3 Disability
The nature of the services provided by the GSSC allow for the recruitment of physically disabled people in certain business units. This opportunity is being explored actively with some "experiments" already having taken place. No formal budgets have been earmarked – but the GSSC is geared toward providing suitable candidates with the necessary tools for their work – such as the software which has already been acquired for use by sight impaired individuals.

4.4 Learnerships
The GSSC recognises the importance of Learnerships both in terms of promoting the "employability" of the youth, as well as in meeting the organisational employment requirements. The GSSC currently has around 345 urgent vacancies, many of which are entry level roles, which require a fairly short period of up skilling. 188 of these positions have been identified as suitable for learnership programmes. Programmes are currently being designed (with the Internal Audit programme having been launched in January 2004) and the infrastructure is being established to manage the fairly complex requirements of 188 learners. The cost of these learnerships is generally being funded from the GSSC establishment/resourcing budget – with some additional management expenses being incurred.

5. Receipts and Financing

Table1: Summary of receipts

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03		2003/04		2004/05	2005/06	2006/07
Equitable share		113,364	294,790	397,865	482,915	483,915	476,482	509,883	535,378
Conditional grants									
Other (specify)									
Total receipts:									
Treasury funding		113,364	294,790	397,865	483,915	483,915	476,482	509,883	535,378

Table 2: Departmental receipts collection

	Outcome			Main	Adjusted	Revised		Medium-term estimates	
	Audited	Audited	Audited	appropriation	appropriation	estimate			
R thousand	2000/01	2001/02	2002/03		2003/04		2004/05	2005/06	2006/07
Tax receipts									
Non-tax receipts									
Sales of goods and									
services other than									
capital assets of which:									
Specify item									
Specify item									
Fines, penalties and									
forteits									
Interest, dividends									
and rent on land									
Transfers received									
Sales of capital assets									
Financial transactions			78				110	130	150
Total Departmental									
Receipts			**78**				**110**	**130**	**150**

5. EXPENSE SUMMARY - VOTE 13

Table 3: SUMMARY BY PROGRAMME

	Outcome			Main	Adjusted	Revised		Medium-term estimates	
	Audited	Audited	Audited	appropriation	appropriation	estimate			
R thousand	2000/01	2001/02	2002/03		2003/04		2004/05	2005/06	2006/07
Support Services		104,823	265,295						
Internal Audit		8,541	17,898	28,322	38,631	38,631	45,391	48,567	50,995
HR			2,158	35,466	66,658	66,658	68,645	73,449	77,122
Procurement			5,123	55,399	73,846	73,846	73,225	78,396	82,316
Financial			538	40,719	68,088	68,088	73,785	78,953	82,900
TSS			3,778	237,959	236,692	236,692	215,437	230,518	242,045
Total : GSSC		**113,364**	**294,790**	**397,865**	**483,915**	**483,915**	**476,483**	**509,883**	**535,378**

Table 4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION

R thousand	Audited 2000/01	Audited 2001/02	Audited 2002/03	Main appropriation	Adjusted appropriation	Revised estimate	2004/05	2005/06	2006/07
		Outcome		Main	Adjusted	Revised		Medium-term estimates	
					2003/04				
Current payments		71,645	176,461	185,141	394,549	394,549	468,253	501,078	526,133
Compensation of employees		8,541	33,578	87,284	177,512	177,512	198,169	212,041	222,643
Goods and services		63,104	142,883	97,857	217,037	217,037	270,084	289,037	303,490
Interest and rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies to:									
Provinces & municipalities									
Departmental agencies and accounts									
Universities & technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households									
Payments for capital assets		41,719	118,329	212,724	89,366	89,366	8,230	8,806	9,246
Buildings and other fixed structures		11,860	39,626	4,844					
Machinery and equipment		29,859	78,703	207,880	89,366	89,366	8,230	8,806	9,246
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification		113,364	294,790	397,865	483,915	483,915	476,483	509,884	535,379

6. PROGRAMME DETAILS

6.1 Programme 1: Internal Audit Services

Key Deliverables
• To perform regular Risk, Computer, Performance and Forensic Audits
• To decrease incidents of fraud and corruption in GPG
• To assist management in keeping the risk profile of their departments updated – to enable the accounting officers to effectively manage their risks
• To implement various programmes to help equip all GPG departments with adequately trained staff in the internal auditing environment.

SUMMARY OF EXPENDITURE AND ESTIMATES BY SUB-PROGRAMME

Table 5: SUMMARY OF PAYMENTS: INTERNAL AUDIT

	Outcome			Main	Adjusted	Revised	Medium-term estimates		
	Audited	Audited	Audited	appropriation	appropriation	estimate			
R thousand	2000/01	2001/02	2002/03		2003/04		2004/05	2005/06	2006/07
GM Office									
Risk Audit		8,541	17,898	22,100	25,246	25,246	30,806	32,963	34,611
Computer Audit				1,716	3,173	3,173	2,654	2,838	2,980
Forensic Audit				4,291	8,732	8,732	7,646	8,181	8,590
Performance Audit				215	1,480	1,480	4,285	4,585	4,814
Total : Internal Audit		**8,541**	**17,898**	**28,322**	**38,631**	**38,631**	**45,391**	**48,567**	**50,995**

Table 6: INTERNAL AUDIT SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION

| | Outcome | | | Main | Adjusted | Revised | Medium-term estimates | | |
| | Audited | Audited | Audited | appropriation | appropriation | estimate | | | |
R thousand	2000/01	2001/02	2002/03		2003/04		2004/05	2005/06	2006/07
Current payments		8,541	17,898	27,173	37,469	37,469	44,808	47,944	50,341
Compensation of employees		8,541	16,615	18,549	28,146	28,146	35,367	37,842	39,734
Goods and services			1,283	8,624	9,323	9,323	9,441	10,102	10,607
Interest and rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies to:									
Provinces & municipalities									
Departmental agencies and accounts									
Universities & technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households									
Payments for capital assets				1,149	1,149	1,149	582	623	654
Buildings and other fixed structures				436	436	436			
Machinery and equipment				713	713	713	582	623	654
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification		8,541	17,898	28,322	38,618	38,618	45,390	48,567	50,995

6.2 Programme 2: Human Resources Services

Key Deliverables
- To render a responsive and cost effective recruitment processing service to the Gauteng Province
- To administer all Human Resource conditions of Service, timeously and accurately
- To provide a personalised HR administration service to the GPG senior management
- To provide specialised HR Consulting services which will include:
    - A provincial Employee Assistance Programme (EAP)
    - Training programmes for generic skills development (including a GPG induction programme)
    - HR and Organisation Development
    - Organisation Design and Work Evaluation

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- Policy Planning and HR Communications
- HR Intelligence
- Labour Relations advice and support
• To establish a benchmark for HR services in the public service – this will include the effectively utilisation of technology to render services, enhancing perceived value in HR services and offering best practice systems and frameworks for application across the province

SUMMARY OF EXPENDITURE AND ESTIMATES BY SUB-PROGRAMME

Table 7: SUMMARY OF PAYMENTS: HUMAN RESOURCES

	Outcome			Main	Adjusted	Revised	Medium-term estimates		
	Audited	Audited	Audited	appropriation	appropriation	estimate			
R thousand	2000/01	2001/02	2002/03		2003/04		2004/05	2005/06	2006/07
GM Office							229	245	257
Processing: Recruitment & Selection			2,158	5,144	7,068	7,068	7,645	8,180	8,589
Processing:Reward & Retain				7,671	10,545	10,545	14,566	15,585	16,364
Processing:SMS Services				451	2,059	2,059	1,292	1,382	1,451
Processing: Terminations				2,527	2,298	2,298	4,042	4,324	4,541
HR & Organisational Development				4,422	11,648	11,648	11,781	12,606	13,236
Organisation Structuring				4,241	11,720	11,720	10,967	11,735	12,322
Policy & Procedures				3,158	6,587	6,587	4,028	4,310	4,526
Employee Relations				7,852	14,733	14,733	14,095	15,082	15,836
Total : HR			**2,158**	**35,466**	**66,658**	**66,658**	**68,645**	**73,449**	**77,122**

Table 8: HUMAN RESOURCES SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION

| | Outcome | | | Main | Adjusted | Revised | Medium-term estimates | | |
| | Audited | Audited | Audited | appropriation | appropriation | estimate | | | |
R thousand	2000/01	2001/02	2002/03		2003/04		2004/05	2005/06	2006/07
Current payments			2,158	33,334	64,632	64,632	66,712	71,381	74,950
Compensation of employees			2,158	15,482	45,588	45,588	47,452	50,773	53,312
Goods and services				17,852	19,044	19,044	19,260	20,608	21,638
Interest and rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies to:									
Provinces & municipalities									
Departmental agencies and accounts									
Universities & technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households									
Payments for capital assets				2,132	2,026	2,026	1,933	2,069	2,172
Buildings and other fixed structures				1,299					
Machinery and equipment				833	2,026	2,026	1,933	2,069	2,172
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification			2,158	35,466	66,658	66,658	68,645	73,450	77,122

6.3. PROGRAMME 3: PROCUREMENT SERVICES

Key deliverables
• To standardise the procurement processes to ensure satisfactory delivery of goods and services to the GPG departments
• To support good governance by building a purchasing organisation that is based on teamwork and performance – flexible, yet aligned to process – socially conscious, yet driven by value for money and customer satisfaction.
• To use up-to-date, reliable systems to facilitate our processes – and to provide management with the information required to drive continuous improvement (via Strategic Sourcing and Shared Supply Chain optimisation).
• To ensure that our procurement professionals are 'thought leaders' in the field of 'socially responsible public sector procurement'.

SUMMARY OF EXPENDITURE AND ESTIMATES BY SUB-PROGRAMME

Table 9: SUMMARY OF PAYMENTS: PROCUREMENT

	Outcome			Main	Adjusted	Revised	Medium-term estimates		
	Audited	Audited	Audited	appropriation	appropriation	estimate			
R thousand	2000/01	2001/02	2002/03		2003/04		2004/05	2005/06	2006/07
GM Office							16,434	17,631	18,513
Strategic sourcing				5,714	11,406	11,406	16,739	17,911	18,806
Quality management				4,596	6,646	6,646	6,882	7,364	7,732
Purchasing			5,123	17,266	15,239	15,239	24,367	26,073	27,377
Procurement support				6,459	7,744	7,744	4,241	4,537	4,764
BEE Development				4,099	3,833	3,833	4,436	4,746	4,983
Shared Supply chain				14,529	24,678	24,678	126	134	141
Basic Procurement									
Training				2,736	4,300	4,300	-	-	-
Total : Procurement			**5,123**	**55,399**	**73,846**	**73,846**	**73,225**	**78,396**	**82,316**

Table 10: PROCUREMENT SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION

R thousand	Audited 2000/01	Audited 2001/02	Audited 2002/03	Main appropriation	Adjusted appropriation	Revised estimate	2004/05	2005/06	2006/07
	Outcome			**Main**	**Adjusted**	**Revised**	**Medium-term estimates**		
				appropriation	appropriation	estimate			
					2003/04				
Current payments			5,123	53,831	72,354	72,354	71,556	76,612	80,443
Compensation of employees			3,161	22,892	41,483	41,483	41,142	44,022	46,223
Goods and services			1,962	30,939	30,871	30,871	30,414	32,590	34,220
Interest and rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies to:									
Provinces & municipalities									
Departmental agencies and accounts									
Universities & technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households									
Payments for capital assets				1,568	1,492	1,492	1,668	1,784	1,873
Buildings and other fixed structures				1,034					
Machinery and equipment				534	1,492	1,492	1,668	1,784	1,873
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification			5,123	55,399	73,846	73,846	73,224	78,396	82,317

6.4 Programme 4 – Finance Services

Key Deliverables
- To eliminate the legacy debts for GPG and minimise the inflow of new debts
- To eliminate the back-logs on suspense account and maintain the clean sets of accounts
- To improve the payment cycles for the suppliers
- To provide effective and efficient payroll services for more than 120,000 GPG employees
- To provide limited tax services to the GPG employees
- To automate and streamline the basic accounting services

Table 11: SUMMARY OF PAYMENTS: FINANCIAL SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited		2003/04				
R thousand	2000/01	2001/02	2002/03				2004/05	2005/06	2006/07
GM Office							150	161	169
Cashbook services				2,988	7,128	7,128	8,037	8,599	9,029
General accounting				4,157	4,949	4,949	4,419	4,729	4,965
Accounts payable			538	5,521	14,322	14,322	17,093	18,290	19,204
Payroll administration				15,718	23,276	23,276	24,763	26,497	27,822
Debts Management				3,442	9,015	9,015	10,927	11,692	12,277
Super users				1,104	8,837	8,837	7,647	8,183	8,592
Quality Assurance				455	561	561	749	802	842
Bas maintenance & Data Purification				7,334					
Total : Finance			**538**	**40,719**	**68,088**	**68,088**	**73,785**	**78,953**	**82,900**

Table 12: FINANCIAL SERVICES SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION

R thousand	Audited 2000/01	Audited 2001/02	Audited 2002/03	Main appropriation	Adjusted appropriation	Revised estimate	2004/05	2005/06	2006/07
		Outcome		Main	Adjusted	Revised		Medium-term estimates	
				appropriation appropriation	2003/04	estimate			
Current payments			538	34,583	62,233	62,233	71,688	76,707	80,542
Compensation of employees			538	10,099	38,758	38,758	50,476	54,010	56,710
Goods and services				24,484	23,475	23,475	21,212	22,697	23,832
Interest and rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies to:									
Provinces & municipalities									
Departmental agencies and accounts									
Universities & technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households									
Payments for capital assets				**6,136**	**5,855**	**5,855**	**2,097**	**2,245**	**2,358**
Buildings and other fixed structures				1,699					
Machinery and equipment				4,437	5,855	5,855	2,097	2,245	2,358
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification			538	40,719	68,088	68,088	73,785	78,952	82,900

6.5 Programme 5: Technology Support Services

Key deliverables
- To develop a GPG-wide enterprise architecture framework in conjunction with the departmental CIO's through a governance structure and processes
- To provide a flexible and adaptable IT infrastructure that meets the business needs of GPG
- To provide a unified and consistent programme management methodology and project office through a centrally coordinated Programme Management Office (PMO).
- To develop an information security strategy (with all the attendant policies and procedures) for GPG that also complies with existing regulations and legislation.
- To increase IT capacity in the province - by training employees on the essential technologies required within the GPG and executing a cadet programme
- To develop an application framework that allows for the co-existence of transversal systems and the new ERP system for GPG

SUMMARY OF EXPENDITURE AND ESTIMATES BY SUB-PROGRAMME

Table 13: SUMMARY OF PAYMENTS: TSS

	Outcome			Main	Adjusted	Revised	Medium-term estimates		
	Audited	Audited	Audited	appropriation	appropriation	estimate			
R thousand	2000/01	2001/02	2002/03		2003/04		2004/05	2005/06	2006/07
GM Office							1,866	1,997	2,097
Planning & Architecture				2,247	2,793	2,793	24,901	26,645	27,977
Programme Management				2,247	2,454	2,454	48,645	52,050	54,653
Application Management				11,235	8,147	8,147	51,341	54,935	57,682
Information security				899	1,622	1,622	9,792	10,477	11,001
Operations Management			3,778	34,602	24,765	24,765	78,892	84,414	88,635
GPG Wide expenditure				186,729	196,911	196,911			
Total : TSS			**3,778**	**237,959**	**236,692**	**236,692**	**215,437**	**230,518**	**242,045**

Table 14: TSS SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION

R thousand	Outcome Audited 2000/01	Audited 2001/02	Audited 2002/03	Main appropriation	Adjusted appropriation 2003/04	Revised estimate	Medium-term estimates 2004/05	2005/06	2006/07
Current payments			3,778	36,220	157,862	157,862	213,490	228,434	239,856
Compensation of employees			3,778	20,262	23,537	23,537	23,732	25,393	26,663
Goods and services				15,958	134,325	134,325	189,758	203,041	213,193
Interest and rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies to:									
Provinces & municipalities									
Departmental agencies and accounts									
Universities & technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households									
Payments for capital assets				201,739	78,830	78,830	1,948	2,084	2,188
Buildings and other fixed structures				376					
Machinery and equipment				201,363	78,830	78,830	1,948	2,084	2,188
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification			3,778	237,959	236,692	236,692	215,438	230,518	242,044

7. MEASURABLE OUTPUTS AND PERFORMANCE INDICATORS

7.5 Gauteng Audit Services
Outcome: - Provision of internal audit services to ensure business risks are identified and managed in order to improve good governance throughout the Gauteng Province

Output	Unit of measure (Standard)	Data Source	2003/04 (estimate)	2004/05 (target)	2005/06 (target)	2006/07 (target)
• Updated risk assessments	• Completed signed off risk assessment documents	• Risk assessment documents	• Complete and/or update 19 risk assessment documents	• Update 93 risk assessment documents	• Update 93 risk assessment documents	• Update 93 risk assessment documents
• Audit coverage	• No of audit reports issued	• Audit reports	• Complete 150 audits	• Complete 200 audits	• Complete 220 audits	• Complete 250 audits
• Completion of audit plans	• Audit plan coverage	• Audit plans as recorded in audit committee minutes	• 100% coverage	• 100% coverage	• 100% coverage	• 100% coverage
• Reduction in AG qualifications	• No of departments/ trading entities with no AG qualifications in areas audited by GAS	• Departmental reports	• 19	• 19	• 19	• 19
		• Departmental reports	• 30 disciplinary matters	• 35 disciplinary matters	• 40 disciplinary matters	• 45 disciplinary matters
• Reduce incidents of fraud and corruption	• Nr of disciplinary matters initiated	• Departmental reports	• 12 criminal cases	• 18 criminal cases	• 21 criminal cases	• 24 criminal cases
	• Nr of criminal cases registered	• Departmental reports	• 8 civil matters	• 12 civil matters	• 14 civil matters	• 16 civil matters
	• Nr of civil actions initiated	• Office of the Premier Fraud Committee minutes	• R28 million	• R45 million	• R60 million	• R75 million
	• Value recoverable	• Report to audit committees				
• Enabling departments to recover losses	Nr of GPG staff made aware of initiatives		• 70%	• 95%	• 95%	• 95%
• Inform GPG employees of fraud prevention plans and anti-corruption strategy	No of entities where CSA has been implemented		• 25	• 50	• 75	• 93

7. MEASURABLE OUTPUTS AND PERFORMANCE INDICATORS

7.2 Human Resource Services

7.2.1 Human Resources Transaction Processing Services
Outcome: Provision of an efficient and effective Human Resource Administration Services in terms of:
• Recruitment
• Human Resource Administration
• Administration of all exists from the province
• Administration of Senior Management conditions of employment

Output	Data Source	Unit of measure	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
Recruitment: Advertising, short listing and response handling	Manual SAP	Achievement of SLA target of 10 working days turnaround from closing date of applications	80%	100%)	100%	100%
		Increased efficiency of services	250 cv's per week per person	250 cv's per week (SAP functionality introduced will increase time per cv).	400 cv's per week per person	400 cv's per week per person
Reward and Retain: HR Administration for all GPG employees	Manual Persal	Achievement of SLA target of 3 working days turnaround from date of receipt at the GSSC	90%	100%	100%	100%
Senior Management Services: Administration of all conditions of employment for Senior Managers	Persal Manual	Achievement of SLA target of 3 working days turnaround from date of receipt at the GSSC	100%	100%	100%	100%
Terminations: Administration of all exits from the province (deaths, resignations, retirements and dismissals	Persal Manual	Achievement of SLA target, measured in turnover time per transaction: 2-14 days	100% achievement of service measures	100%	100%	100%

7.2.2. *Human Resource Consulting Services (Centre of Excellence)*

Outcome: Provision of support, advice and interventions to enhance the development and retention of employees and to improve organizational effectiveness. This will be achieved through:
• Human Resource and organizational development
• Organisation Design and Implementation
• Policy Development, HR Communication and Information management tools
• Labour Relations services
• Employee Assistance services

Output	Data Source	Unit of measure	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
HR and OD: Provision of advice, tools and methodologies that promote employee development and optimal organisational functioning	SAP Manual	1. Number of employees trained 2. Compliance with GSSC portion of LOE	1. 11324 2. Services being established and baseline developed	1. 16500 2. 100%	1. 19900 2. 100%	1. 24000 2. 100%
Organisation Design and Implementation: Advising on the design of organizations, conducting job evaluations and administering the provincial establishment	Persal SAP Manual Equate software (job evaluation)	% of level 9 and above posts evaluated and paneled % accurate establishment on Persal/SAP	80% 80%	100% 100%	100% re-evaluation of all compulsory evaluations every 2 years 100%	100% re-evaluation of all compulsory evaluations every 2 years 100%
Policy, HR Communications and HR Information systems: The provision of policy development, HR communication and information management services	Persal Manual	Number of policies produced Implementation of intranet /internet based policy repository	5 approved in place	10 approved Maintained and enhanced	10 approved Maintained and enhanced	Approved Maintained and enhanced
Employee Relations: Provision of labour relations services	% cases investigated in SLA timeframe	Benchmark being established	50%	80%	100%	100%
Provision of employee assistance services	Number of staff who have access as a %	15%	50%	100%	100%	100%

7. MEASURABLE OUTPUTS AND PERFORMANCE INDICATORS

7.5 Procurement Services

Outcome: Provision of basic procurement-related services driven by a customer ethos regarding delivery at the right time, the right place, to the right specification and at a demonstrably improved and competitive cost, whilst supporting the development of BEE SME vendors.

Output	Unit of measure	Data Source	2003/04 (estimate)	2004/05 (target)	2005/06 (target)
1 Sourcing Strategies Develop commodity strategies via Value Team investigations to set savings targets per commodity, starting with top 20 spend items	Top 20 spend items investigated by Value Teams with end-user participation	Project reports and reports to Provincial Acquisition Council	Establish COE and train members as Value Team facilitators 5% of top 20 spend items covered by Value Teams	25% of top 20 spend items covered by Value Teams	45% of top 20 spend items covered by Value Teams
2. Vendor Management and Development 2.1.Implement Pre-qualification and Accreditation process, focusing on the Enablement Plan targeted commodities	Pre-qualify vendors aligned with Enablement Plan for new Term Agreements (TAs) and Value Team focus areas	Vendor database Submissions on evaluated RFPs	5% of vendors pre-qualified by time of bidding for TAs / Value Team investigation	25% of vendors pre-qualified by time of bidding for TAs / Value Team investigation	45% of vendors pre-qualified by time of bidding for TAs / Value Team investigation
2.2 Establish baseline departmental BEE spend as a starting point for departments to set their departmental BEE targets	Facilitate setting of departmental BEE spend targets, after baseline was established per department	BEE spend tracking system - ProQure Reports to DACs and Provincial Acquisition Council	Departmental BEE targets set before year-end for next financial year	Departmental BEE targets set before year-end for next financial year	Departmental BEE targets set before year-end for next financial year
2.3 Increase BEE spend as % of overall spend	Implement tracking BEE spend against targets	BEE spend tracking system - ProQure	5% increase in BEE spend through GSSC	% increase in BEE spend through GSSC - (dependant on baseline)	% increase in BEE spend through GSSC - (TBA)

Output	Unit of measure	Data Source	2003/04 (estimate)	2004/05 (target)	2005/06 (target)
3. Purchasing 3.1 Develop and maintain World Class Cycle Times in the public sector	POs placed (< R500,000 per case) Formal Contracts Placed (> R500,000 per case)	SLA reports SLA reports	19 working days req to PO 70 working days req to Formal Contract	15 working days req to PO 60 working days req to Formal Contract	12 working days req to PO 50 working days req to Formal Contract
3.2 Establish transversal TAs i.t.o. Enablement Plan for new Term Agreements (TAs)	% spend covered by transversal TAs (currently +/- 11%)	Project reports and reports to Provincial Acquisition Council	25% of overall spend covered by transversal term agreements	40% of overall spend covered by transversal term agreements	65% of overall spend covered by transversal term agreements
4. Shared Supply Chain 4.1 Delivery lead time from central DC to institutions	Lead time	Project reports and reports to Provincial Acquisition Council	5 - 15 working days at pilot sites before intervention 1 working day at participating sites after intervention	1 working day at participating sites after intervention	1 working day at participating sites after intervention
4.2 Improve stock availability at DCs	Stock availability	Project reports and reports to Provincial Acquisition Council	70% Stock availability at pilot sites before intervention 98% Stock availability at participating sites after intervention	98% Stock availability at participating sites after intervention	98% Stock availability at participating sites after intervention

7. MEASURABLE OUTPUTS AND PERFORMANCE INDICATORS

7.5 Finance Services

Outcome: Provision of an accurate, complete and speedy Financial Services

Measureable Objective	Performance Indicator	Data Source	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
Cashbook Services Provide bank reconciliations on a monthly basis.	Number and the age of outstanding reconciling items at month ends	BAS	Target 30 days of o/s items	Target 30 days of o/s items	Target 30 days of o/s items	Target 30 days of o/s items
Recover long outstanding EBT/Cheque fraud amounts	Amounts recovered %	BAS	40%	50%	10%	-
Timeous and accurate recording of receipts	% of compliance with SLA's	BAS & manual records	Per SLA	Per SLA	Per SLA	Per SLA
General Accounting Reconcile and clear all old balances on ledger accounts for GPG	All old balances are cleared	BAS	100%	0%	0%	0%
Reconcile all ledger accounts for GPG	Balances are not older than 30 days	BAS	100%	100%	100%	100%
Month and year-end closure for GPG	Number of successful closures	BAS	100%	100%	100%	100%
Unqualified audit opinions in GPG as a result of Finance BU activities in GSSC	Number of unqualified audit reports	Audit Reports	100%	100%	100%	100%
Expenditure (Accounts Payable)						
Payments to the supplier of goods and services as per SLA's	% of compliance	SAP & BAS	90% of time with 95% accuracy	94% of time with 98% accuracy	96% of time with 99% accuracy	100% of time with 100% accuracy

Measureable Objective	Performance Indicator	Data Source	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
Salary Administration Timeous and accurate processing of payments of allowances to GPG employees	% compliance to SLA's	Payroll & manual records	100%	100%	100%	100%
Timeous and accurate payment of salaries to all GPG employees	% of employees paid to total employees	Payroll	99,8%	99,91%	99,96%	99,96%
Issuing, reconciliation & distribution of annual IRP5's	Timelines and the number of unknown reconciling items	Payroll	100% distribution of IRP5's by 31 March, with IRP5 recon submitted to SARS	100% distribution of IRP5's by 31 March, with IRP5 recon submitted to SARS	100% distribution of IRP5's by 31 March, with IRP5 recon submitted to SARS	100% distribution of IRP5's by 31 March, with IRP5 recon submitted to SARS
Payment of 3rd party payroll creditors	% payment on due date	Cash Books	100% on due date	100% on due date	100% on due date	100% on due date
Tax advisory service on restructuring of remuneration and tax returns to GPG employees	% level of satisfaction	Customers' Survey	80%	90%	95%	95%
Debts Management Collect all old Gauteng Provincial Government debts	Debtor's age analysis (age of debt)	BAS & Debts Management System	No debts in arrears by more than 90 days	No debts in arrears by more than 90 days	No debts in arrears by more than 60 days	No debts in arrears by more than 60 days
	Recoveries as % of the debts outstanding (assume write-off of 35% of original debts)	BAS & Debts Management System	25% of the original debts	25% of the original debts	15% of the original debts	None

Measureable Objective	Performance Indicator	Data Source	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
Systems Support (BAS & PERSAL)						
To develop and maintain the system to user support	% of compliance	Heat Database	97%	99%	99%	99%
To provide training and Help-desks support	Customer satisfaction	Customers' Survey	80%	90%	95%	95%
Quality Control Quality assurance reviews based on needs analysis and requirements	Timeous delivery of reports and customer satisfaction	As per Project Plan	Report per project due date	Report per project due date	Report per project due date	Report per project due date
Business case for financial management assistance and training	Level of customer satisfaction	Customers' Survey	80%	90%	95%	95%
Implementation of accrual accounting system	Review and implementation to timelines	Project Plans	100%	Stabilised	N/A	N/A

7. MEASURABLE OUTPUTS AND PERFORMANCE INDICATORS

7.5 Technology Support Services

Outcome: Enable GPG business processes and provision of government services to citizens through ICT

Outputs Objective	Data Source	Unit of measure	Base year 2003/04 (estimate)	Year 1 2004/05 (target)	Year 2 2005/06 (target)	Year 3 2006/07 (target)
Information Security						
• DRP Plan	Information Security	% completion	40% GSSC DRP Plan approved	100% of GSSC DRP Plan implemented and 25% completion of GPG-wide DRP implementation	80% completion of a GPG-wide DRP Plan	100% completion of GPG-wide DRP Plan
• E-mail Encryption	Information Security	% completion		100% implementation of encryption of e-mail for HoDs and MECs	100% implementation of encryption of e-mail for HoDs and MECs	100% implementation of encryption of e-mail for HoDs and MECs
Operations						
• Systems uptime	Heat System SMS & MOM	Availability	90% uptime during working hours	95% uptime during working hours	97% uptime during working hours	98% uptime during working hours
• Service turnaround	Heat System	Mean time to repair (MTTR) – SLA	70% adherence to SLA Targets	80% adherence to SLA Targets	90% adherence to SLA targets	95% adherence to SLA targets
• GPG IT Platform transformation	Programme Office	% Completion	100% completion of GPG Precinct	50% completion of two nodes as per WAN design	100% completion of transformation	100% Maintenance
Architecture						
• IT Plans based on common format with MSPs	Planning and Architecture	% Completion	20%	60%	90% complete	100% complete
• Technology standards and policies			30%	50%	90%	100%
Programme Management	Programme Office	% Completion	GPG-wide project register	GPG-wide Project management method	Integrated PMO GPG-wide	Integrated PMO GPG-wide
• Programme Management Office(PMO)						
• E-government	Programme Office	% Completion	Phase 1 completion	Phase 1 pilot sign-off and roll-out plan sign-off	Roll-out and maintain as per plan	Roll-out and maintain as per plan
• ERP System	Programme Office	% Completion	Full pilot completion	Phase 1 pilot sign-off and roll-out plan sign-off	Roll-out and maintain as per plan	Roll-out and maintain as per plan
Application Management						
• Application Architecture	Application Management	% Completion	100% master listing of GPG applications	75% adoption of architecture	100% adopted and 25% Implemented GPG Application Architecture	50% Implemented GPG Application Architecture

8 PERSONNEL ESTIMATES

Table 17: GSSC: Total Human capital requirements by occupational category

Types of occupation	31 Mar 03 Actual	% of total	31 Mar 04 Estimate	31 Mar 05 Estimate	31 Mar 06 Estimate	31 Mar 07 Estimate
Managers	35	58%	60	83	83	83
Professionals	1	50%	50	13	13	13
Team Leaders	135	87%	155	327	328	331
Specialists	203	44%	459	421	422	438
Practitioners	315	50%	628	810	809	789
Other	7			48	47	48
TOTAL	**696**	**51%**	**1,352**	**1,702**	**1,702**	**1,702**

Table 18: GSSC: Total Human Requirements by programme

Programmes	31 Mar 03 Actual	% of total	31 Mar 04 Estimate	31 Mar 05 Estimate	31 Mar 06 Estimate	31 Mar 07 Estimate
Gauteng Audit Services	104	62%	168	164	164	183
Human Resources Services	191	58%	331	405	407	407
Procurement Services	79	30%	260	313	313	313
Finance Services	176	64%	277	433	428	398
Technology Support Services	76	33%	226	159	159	159
Internal Support Functions	70	78%	90	228	231	242
TOTAL	**696**	**51%**	**1,352**	**1 702**	**1,702**	**1,702**
Total Personnel Cost (R'000)	176,461		394,549	468,253	501,078	526,133
Unit Cost (R'000)	253		242	275	294	309

Table 19: GSSC EXPENDITURE ON TRAINING

R thousand	Outcome Audited 2000/01	Audited 2001/02	Audited 2002/03	Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates 2004/05	2005/06	2006/07
					2003/04				
Support Services		5,685	1,241						
Internal Audit				380	380	380	1,752	1,875	1,969
Human Resources				815	815	815	1,475	1,579	1,658
Procurement				589	589	589	4,376	4,683	1,917
Financial Services				903	903	903	1,499	1,604	1,684
TSS				2,670	2,670	2,670	879	941	988
TOTAL		**5,685**	**1,241**	**5,357**	**5,357**	**5,357**	**9,982**	**10,681**	**11,215**