

To be appropriated by Vote	R 292,043, 000
Statutory amount	R 665,000
Responsible MEC	MEC of Finance and Economic Affairs
Administrating department	Department of Finance and Economic Affairs
Accounting Officer	Deputy Director-General, Finance and Economic Affairs

1. Overview

Vision

“Sound public finances and sustainable economy for the Mpumalanga Province.”

Mission

“To ensure proper financial management and to facilitate and stimulate economic development in the Mpumalanga Province”

Strategic Objective

- * Facilitation Provincial economic growth through promotion of small medium micro enterprises (SMME).
- * Development of fair and conducive trade environment.
- * Produce a credible provincial budget and promotion of maximisation of own revenue.
- * Ensure proper and sound financial management in the province.

Values

The staff and management of the Department are guided in their work by the following values:

- * Excellence: This must be embodied in the quality and appropriateness of all our outputs
- * Opportunities: Equity for all stakeholders will be maintained.
- * Recognition: The dignity, contribution and rights of each individual must be recognised.
- * Integrity and Impartiality: This must be maintained in all our activities.
- * Learning: Improvement in the ability of its personnel to contribute to the Chief Directorate activities through training and further study is valued and supported as far as possible.

2. Review of the current financial year

Achievements

The department has identified economic opportunities, which led to the implementation of the industrial Cluster strategy, prioritized tourism, stainless steel, petro -chemicals, agro- processing and mining as key sectors for growth and development of the provincial economy. The province’s finances and financial management in particular has improved tremendously over the years through the work of the Provincial Treasury.

Organisational Environment and Challenges

The department is faced with a challenge of filling critical posts, since it takes lengthy process for recruitment. These also contribute in the shortage of staff in strategic focus areas and therefore cause a delay in reconciling the structure and the organogram.

Critical External Challenges:

There are also external challenges that are facing the department and are as follows:-

- Streamlining the IDP's from District Municipalities with Provincial Plans.
- Dealing with Tourism Safety and Security.
- Lack of commitment and cooperation from national departments on issues that fall within their competency/ mandate, for example, mining.
- Lack of co-operation from other government departments to establish synergies on matters of common interests.
- Limited entrepreneurship in the Province, which limit the capacity to take advantage of opportunities.
- Delay in finalising the Liquor legislation.

Legislative and other mandates

- The Constitution of the Republic of South Africa Act No. 108 of 1996
- Intergovernmental Fiscal Relations Act No. 97 of 1997
- Public Finance Management Act No. 1 of 1999 and Treasury Regulations
- Annual Division of Revenue Act
- Mpumalanga Economic Empowerment Corporation Act No.99, 1999
- Mpumalanga Gaming Board Act No.5 of 1995
- Mpumalanga Tourism Authority Act
- Liquor Act No. 27 of 1989
- Mpumalanga Trading Hours Act No. 5 of 1999, Mpumalanga Business Act No. 2 of 1996
- Labour Relations Act No.66 of 1995, Skills Development Act No. 97 of 1998
- Employment Equity Act No. 55 of 1998
- National Small Business Enabling Act of 1996

3. Outlook for the coming financial year

The Department will continue to develop the industrial cluster process. It is envisaged that the wood cluster will be up and running by the end of June 2004, while the capacity of the existing stainless steel incubator will be expanded. With the promulgation of the Act, Black Economic Empowerment, including the empowerment of women, will receive special focus during this coming year.

The development of SMME 's and Co-operatives, in both Urban and Rural Areas is crucial. However, without the expansion of Micro-credit to the rural areas, and incorporation the unemployment in Skills Development, the gap between the First and Second Economies of our Province will not be breached. The second Economy cannot achieve growth and development and the realization of the goals of reconstruction and development, without

sustained human, financial and technological resource transfers from the First Economy. The programmes for the financial year 2004/05 presented in this strategic Plan are the interventions identified suitable for Mpumalanga 's Second Economy. Issues currently receiving attention are to bring the format of the budget in line with performance based budgeting system and international reporting standards change the budget process so the political office bearers and top management of the departments will be involved earlier in the budget process and play a more active role in the process.

4. Receipts and financing

4.1 Summary of receipts

R Thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03	2003/04					
Equitable Share	173 426	343 669	227 559	212 920	344 415	359 717	242 185	276 421	296 050
Conditional grants	2 044	6 135	9 654	10 804	10 804	10 804			
Own Revenue				34 281	34 281	34 281	49 858	24 500	10 000
Total Revenue	175 470	349 804	237 213	258 005	389 500	404 802	292 043	300 921	306 050

4.2 Departmental receipts and collection

R Thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03	2003/04					
Collections on behalf of the Provincial Revenue Fund									
Tax receipts									
Interest, dividends and rent on land		24 401	20 000	15 500		15 500	16 206	18 100	19 186
Sales of scrap, waste, arms and other used goods									
Motor vehicle Licensing									
Transfers from:									
- Other government units									
-University and technicons									
-Households and non-profit institutions									
-Public corporations and private enterprises		13 081	13 963	14 528		14 528	15 255	16 780	17 787
Sales of capital assets									
-Land and subsoil assets									
-Other capital assets									
Sale of goods and services produced by department									
Administrative fees									
Other sales		13 832	12 901	13 092		13 092	13 083	14 279	15 136

Fines, penalties and forfeits						
Financial transactions related to policy execution						
Total provincially sourced receipts	-	51 314	46 864	43 120	-	43 120 44 544 49 159 52 109

5. Payments summary

5.1 Summary payments and estimates

R Thousand	Outcome			Main	Adjusted	Revised	Medium-term estimates		
	Audited	Audited	Audited	Appropriation	appropriation	estimate			
	2000/01	2001/02	2002/03	2003/04			2004/05	2005/06	2006/07
1. Administration	64 628	108 327	40 530	26 814	28 814	29 336	37 686	42 468	45 016
2. Economic Development	59 178	114 241	113 243	131 880	172 380	167 153	145 721	145 265	141 055
3. Provincial Treasury	14 375	90 378	24 416	48 311	46 311	32 846	55 182	56 727	60 131
4. Office of the Accountant-General	35 245	30 723	39 253	31 000	31 000	38 101	33 454	36 461	38 648
5. Provincial Grants	2 044	6 135	19 771	20 000	110 995	137 366	20 000	20 000	21 200
Total Finance and Economic Affairs	175 470	349 804	237 213	258 005	389 500	404 802	292 043	300 921	306 050

5.2 Payments and estimates by economic classification

R Thousand	Outcome			Main	Adjusted	Revised	Medium-term estimates		
	Audited	Audited	Audited	Appropriation	appropriation	estimate			
	2000/01	2001/02	2002/03	2003/04			2004/05	2005/06	2006/07
Current payments	171 736	345 197	236 612	255 242	386 737	404 072	289 126	300 128	305 210
Compensation of employees	36 758	36 180	37 995	53 080	51 080	49 030	73 276	77 056	81 106
Salaries and wages	36 758	36 180	31 937	43 570	42 089	41 676	63 935	67 202	70 759
Social contributions	-	-	6 058	9 510	8 991	7 354	9 341	9 854	10 347
Goods and services	83 840	212 866	109 581	102 589	195 584	215 217	107 350	161 999	154 277
<i>Of which:</i>									
Consultants									
Audit and Legal Fees									
Bursaries and Class Fees									
Travel and subsistence									
Other	83 840	212 866	89 810	102 589	195 584	215 217	128 659	179 131	173 274
Transfer payment and subsidies to:	51 138	96 151	89 036	99 573	140 073	139 825	108 500	61 073	69 827
Other levels of Government	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	28 700	64 490	56 235	64 500	100 500	102 210	75 000	35 500	42 720
Foreign governments & international org	-	-	-	-	-	-	-	-	-
Non-profit institutions and households	22 438	31 661	32 801	35 073	39 573	37 615	33 500	25 573	27 107
Interest and rent on land	-	-	-	-	-	-	-	-	-
Payments on capital assets	3 734	4 607	601	2 763	2 763	730	2 917	793	840
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	3 734	4 607	601	2 763	2 763	730	2 917	793	840

Cultivated assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Total payments	175 470	349 804	237 213	258 005	389 500	404 802	292 043	300 921	306 050

6. Programme description

6.1 Programme 1: Administration

The aim of the programme is to render support services in relation to human resource management, financial management, procurement and provisioning.

6.2 Summary payments and estimates

R Thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited						
	2000/01	2001/02	2002/03	2003/04			2004/05	2005/06	2006/07
Member of Executive Council	1 790	1 235	2 024	2 284	2 284	2 116	2 652	2 553	2 706
Management Services	11 958	3 637	3 014	4 724	4 724	4 829	6 862	8 198	8 690
Corporate Services	50 880	103 455	35 492	19 806	21 806	22 391	28 172	31 717	33 620
Total: Finance and Economic Affairs	64 628	108 327	40 530	26 814	28 814	29 336	37 686	42 468	45 016

6.3 Payments and estimates by economic classification

R Thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited						
	2000/01	2001/02	2002/03	2003/04			2004/05	2005/06	2006/07
Current payments	64 533	107 003	40 258	26 463	28 463	29 120	37 319	42 079	44 604
Compensation of employees	10 445	12 754	19 750	17 400	17 400	17 993	18 945	19 737	20 921
Salaries and Wages	10 445	12 754	16 783	13 887	13 887	15 294	15 938	16 565	17 590
Social Contribution			2 967	3 513	3 513	2 699	3 007	3 172	3 331
Goods and services	54 088	94 249	20 508	9 063	11 063	11 127	18 374	22 342	23 683
Transfer payment and subsidies to:	-	-	-	-	-	-	-	-	-
Other levels of Government Departmental agencies and accounts Public corporations and private enterprises Foreign governments & international org Non-profit institutions and households									
Interest and rent on land									
Payments on capital assets	95	1 324	272	351	351	216	367	389	412
Buildings and other fixed structures									
Machinery and equipment	95	1 324	272	351	351	216	367	389	412
Cultivated assets									
Software and other intangible assets									

Land and subsoil assets									
Total payments	64 628	108 327	40 530	26 814	28 814	29 336	37 686	42 468	45 016

6.4 Programme 2: Economic Development

The aim of this programme is to facilitate and stimulate economic development by creating an enabling environment for the achievement of the sustainable economic growth of the people of Mpumalanga Province.

6.5 Service delivery measures

Sub-programme	Measurable objectives	Performance Measure or Indicator	Year - 1 2002/03 ACTUAL	Base Year 2003/04 Estimates	Year 1 2004/05 Target	Year 2 2005/06 Target	Year 3 2006/07 Target
2.1 Chief Directorate: Economic Development	1.To facilitate and stimulate economic development in the province.	Implementation of economic development strategies and policies.	Economic development strategies and policies implemented	Economic development strategies and policies implemented	Economic development strategies and policies implemented	Economic development strategies and policies implemented	Economic development strategies and policies implemented.
2.2. Industry Promotion	1.To promote the development of export trade in the province to increase the number of exporters.	Increased number of exporters by 15 Exports increased by R1.4billion	80 entrepreneurs registered for exporting	Register 10 entrepreneurs for exporting R200 million	5 entrepreneurs exporting R300 million	5 entrepreneurs exporting R400 million	5 entrepreneurs exporting R500 million
	2.To promote investment in value addition industries of at least R 1.87 Billion	Value of new investment of R1.87 Billion	Investment of R484 million	Investment of R 300 million	Investment of R 400 million	Investment of R 520 million	Investment of R 650 million
	3.To develop and facilitate the establishment of 4 industrial cluster processes to develop the industrial base in the Province.	Active participation of stakeholders in various cluster processes			- Wood - Stainless Steel - Secunda	- Wood - Stainless Steel - Secunda	- Wood - Stainless Steel - Secunda
	4.To facilitate the development of small scale mining in the Province	Establishment of at least 26 small-scale mining projects in the province.	1 Project	3 Projects	5 Projects	8 Projects	10 Projects
2.3 Small Micro and Medium Enterprises (SMME)	To facilitate access to finance to develop SMMEs.	To finance 3 450 SMMEs through Mpumalanga Economic Empowerment Corporation, Micro Credit Outlets and village banks.	4 MCOs established	4 additional MCOs established, village banks capacitated and 100 entrepreneurs financed	1100 entrepreneurs and 1 village bank est.	1350 entrepreneurs and 2 village banks capacitated and financed	1400 entrepreneurs and 1 village bank established

Sub-programme	Measurable objectives	Performance Measure or Indicator	Year - 1 2002/03 ACTUAL	Base Year 2003/04 Estimates	Year 1 2004/05 Target	Year 2 2005/06 Target	Year 3 2006/07 Target
	To facilitate the establishment of Support Programmes for Women Youth Rural and Disabled entrepreneurs.	Establishment of youth owned businesses through the Mpumalanga Youth Business Initiative (MYBI).	Completed business plan for South African Women Entrepreneurs Network.	A business plan for MYBI in place Draft business plan finalised	05 Implementation of the business plan	10 Implementation of the business plan	15 Implementation of the business plan
	To promote and co-ordinate the development of a coherent and effective business development Services for emerging entrepreneurs to develop sustainable SMMEs.	Well established service providers and developed 2800 entrepreneurs	LBSCs capacitated, municipalities identified for the establishment of the One Stop SMME Delivery Station.	One MAC established and monitored, 100 entrepreneurs assisted	One MAC established and monitored, 600 entrepreneurs assisted	900 entrepreneurs assisted	1200 entrepreneurs assisted
2.4 Tourism Development	To facilitate the establishment of 30 sustainable tourism enterprises, in order to create jobs, generate income and enhance equity.	10 sustainable tourism businesses per annum.		10 projects	10 projects	10 projects	10 projects
	To promote Mpumalanga as one of the most sought after tourist destinations in South Africa by attracting an additional 200 000 visitors per annum's.	Increase in number of visitors per annum: International: 50,000 Domestic: 150,000	Intl = 575,000 Dom = 2 m	Intl = 50,000 Dom = 150,000	Intl = 50,000 Dom = 150,000	Intl = 50,000 Dom = 150,000	Intl = 50,000 Dom = 150,000
2.5 Trade and Gaming	2.To implement trade policies and legislative framework in order to facilitate a fair and regulated trade environment	Compliance with applicable legislation by all municipalities and businesses		Compliance by all businesses	Compliance by all businesses	Compliance by all businesses	Compliance by all businesses
2.6 Economic Research and Planning	To provide economic information for planning and policy development	Reliable economic indicators and information Provincial policy documents	Annually	Annually	Annually	Annually	Annually

6.6 Summary payments and estimates

	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03	2003/04					
R Thousand									
Economic Development Unit							1 001	1 000	10 000
Industry Promotion	7 368	10 062	10 312	12 660	22 660	21 131	13 437	11 745	12 450

SMME	29 895	65 803	58 622	75 664	110 664	103 524	82 502	94 690	78 506
Tourism Development	7 437	20 489	16 653	15 037	15 037	17 154	22 533	11 311	11 990
Trade Gaming	14 478	17 887	16 939	15 312	15 312	16 971	22 800	23 388	24 791
Economic & Project Planning			1 010	2 517	2 517	2 183	3 448	3 131	3 318
Rural Development Project			9 707	10 690	6 190	6 190			
Total: Finance and Economic Affairs	59 178	114 241	113 243	131 880	172 380	167 153	145 721	145 265	141 055

6.7 Payments and estimates by economic classification

Table 1.8 Summary of payments and estimates: Programme 2: Economic Development

R Thousand	Outcome			Main	Adjusted	Revised	Medium-term estimates		
	Audited	Audited	Audited	Appropriation	appropriation	estimate	2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03	2003/04					
Current payments	59 178	114 241	113 243	131 880	172 380	167 153	145 721	145 265	141 055
Compensation of employees	5 455	7 274	7 523	12 358	12 358	382 10	24 367	25 707	26 992
Salaries and Wages	5 455	7 274	6 317	10 377	10 377	525	21 439	22 618	23 749
Social Contribution			1 206	1 981	1 981	1 857	2 928	3 089	3 243
Goods and services	2 585	10 816	16 684	19 949	19 949	946 14	7 854	58 485	44 236
Transfer payment and subsidies to:	51 138	96 151	89 036	99 573	140 073	825 139	108 500	61 073	69 827
Other levels of Government									
Departmental agencies and accounts									
Public corporations and private enterprises	28 700	64 490	56 235	64 500	100 500	210	75 000	35 500	42 720
Foreign governments & international org									
Non-profit institutions and households	22 438	31 661	32 801	35 073	39 573	615	33 500	25 573	27 107
Interest and rent on land									
Payments on capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures									
Machinery and equipment									
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total payments	59 178	114 241	113 243	131 880	172 380	167 153	145 721	145 265	141 055

6.8 Transfers to public entities

Table 1.9 Transfers to Public

R Thousand	Outcome			Main	Adjusted	Revised	Medium-term estimates		
	Audited	Audited	Audited	Appropriation	appropriation	estimate	2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03	2003/04					
Mpumalanga Econ empw Co-o	28 700	64 490	56 235	105 000	140 000	99 166	75 000	35 500	42 720

Mpumalanga Gaming Board	11 500	13 350	12 500	12 500	12 500	12 050	14 500	12 500	13 250
Mpumalanga Tourism Authority	6 509	12 311	7 662	9 073	9 073	8 924	9 000	7 073	7 497
Mpumalanga Investment Initiative	4 429	6 000	6 457	18 000	28 000	16 641	10 000	6 000	6 360
Total transfers to Public Entities	51 138	96 151	82 854	144 573	189 573	136 781	108 500	61 073	69 827

6.9 Programme 3: Provincial Treasury

This program aims to provide advice and professional support to the MEC for Finance on economic and fiscal policy, co-ordinate the annual budget process, assist departments to develop and implement appropriate processes that will ensure that own revenue for the province is increased and liaise with departments on fiscal and financial matters.

6.10 Service Delivery measures

Sub-programme	Measurable objectives	Performance Measure or Indicator	Year - 1 2002/03 Actual	Base Year 2003/04 Estimates	Year 1 2004/05 Target	Year 2 2005/06 Target	Year 3 2006/07 Target
3.1. Office of the Head of Treasury	To oversee the overall performance of the provincial treasury functions.	Improved overall budget and financial management performance of the province	Improved overall budget and financial management performance of the province	Improved overall budget and financial management performance of the province	Improved overall budget and financial management performance of the province	Improved overall budget and financial management performance of the province	Improved overall budget and financial management performance of the province
Budgeting and Management	1.To oversee the overall performance of the component in order to produce credible budget and ensure effective and efficient supply chain management.	Credible budget, effective and efficient supply chain management.	Credible budget, effective and efficient supply chain management.	Credible budget, effective and efficient supply chain management.	Credible budget, effective and efficient supply chain management.	Credible budget, effective and efficient supply chain management.	Credible budget, effective and efficient supply chain management.
3.3.Budget Office	To develop the Provincial Fiscal Policy Framework to assist in the determination of provincial spending priorities.	Sustainable fiscal policy that informs the provincial priorities aligned to national policies and priorities	Sustainable fiscal policy that informs the provincial priorities aligned to national policies and priorities	Sustainable fiscal policy that informs the provincial priorities aligned to national policies and priorities	Sustainable fiscal policy that informs the provincial priorities aligned to national policies and priorities	Sustainable fiscal policy that informs the provincial priorities aligned to national policies and priorities	Sustainable fiscal policy that informs the provincial priorities aligned to national policies and priorities

Sub-programme	Measurable objectives	Performance Measure or Indicator	Year - 1 2002/03 Actual	Base Year 2003/04 Estimates	Year 1 2004/05 Target	Year 2 2005/06 Target	Year 3 2006/07 Target
	2. To effectively manage the provincial budget process in order to produce credible provincial annual and MTEF budget.	Credible provincial budget aligned to strategic national and provincial priorities	Credible provincial budget aligned to strategic national and provincial priorities	Credible provincial budget aligned to strategic national and provincial priorities	Credible provincial budget aligned to strategic national and provincial priorities	Credible provincial budget aligned to strategic national and provincial priorities	Credible provincial budget aligned to strategic national and provincial priorities
	3. To promote the interests of intergovernmental fiscal relations.	Effective participation in the intergovernmental fiscal relations.	Effective participation in the intergovernmental fiscal relations.	Effective participation in the intergovernmental fiscal relations.	Effective participation in the intergovernmental fiscal relations.	Effective participation in the intergovernmental fiscal relations.	Effective participation in the intergovernmental fiscal relations.
3.4. Financial Management	1. To train 5 650 officials in order to build financial management capacity between 2004 and 2007.	Improved capacity of departments to manage their resources.	350	550	1800	1900	1950
3.5. Revenue Management	1. To manage effectively and efficiently the Revenue fund in order to ensure that sufficient money is available for appropriated expenditures	Availability of funds for spending.	Availability of funds for spending.	Availability of funds for spending.	Availability of funds for spending.	Availability of funds for spending.	Availability of funds for spending.
	2. To assist departments to develop and implement appropriate processes that will ensure that own revenue for the province is increased by 10% annually.	Annual 10% Own Revenue increase.	Annual Own Revenue increased by 72%.	Annual 10% increase of Own Revenue collection.	Annual 10% increase of Own Revenue collection.	Annual 10% increase of Own Revenue collection.	Annual 10% increase of Own Revenue collection.
3.6. Compliance and Monitoring.	1. To monitor and assess the implementation of Treasury norms and standards in provincial departments and public entities.	Compliance with norms and standards by all departments.	Non-compliance by some departments.	Compliance by all departments.	Compliance by all departments.	Compliance by all departments.	Compliance by all departments.

Sub-programme	Measurable objectives	Performance Measure or Indicator	Year - 1 2002/03 Actual	Base Year 2003/04 Estimates	Year 1 2004/05 Target	Year 2 2005/06 Target	Year 3 2006/07 Target
3.7.Procurement Administration	1.To ensure effective and efficient procurement and administrative service which is in line with the supply chain management legislation.	Fair and competitive procurement processes.	Fair and competitive procurement processes.	Fair and competitive procurement processes.	Fair and competitive procurement processes.	Fair and competitive procurement processes.	Fair and competitive procurement processes.
8.Provincial Tender Board	1.To ensure fair, equitable and transparent adjudication of tenders in line with supply chain management systems.	Value for money and empowering procurement.	Value for money and empowering procurement.	Value for money and empowering procurement.	Value for money and empowering procurement.	Value for money and empowering procurement.	Value for money and empowering procurement.

6.11 Summary payments and estimates

Table 1.10 Summary of payments and estimates: Programme 3: Provincial Treasury

	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03	2003/04			5	6	7
R Thousand									
Office of the Head of Treasury	-	-	-	688	688	258	729	769	815
Budgeting and Management	2 178	78 584	10 070	4 976	4 976	7 165	4 598	4 877	5 170
Budget Office	1 423	7 153	8 220	7 933	5 933	4 327	8 500	9 010	9 551
Financial Management				25 000	25 000	12 952	30 000	30 000	31 800
Revenue Management	4 060	2 077	2 490	1 465	1 465	1 384	1 613	1 711	1 814
Inspectorate				2 437	2 437	2 322	2 634	2 791	2 958
Procurement Administration	6 714	2 564	3 636	4 788	4 788	3 285	6 037	6 433	6 819
Provincial Tender Board				1 024	1 024	1 153	1 071	1 136	1 204
Total: Finance and Economic Affairs	14 375	90 378	24 416	48 311	46 311	32 846	55 182	56 727	60 131

6.12 Payments and estimates by economic classification

Table 1.11 Summary of payments and estimates: Programme 3: Provincial Treasury

	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03	2003/04			5	6	7
R Thousand									
Current payments	14 375	90 378	24 416	48 311	46 311	32 846	55 182	56 727	60 131

						842			
						10			
Compensation of employees	11 885	9 556	6 077	14 264	12 264	733	19 615	20 694	21 729
Salaries and Wages	11 885	9 556	5 015	11 771	10 290	9 123	17 197	18 143	19 050
Social Contribution			1 062	2 493	1 974	1 610	2 418	2 551	2 679
						22			
Goods and services	2 490	80 822	18 339	34 047	34 047	109	35 567	36 033	38 402
Transfer payment and subsidies to:	-	-	-	-	-	-	-	-	-
Other levels of Government									
Departmental agencies and accounts									
Public corporations and private enterprises									
Foreign governments & international org									
Non-profit institutions and households									
Interest and rent on land									
Payments on capital assets	-	-	-	-	-	4	-	-	-
Buildings and other fixed structures									
Machinery and equipment						4			
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
						32			
Total payments	14 375	90 378	24 416	48 311	46 311	846	55 182	56 727	60 131

6.13 Programme 4: Office of the Accountant-General

To render a specialized financial and comprehensive management accounting to the Provincial Government.

6.14 Service delivery measures

Sub-programme	Measurable objectives	Performance Measure or Indicator	Year - 1	Base Year	Year 1	Year 2	Year 3
			2002/03	2003/04	2004/05	2005/06	2006/07
			Actual	Estimates	Target	Target	Target
4.1 Office of the Accountant-General							
4.2 Accounting Management	To develop and maintain provincial norms and standards in accordance with Generally Recognized Accounting Practice (GRAP)	Unqualified Audit reports for all the departments. Reliable and accurate reporting Implementation of GRAP as set out in the National Treasury Timelines		12/12 Unqualified Audit reports Enhanced disclosure as per GRAP Timeline	12/12 Unqualified Audit reports Enhanced disclosure as per GRAP Timeline	12/12 Unqualified Audit reports Enhanced disclosure as per GRAP Timeline	12/12 Unqualified Audit reports Enhanced disclosure as per GRAP Timeline

Sub-programme	Measurable objectives	Performance Measure or Indicator	Year - 1 2002/03 Actual	Base Year 2003/04 Estimates	Year 1 2004/05 Target	Year 2 2005/06 Target	Year 3 2006/07 Target
4.3 Financial Systems and Training	To implement and maintain efficient and effective financial Systems	Financial Systems compliant to the requirements of PFMA	Cash based financial systems Effective running systems	Accrual based financial systems Effective running systems	Accrual based financial systems Effective running systems	Accrual based financial systems Effective running systems	Accrual based financial systems Effective running systems
	To conduct training in order to build financial system capacity within the departments	Knowledgeable and productive government officials	Basic Accounting System (BAS) 363 Logistic System (L OGIS) 276 Management Information System (Vulindlela) 60	Basic Accounting System (BAS) 280 Logistic System (L OGIS) 200 Management Information System (Vulindlela) 80	Basic Accounting System (BAS) 240 Logistic System (L OGIS) 165 Management Information System (Vulindlela) 100	Basic Accounting System (BAS) 230 Logistic System (L OGIS) 140 Management Information System (Vulindlela) 100	Basic Accounting System (BAS) 200 Logistic System (L OGIS) 130 Management Information System (Vulindlela) 130
4.4 Reporting	To consolidate financial reports as required by PFMA for submission to National Treasury	Submission of reports within set deadlines	In-Year Management and Annual Financial Statements	In-Year Management and Annual Financial Statements	In-Year Management and Annual Financial Statements	In-Year Management and Annual Financial Statements	In-Year Management and Annual Financial Statements
4.5 Information Technology Bureau (ITB)	To provide, implement and maintain physical Network IT Infrastructure for accessibility to Government application systems	Accessible IT Network 24/7 Maintain 95% uptime	Availability of business and office systems 24/7	Availability of business and office systems 24/7	Availability of business and office systems 24/7	Availability of business and office systems 24/7	Availability of business and office systems 24/7
	To provide a professional and responsive IT Support services in the Province	Prompt response to users' demands and quality support Trained officials on computer applications	96 hours turnaround time 800 Users trained	84 hours turnaround time 800 Users trained	72 hours turnaround time 800 Users trained	60 hours turnaround time 800 Users trained	48 hours turnaround time 800 Users trained

6.15 Summary payments and estimates

	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03	2003/04					
R Thousand									
Accounting Management	142	97	-	1 016	1 016	335	1 104	1 170	1 240
Financial system and Training	4	-	156	912	912	888	1 057	1 121	1 188
Information Technology (ITB)	28 829	28 049	35 476	28 620	28 620	35 907	30 800	33 648	35 666
Consolidation of Reports	6 270	2 577	3 621	452	452	971	493	522	554
Total	35 245	30 723	39 253	31 000	31 000	38 101	33 454	36 461	38 648

6.16 Payments and estimates by economic classification

R Thousand	Outcome			Main	Adjusted	Revised	Medium-term estimates		
	Audited	Audited	Audited	Appropriation	appropriation	estimate	2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03	2003/04	2003/04	2003/04			
Current payments	31 606	27 440	38 924	28 588	28 588	37 591	30 904	36 057	38 220
Compensation of employees	8 973	6 596	4 645	9 058	9 058	7 922	10 349	10 918	11 464
Salaries and Wages	8 973	6 596	3 822	7 535	7 535	6 734	9 361	9 876	10 370
Social Contribution			823	1 523	1 523	1 188	988	1 042	1 094
Goods and services	22 633	20 844	34 279	19 530	19 530	669	20 555	25 139	26 756
Transfer payment and subsidies to:	-	-	-	-	-	-	-	-	-
Other levels of Government Departmental agencies and accounts Public corporations and private enterprises Foreign governments & international org Non-profit institutions and households									
Interest and rent on land									
Payments on capital assets	3 639	3 283	329	2 412	2 412	510	2 550	404	428
Buildings and other fixed structures									
Machinery and equipment	3 639	3 283	329	2 412	2 412	510	2 550	404	428
Cultivated assets Software and other intangible assets									
Land and subsoil assets									
Total payments	35 245	30 723	39 253	31 000	31 000	38 101	33 454	36 461	38 648

6.17 Programme 5: Provincial Grants

To promote efficiency through conditional grants funds in order to build financial management capacity within provincial departments.

6.18 Service delivery measures

Sub-programme	Measurable objectives	Performance Measure or Indicator	Year - 1 2002/03 Actual	Base Year 2003/04 Estimates	Year 1 2004/05 Target	Year 2 2005/06 Target	Year 3 2006/07 Target
5.1 Contingency Reserves	To finance and of unforeseen and unavoidable expenditure and reduction of provincial debt.	Spending efficiency and reduced debt	Spending efficiency and reduced debt	Spending efficiency and reduced debt	Spending efficiency and reduced debt	Spending efficiency and reduced debt	Spending efficiency and reduced debt

6.19 Summary payments and estimates

R Thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2003/04		
	2000/01	2001/02	2002/03	2004/05	2005/06	2006/07			
Contingency Reserve	2 044	6 135	19 771	20 000	110 995	137 366	20 000	20 000	21 200
Total: Finance and Economic Affairs	2 044	6 135	19 771	20 000	110 995	137 366	20 000	20 000	21 200

6.20 Payments and estimates by economic classification

R Thousand	Outcome			Main Appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2003/04		
	2000/01	2001/02	2002/03	2004/05	2005/06	2006/07			
Current payments	2 044	6 135	19 771	20 000	110 995	137 366	20 000	20 000	21 200
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and Wages									
Social Contribution									
Goods and services	2 044	6 135	19 771	20 000	110 995	137 366	20 000	20 000	21 200
Transfer payment and subsidies to:	-	-	-	-	-	-	-	-	-
Other levels of Government									
Departmental agencies and accounts									
Public corporations and private enterprises									
Foreign governments & international org									
Non-profit institutions and households									
Interest and rent on land									
Payments on capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures									
Machinery and equipment									
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total payments	2 044	6 135	19 771	20 000	110 995	137 366	20 000	20 000	21 200

7. Other programme information

Programme	At 31 March 2002		At 31 March 2003		At 31 March 2004	
Programme 1 - Administration	96	12 754	96	19 750	101	17 400
Programme 2 - Economic Affairs	53	7 274	57	7 523	57	12 358
Programme 3 - Provincial Treasury	43	9 556	43	6 077	44	12 264
Programme 4 - Office of the Accountant- General	37	6 596	38	4 645	39	9 058
Programme 5 - Provincial Grants						
Total Department	229	36 180	234	37 995	241	51 080