
To be appropriated by Vote 2008/2009	R201 062 000
Statutory amount	R773 207
Responsible MEC	MEC of Finance
Administering department	Department of Finance
Accounting Officer	Deputy Director General, Finance

1. Overview

Vision

A dynamic department that ensures equitable allocation and optimal utilization of provincial resources for accelerated service delivery and economic growth.

Mission

To allocate available resources consistent with Provincial Government strategic objectives and priorities through effective monitoring of resource utilization, prudent financial management, advice and support for enhanced service delivery.

Strategic Goals and Objectives

Our mandate is to ensure that public funds are well managed and that the key priorities are funded from the limited resources. The citizens of this province expect that the fiscal policy of government will allocate the necessary resources to improve their living standards. The alleviation of poverty is one of our primary strategic objectives, which compel all our provincial departments to exercise prudent financial management.

The department aims to become more effective as an organisation and to all provincial departments to achieve operational objectives outlined at low operating costs. The departments will also create learning and growth opportunities through developing skills, maintaining high staff satisfaction.

The public finance Management Act, 1999 has brought reforms in the management of public funds. Our responsibility is to ensure that the spirit of the Act is fully implemented by all provincial departments.

As a department, we are working tirelessly to ensure that the department objectives and annual priorities respond to the needs of our stakeholders. We therefore have to ensure that all departmental strategic plans and budget are aligned to achieve the provincial objectives.

Legislative and Other Mandates

The operations, conducts and strategic service delivery of the department are guided and controlled in various ways by the following prescripts:

The Constitution of the Republic of South Africa, 1996 (Act 108 of 1996)
 The Public Finance Management Act, 1999 (Act No. 1 of 1999) and Treasury Regulations
 Division of Revenue Act No.5 of 2004
 Labour Relations Act, 1995 (Act No. 66 of 1995);
 The Skills Development Act, 1998 (Act No. 97 of 1998)
 Public Service Act No. of 1998 and Public Service Regulations of 1999
 Employment Equity Act No.55 of 1998
 The Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000);
 The Promotion of Access to Information Act, 2000 (Act No. 2 of 2000)
 The Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000);
 Prevention and Combating of Corrupt Activities Act (Act No.8 of 1998)

2. Review Of The Current Financial Year (2007/2008)

The Department is continuing to provide support, advice and monitor all Provincial Departments to comply with the PFMA. As a result, there is great improvement in terms of financial management. This has seen all Departments submitting their annual financial statements in time, to the Auditor General, including the smooth BAS closure at the end of the financial year.

The Department was able to develop the Preferential Procurement Policy, which is in final consultation stages with all government clusters departments and municipalities. The Preferential Procurement Policy is meant to ensure that the previously disadvantaged are empowered, and that money is retained within the province.

A study and analysis of the provincial spending has been finalised by the department. The study was meant to analyse procurement decisions in departments in terms of who benefits, geographic spread, and compliance with the Preferential Procurement Policy.

The Department has transformed the tender offices into tender advisory centres, and continued to empower the youth, women and people with disabilities on how to compile “winning bids” as well as access to non-financial support. A complaint register has also been implemented at all tender offices and complaints from clients, are addressed.

In our quest to ensure a well trained and capacitated cadre of Supply Chain Management (SCM) Practitioners, the Department has, since the beginning of the financial year, trained 256 municipal officials and 165 officials in provincial departments and committee members on Supply Chain Management (SCM) processes, as well as the development of specifications dealing with evaluation as well as the adjudication of bids.

The Department has completed the Master Systems Plan (MSP) that will enable the Province to best manage information and the deployment of Information Technology (IT) infrastructure in a manner that supports the realization of the objectives and goals of the Province.

Due to our interventions, 18 of the 21-delegated municipalities were able to approve and adopt their annual budgets for the 2007/08 financial year within the specified time frame. The remaining three (2) submitted outside the stipulated time frame.

3. Outlook For The Coming Financial Year (2008/2009)

General

The Department is strategically placed to play a meaningful role of monitoring and evaluation, overseeing and providing financial and advisory support to provincial departments. The department continues to assist and support provincial departments to increase their revenue collection and the identification of other revenue sources. This includes improvement of systems of revenue collection.

The Department will focus mainly in providing adequate support to municipalities in the coming 2008/09 financial year. More so because the National Treasury (Minister) have delegated the MEC for Finance twenty one (21) municipalities in the province. The 2008/09 fiscal year will see more resources (human & financial) being deployed towards supporting these 21-delegated Municipalities.

Sustainable Resource Management

This programme will continue to strive towards striking a balance between competing provincial policy priorities with limited financial resources at its disposal and unlimited needs of the community. All key role-players in the information supply chain of fiscal relations management will be consulted to ensure an inclusive and transparent resource allocation process in the province. Concerned by the inability of

provincial Departments to finish (spend) capital budgets in 2006/07, the Department responded by re-engineering the sustainable resource management programme (intergovernmental fiscal relations).

The re-engineered programme is poised to become a centre of excellence in the area of fiscal relations management. Accounting Officers and Executing Authorities of state organs will be issued with early warning/ red flag reports to enable them to take timely corrective measures as well as monitoring expenditure by provincial departments.

Assets And Liabilities Management

The restructuring of the programme in line with the approved departmental organizational structure is a direct response to the need to support provincial departments and municipalities. The coming financial year 2008 / 09 will bring very challenging demands on this programme, which will see the full implementation of the Municipal Financial Management Act in municipalities. The implementation of the MFMA is clearly going to put pressure on the programme resources, more so because National Treasury has not fund the rollout process of the Act.

The programme will rely on other provincial treasury programmes in the support of provincial departments and municipalities. The major focus for the following financial year will be to ensure adequate and proper asset management, with more emphasis on compliance to minimum norms and standards. This area has been raised by the Auditor General as a matter of emphasis or qualification and has to be improved and correct areas of weakness.

Financial Governance

The Financial Governance Branch will continue to provide technical support to provincial departments with qualified and “emphasis of matter” audit reports (received from the Auditor-General in respect of their Annual Financial Statements (AFS) in order to action plans to turn their situations around.

Risk Management and Internal Audit issues will feature very prominently on the agenda of the Financial Governance Programme. Departments will be required to report regularly on risk management and internal audit matters in the 2008/09 financial year.

4. Receipts and financing

4.1 Summary of receipts

Table 3.1: Summary of receipts: Finance

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08	2007/08	2007/08	2008/09	2009/10	2010/11
Equitable share	191 526	106 029	131 861	137 693	137 693	137 693	201 062	235 098	257 047
Conditional grants									
Departmental receipts				7 359	7 359	6 534			
Total receipts	191 526	106 029	131 861	145 052	145 052	144 227	201 062	235 098	257 047

2.1 Departmental receipts collection

Table 3.2: Departmental receipts: Finance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2007/08	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07				2008/09	2009/10	2010/11
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	1 592	1 737	1 202	2 000	2 000	1 891	2 000	2 000	2 000
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	70 412	63 341	62 375	26 244	30 244	45 990	38 489	40 138	41 695
Sales of capital assets		12				2			
Financial transactions in assets and liabilities			317			91			
	72 004	65 090	63 894	26 244	32 244	47 974	40 489	42 138	43 695

Table 3.3: Summary of receipts: Finance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2007/08	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07				2008/09	2009/10	2010/11
Treasury funding									
Equitable share	191 526	106 029	131 861	145 052	145 052	144 227	201 062	235 098	257 047
Conditional grants									
Own Revenue				7 359	7 359	6 534			
Total Treasury funding	191 526	106 029	131 861	145 052	145 052	144 227	201 062	235 098	257 047
Departmental receipts									
Tax receipts									
Tender documents	1 592	1 737	1 202	2 000	2 000	1 893	2 000	2 000	2 000
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	1 592	1 737	1 202	2 000	2 000	1 893	2 000	2 000	2 000
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	70 412	63 341	62 375	26 244	30 244	45 990	38 489	40 138	41 695
Sales of capital assets		12							
Financial transactions in assets and liabilities			317			91			
Total departmental receipts	72 004	65 078	63 577	26 244	32 244	47 974	40 489	42 138	43 695
Total receipts	263 530	171 107	195 438	173 296	177 296	192 201	241 551	277 236	300 742

5. Payment Summary

5.1 Key assumption

- Maintenance of conducive climate for improved service delivery.
- Effective support on economic and fiscal policy, financial regulation and management.
- Implemented risk management and fraud prevention, compliance with PFMA, MFMA and other relevant prescripts.

1. Programme Description

Programme 1: Administration

The programme is responsible for the political, financial and administrative management of the Department.

Table 3.7: Summary of payments and estimates: Programme 1 Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07				2008/09	2009/10	2010/11
1: Member of Executive Council	3 007	2 095	3 308	3 564	3 814	3 814	5 000	6 699	6 960
2: Management Services	17 205	13 302	19 414	28 954	27 250	27 232	35 290	43 842	49 469
3: Financial Management (CFO)	15 943	18 192	19 651	19 974	20 625	20 625	25 088	30 181	33 529
4: Internal Audit	1 889	908	1 912	2 235	2 184	2 184	2 495	3 572	3 951
Total payments and estimates:	38 044	34 497	44 285	54 727	53 873	53 855	67 873	84 294	93 909

Table 3.8: Summary of provincial payments and estimates by economic classification: Programme 1 Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07				2008/09	2009/10	2010/11
Current payments	34 447	26 372	43 455	53 586	52 505	52 505	63 873	82 294	92 909
Compensation of employees	19 113	17 069	23 413	32 649	29 539	29 149	38 882	44 321	49 793
Goods and services	15 334	11 303	20 042	20 939	22 966	23 356	26 991	37 973	43 116
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to:	2	49	16		90	90			
Provinces and municipalities	2	49	14		30	30			
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises			2						
Foreign governments and international organisations									
Non-profit institutions									
Households					60	60			
Payments for capital assets	3 595	6 076	814	1 139	1 278	1 260	2 000	2 000	1 000
Buildings and other fixed structures	2 103	1 446							
Machinery and equipment		4 630	814						
Transport equipment		2 630		739	739	739			
Other machinery and equipment	1 492	2 000		400	539	521	2 000	2 000	1 000
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification:	38 044	34 497	44 285	54 727	53 873	53 855	67 873	84 294	93 909

6.2 Programme summary

Table 3.9: Summary of payments and estimates: Programme 2 Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08	2007/08		2008/09	2009/10	2010/11
1: Programme Support	86 841	9 350	11 320	4 887	7 285	5 097	5 500	6 060	6 391
2: Municipal Fiscal Discipline							1 726	3 088	3 500
3: Provincial Administration fiscal Discipline	1 613	2 042	2 098	2 619	3 704	2 402	3 247	3 858	4 390
4: Budget and Expenditure Management	2 185	2 466	3 206	2 932	5 679	4 000	8 056	8 756	9 333
5: Municipal Finance	8 500	4 190	7 870	10 763	3 467	6 012	5 093	5 913	6 476
6: Infrastructure Co-Ordination							3 796	4 579	4 901
Total payments and estimates:	99 139	18 048	24 494	21 201	20 135	17 511	27 418	32 254	34 991

6.3 Summary of economic classification

Table 3.5: Summary of provincial payments and estimates by economic classification: Finance

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08	2007/08		2008/09	2009/10	2010/11
Current payments	184 244	99 838	128 817	143 477	142 303	141 873	197 030	231 948	255 547
Compensation of employees	44 307	38 349	56 005	72 315	68 757	67 444	89 150	98 074	107 624
Goods and services	139 937	61 489	72 812	71 162	73 546	74 429	107 880	133 874	147 923
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to:	25	115	458		113	113			
Provinces and municipalities	25	115	458		30	30			
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises			2						
Foreign governments and international organisations									
Non-profit institutions					83	83			
Households									
Payments for capital assets	7 257	6 076	2 584	1 575	2 636	2 241	4 032	3 150	1 500
Buildings and other fixed structures	3 703	1 446							
Transport equipment		2 630		739	739	739			
Machinery and equipment									
Other machinery and equipment	3 554	2 000	2 271	836	1 897	1 502	4 032	3 150	1 500
Cultivated assets									
Software and other intangible assets			313						
Land and subsoil assets									
Total economic classification: Finance	191 526	106 029	131 861	145 052	145 052	144 227	201 062	235 098	257 047

6.4 Transfers

Table 3.6: Summary of departmental transfers to local government by category

R thousand				Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08	2007/08		2008/09	2009/10	2010/11
Category A									
Category B									
Category C	25	115	458	-	-	-	-	-	-
Total departmental transfers to local government	25	115	458	-	-	-	-	-	-

6.5 Programme 2: Sustainable Resource Management

To provide professional advice and support on Provincial and Local Government's Fiscal Policy issues, Infrastructure Co-ordination, Budget and Expenditure management as well as on Municipal Finance Management issues to the Executive Council, provincial departments, Public entities as well as delegated municipalities.

Table 3.9: Summary of payments and estimates: Programme 2 Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
1: Programme Support	86 841	9 350	11 320	4 887	7 285	5 097	5 500	6 060	6 391
2: Municipal Fiscal Discipline	4 598	1 515	2 027				1 726	3 088	3 500
3: Provincial Administration fiscal Discipline	1 613	2 042	2 098	2 619	3 704	2 402	3 247	3 858	4 390
4: Budget and Expenditure Management	2 185	2 466	3 206	2 932	5 679	4 000	8 056	8 756	9 333
5: Municipal Finance	8 500	4 190	7 870	10 763	3 467	6 012	5 093	5 913	6 476
6: Infrastructure Co-Ordination							3 796	4 579	4 901
Total payments and estimates:	103 737	19 563	26 521	21 201	20 135	17 511	27 418	32 254	34 991

Table 3.10: Summary of provincial payments and estimates by economic classification: Programme 2 Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Current payments	95 916	18 026	24 068	21 201	20 115	17 511	27 418	32 254	34 991
Compensation of employees	16 040	6 659	10 142	12 025	10 701	10 703	15 440	16 901	18 306
Goods and services	79 876	11 367	13 946	9 176	9 414	6 808	11 978	15 353	16 685
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to:	23	22	7						
Provinces and municipalities	23	22	7						
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households									
Payments for capital assets	3 200	399			20				
Buildings and other fixed structures	1 600								
Machinery and equipment									
Other machinery and equipment	1 600		399		20				
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification:	99 139	18 048	24 494	21 201	20 135	17 511	27 418	32 254	34 991

6.5.2 Service delivery measure

Strategic Objectives	Measurable Objective	Performance measure	Year 1 2007/ 08 Target	Year 2 2008/09 Target
Provide strategic leadership within sustainable resource management programme	Coordinate capacity building through training workshops on budget and financial management.	Number of training workshops conducted annually	1	1
To ensure that provincial departments and municipalities own revenue is optimised and expanded.	Promote better decision making within provincial departments on revenue management through revenue forums	Number of revenue forums conducted annually	12	12
		Number of potential own revenue sources identified	2	2
To ensure equitable allocation of provincial resources that finances the Province's key deliverables.	To improve coordination of provincial budget process by issuing of Annual Budget Process schedule, reports and circulars	Number of Budget Circulars issued annually	3	3
		Number of Provincial Budget Process Schedules issued annually.	1	1
		Number of Reports issued to departmental accounting officers for compliance with the Annual Budget Circulars.	2	2
To provide policies advice, ensure efficient budget implementation and enhance service delivery	Monitor the implementation of the provincial budgets for sound budget management	Number of monthly expenditure reports (IYM) analysed	156	156
		Number of quarterly performance reports analysed	4	4
		Timeliness of submitting consolidated expenditure reports to programme support	22nd of each Month	22nd of each Month
Advise municipalities on the implementation of the MFMA	Monitor the implementation of the municipal budgets to improve transparency	Timeliness of publication of Quarterly municipal financial reports	15 th of October 2007	15 th of October 2007
Advise municipalities on the implementation of the MFMA	Monitor the implementation of the municipal budgets to improve transparency	Number of monthly Budget Statements analysed from delegated municipalities	204 budget statements	204 budget statements

6.6 Programme 3: Assets and Liability Management

The programme is responsible for providing policy direction, facilitating the effective and efficient management of physical and financial assets, Public Private Partnerships (PPP), liabilities management and Supply Chain management to all provincial departments and municipalities.

Table 3.11: Summary of payments and estimates: Programme 3 Assets and Liabilities Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2007/08	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07				2008/09	2009/10	2010/11
1: Programme Support		559	926	1 325	1 325	1 178	1 947	2 202	2 563
2: Provincial Supply Chain Management	2 309	5 254	10 287	11 347	9 667	9 351	12 453	13 636	14 852
3: Financial Assets							2 307	2 852	3 952
4: Public Sector Liabilities				1 198	1 198	570	4 230	4 815	5 198
5: Physical Assets							5 077	5 565	6 074
Total payments and estimates:	2 309	5 813	11 213	13 870	12 190	11 099	26 014	29 070	32 639

Table 3.12: Summary of provincial payments and estimates by economic classification: Programme 3 Assets and Liabilities Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2007/08	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07				2008/09	2009/10	2010/11
Current payments	2 309	5 805	10 321	13 870	12 108	11 018	25 874	29 070	32 639
Compensation of employees	1 222	2 612	7 272	8 806	7 273	6 687	12 897	13 646	15 064
Goods and services	1 087	3 193	3 249	5 064	4 835	4 331	12 977	15 424	17 575
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to:	8	11							
Provinces and municipalities	8	11							
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households									
Payments for capital assets			681		82	81	140		
Buildings and other fixed structures									
Machinery and equipment									
Other machinery and equipment			681		82	81	140		
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification:	2 309	5 813	11 213	13 870	12 190	11 099	26 014	29 070	32 639

6.6.2 Service Delivery Measure

Measurable Objective	Performance Measure	2007/08 Target	2008/09 Target
To monitor and manage cash in the province in order to meet departments financial obligations.	100% cash availability timeously	100% cash availability	100% cash availability
	Maximum returns on investments from surplus funds	Maximum return on investments	Maximum return on investments
	Minimized mis-management of petty cash	100% compliance by all departments	100% compliance by all departments
Conduct 2 research studies per annum to identify possible PPP projects	Number of research projects	2 research studies	2 research studies
Build capacity on the implementation of PPP projects	Number of officials capacitated	30 Officials capacitated	40 Officials capacitated
To provide support to 12 departments and 21 municipalities on the management and disposal of assets	Number of asset registers complying with minimum norms and standards (to include condition, performance, life cycle)	12 departments with asset registers	12 departments and 21 municipalities having credible asset registers
To support the	Monthly reporting by	7 days after the end of	7 days after the end of

implementation of supply chain management processes in all departments and municipalities to improve procurement of goods and services	departments and municipalities on contracts awarded above R30 000.	every month	every month
	Number of tender bulletins printed and distributed to the public	48 000 tender bulletins printed and distributed to the public	50 000 tender bulletins printed and distributed to the public
To monitor the management of liabilities in the province to improve management of debt	Timeliness of analysing quarterly liability status reports submitted by departments	15 days after end of quarter	15 days after end of quarter

6.7 Programme 4: Financial Governance

This Programme serves to facilitate, monitor, support and provide professional advice to ensure financial and non-financial compliance and to enable enhanced service delivery in the Province. It furthermore promotes accountability through substantive reflection of financial and non-financial activities.

Table 3.13: Summary of payments and estimates: Programme 4 Financial Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
1: Programme Support	2 385	1 236	3 934	2 783	1 140	1 280	3 061	3 897	4 291
2: Accounting Services	3 669	1 619	2 903	4 258	1 769	2 926	4 784	5 752	6 266
3: Norms and Standards	4 120	2 644	4 643	5 859	3 240	5 756	7 723	8 844	9 834
4: Risk Management		20	350	799	1 115	1 550	1 816	2 565	3 061
5: Provincial Internal Audit				1 424	827	289	1 941	2 822	3 494
6: Interlinked Financial Systems							5 747	6 799	7 309
7: Information Technology	41 860	42 152	40 039	40 131	50 763	49 961	54 685	58 801	61 253
Total payments and estimates:	52 034	47 671	51 669	55 254	58 854	61 762	79 757	89 480	95 506

Table 3.14: Summary of provincial payments and estimates by economic classification: Programme 4 Financial Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Current payments	51 572	47 635	50 793	54 818	57 575	60 839	77 865	86 330	95 006
Compensation of employees	7 932	12 009	15 178	18 835	21 244	20 905	21 931	23 206	24 461
Goods and services	43 640	35 626	35 575	35 983	36 331	39 934	55 934	65 124	70 547
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to:	36	426		23	23				
Provinces and municipalities	36	426							
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households				23	23				
Payments for capital assets	462	690		436	1 256	900	1 892	1 150	500
Buildings and other fixed structures									
Machinery and equipment									
Other machinery and equipment	462		377	436	1 256	900	1 892	1 150	500
Cultivated assets									
Software and other intangible assets			313						
Land and subsoil assets									
Total economic classification:	52 034	47 671	51 669	55 254	58 854	61 762	79 757	89 480	95 506

6.7.2 Service Delivery Measure

Measurable Objective	Performance Measure	Year 1 2007/ 08 Target	Year 2 2008/09 Target
Monthly submission of reports according to prescribed departmental format to support governance	Number of reports submitted	12 performance reports to be submitted	12 performance reports to be submitted
To provide training on GRAP, GAMAP and other legislations	Dates by which training on financial statements will be provided	28 February for the departments and Public Entities	28 February for the departments and Public Entities
		31 May for Municipalities	31 May for Municipalities
	Number of officials trained on accounting standard	80 in departments 50 in municipalities	90 in departments 55 in municipalities
Tabled consolidated annual financial statements for the departments and Public Entities to Legislature	Date of tabling of the consolidated annual financial statements	31 October	31 October
Decreased non-compliance with norms and standards by 12 Departments and 20 Municipalities	Number of norms and standards focus areas identified to monitor departments, municipalities and entities in line with the PFMA and MFMA.	4 focus areas per year	4 focus areas per year
Effective and efficient risk management framework and tools in departments and municipalities developed and maintained.	Date by which the assessment methodology document would be completed.	Not applicable	30 June
Appropriate internal audit plans in place in departments and municipalities	Number of operational plans received for assessment from departments	Not applicable	12 operational plans received
	Number of operational plans received for assessment from municipalities	Not applicable	12 operational plans received
Availability of IT Network to End-users to improve operational efficiency	Percentage of Network uptime	Greater than 80% as per the network monitor	Greater than 80% as per the network monitor
24/7 accessibility of IT Network	Number of scheduled maintenance work	4	4
There is compliance with systems rules and regulations and proper segregation of duties.	Percentage of users departments adhering to systems rules and regulations.	Increase adherence to systems rules and regulations from 85% to 90%	Maintain adherence to systems rules and regulations at 90%

6.8 Other Departmental Information

6.8.2 Personnel numbers and cost

Table 3.15: Personnel numbers and costs¹: Finance

Personnel numbers	As at 31 March 2005	As at 31 March 2006	As at 31 March 2007	As at 31 March 2008	As at 31 March 2009	As at 31 March 2010	As at 31 March 2011
Finance	141	127	161	328	367	389	413
Total provincial personnel numbers							
Total provincial personnel cost (R thousand)							
Unit cost (R thousand)							

Table 3.16: Summary of departmental personnel numbers and costs

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07		2007/08		2008/09	2009/10	2010/11
Total for department									
Personnel numbers (head count)	141	127	161	328	308	308	367	389	413
Personnel cost (R thousands)	44 307	38 349	56 005	72 315	68 757	67 444	89 150	98 074	107 624
Human resources component									
Personnel numbers (head count)				20	20	20	20	20	20
Personnel cost (R thousands)				3 599	3 599	3 599	3 850	4 061	4 264
Head count as % of total for province									
Personnel cost as % of total for province									
Finance component									
Personnel numbers (head count)	101	79	85	89	89	89	103	105	109
Personnel cost (R thousands)	22 780	13 849	18 266	20 190	17 850	18 595	24 987	27 335	30 006
Head count as % of total for province									
Personnel cost as % of total for province									
Full time workers									
Personnel numbers (head count)	103	121	154	297	277	266	359	382	405
Personnel cost (R thousands)	25 174	28 108	41 038	69 348	65 861	64 627	85 960	92 702	100 942
Head count as % of total for province									
Personnel cost as % of total for province									
Part-time workers									
Personnel numbers (head count)			2	1	1	1	2	1	
Personnel cost (R thousands)			488	502	502	502	979	418	
Head count as % of total for province									
Personnel cost as % of total for province									
Contract workers									
Personnel numbers (head count)									
Personnel cost (R thousands)									
Head count as % of total for province									
Personnel cost as % of total for province									

6.8.3 Training

Table 3.17: Payments on training: Finance

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Number of staff	163	208	216	331	311	311	367	389	413
Number of personnel trained	32	28	20	122	122	122	130	138	144
of which									
Male	8	10	10	15	15	15	18	22	25
Female	24	18	10	20	20	20	22	26	30
Number of training opportunities	9	12	119	116	116	116	118	118	118
of which									
Tertiary		5	16	16	16	16	16	16	16
Workshops	3	2	103	100	100	100	102	106	110
Seminars									
ABET	4	5	8	8	8	8	5	4	3
Number of bursaries offered	3	6	16	16	16	16	20	20	20
Number of interns appointed	15	15	15	15	15	15	20	20	20
Number of learnerships appointed			15	15	15	15	20	20	20
Number of days spent on training									
Total payment on training	261	309	548	774	754	754	836	879	919

Table 3.18: Information on training: Finance

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Number of staff	135	150	336	329	309	309	359	370	376
Number of personnel trained	32	28	20	122	122	122	130	138	144
of which									
Male	8	10	10	15	15	15	18	22	25
Female	24	18	10	20	20	20	22	26	30
Number of training opportunities	9	12	119	116	116	116	118	118	118
of which									
Tertiary	0	5	16	16	16	16	16	16	16
Workshops	3	2	103	100	100	100	102	106	110
Seminars									
ABET	4	5	8	8	8	8	5	4	3
Number of bursaries offered	3	6	16	16	16	16	20	20	20
Number of interns appointed	15	15	15	15	15	15	20	20	20
Number of learnerships appointed	0	0	15	15	15	15	20	20	20
Number of days spent on training									

6.8.4 Reconciliation of structural changes

Table 3.19: Reconciliation of structural changes: Finance

Programmes for 2007/08			Programmes for 2008/09		
	2007/08 Equivalent				
	Programme	Subprogramme			
	1. Administration	Member of Executive Council		1. Administration	Member of Executive Council
		Management Services			Management Services
		Financial Management			Financial Management
		Internal Audit			Internal Audit
	2. Sustainable Resources Management	Programme Support		2. Sustainable Resources Management	Programme Support
		Fiscal Policy			Municipal Fiscal Discipline
		Budget Management			Provincial Administration fiscal Discipline
		Public Finance			Budget and Expenditure Management
					Municipal Finance
	3. Assets and Liabilities	Programme Support		3. Assets and Liabilities	Programme Support
		Assets Management			Provincia Supply Chain Management
		Liabilities Management			Financial Assets
		Support and Interlinked			Public Sector Liabilities
					Physical Assets
	4 Financial Governance	Programme Support		4 Financial Governance	Programme Support
		Accounting Services			Accounting Services
		Norms and Standards			Norms and Standards
		Risk Management			Risk Management
		Provincial Internal Audit			Provincial Internal Audit
		Support and Interlinked			Interlinked Financial Systems
					Information Technology

ANNEXURE TO BUDGET STATEMENT 2

Table B.1: Specification of receipts: Finance

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07		2006/07		2007/08	2008/09	2009/10
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	1 592	1 737	1 202	2 000	2 000	1 893	2 000	2 000	2 000
Sale of goods and services produced by department (excluding capital assets)	1 592	1 737	1 202	2 000	2 000	1 893	2 000	2 000	2 000
Sales by market establishments									
Administrative fees									
Other sales	1 592	1 737	1 202	2 000	2 000	1 893	2 000	2 000	2 000
Of which									
Sales of Tender Documents	1 592	1 737	1 202	2 000	2 000	1 893	2 000	2 000	2 000
Debt Contact & Departmental Commission									
Other									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
Transfers received from:									
Other governmental units									
Universities and technikons									
Foreign governments									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions									
Fines, penalties and forfeits									
Interest, dividends and rent on land	70 412	63 341	62 375	26 244	30 244	45 990	38 489	40 138	41 695
Interest	70 412	63 341	62 375	26 244	30 244	45 990	38 489	40 138	41 695
Dividends									
Rent on land									
Sales of capital assets		12				2			
Land and subsoil assets		12							
Other capital assets						2			
Financial transactions in assets and liabilities			317			91			
Total departmental receipts	72 004	63 090	63 894	26 244	32 244	47 976	40 489	42 138	43 695

Table B.2: Payments and estimates by economic classification: Programme 1 Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2007/08	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07				2008/09	2009/10	2010/11
Current payments	34 447	28 372	44 433	53 588	52 686	52 296	63 873	82 294	92 909
Compensation of employees	19 113	17 069	23 413	32 649	29 539	29 149	38 882	44 321	49 793
Salaries and wages	15 098	13 484	19 947	25 161	23 590	23 200	28 434	31 318	34 661
Social contributions	4 015	2 585	3 466	7 488	5 949	5 949	10 448	13 003	15 132
Goods and services	15 334	11 303	21 040	20 939	23 147	23 147	26 991	37 973	43 116
of which									
Audit and Legal Fees	3 000	2 550	2 678	2 250	2 901	2 901	2 410	3 320	2 824
Travel and Subsistence	4 877	2 844	3 832	3 905	4 114	4 114	3 634	7 079	7 508
Other	6 902	4 959	12 534	12 784	14 132	14 132	17 968	22 064	26 717
Bursaries and Class Fees	555	950	1 996	2 000	2 000	2 000	2 958	5 486	6 067
Interest and rent on land									
Interest									
Rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to¹:	2	49	16		90	90			
Provinces and municipalities	2	49	14		30	30			
Provinces ²					30	30			
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities ³	2	49	14		30	30			
Municipalities									
of which: Regional service council levies	2	49	16						
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers ⁴									
Universities and technikons									
Transfers and subsidies to¹: - continued									
Public corporations and private enterprises ⁵			2						
Public corporations									
Subsidies on production									
Other transfers			2						
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions									
Households					60	60			
Social benefits									
Other transfers to households									
Payments for capital assets	3 393	6 076	814	1 139	1 278	1 260	2 000	2 000	1 000
Buildings and other fixed structures	2 103	1 446							
Buildings	2 103	1 446							
Other fixed structures									
Machinery and equipment	1 492	4 630	814	1 139	1 278	1 260	2 000	2 000	1 000
Transport equipment		2 630		739	739	739			
Other machinery and equipment	1 492	2 000	814	400	539	521	2 000	2 000	1 000
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification:	38 044	34 497	45 283	54 727	54 054	53 646	67 873	84 294	93 909

Table B.3: Payments and estimates by economic classification: Programme 2 Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2007/08	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07				2008/09	2009/10	2010/11
Current payments	99 916	18 026	24 066	21 201	20 115	17 511	27 418	32 254	34 991
Compensation of employees	16 040	6 659	10 142	12 025	10 701	10 703	15 440	16 901	18 306
Salaries and wages	12 672	5 260	9 144	9 098	9 063	8 920	10 832	11 594	12 332
Social contributions	3 368	1 399	998	2 927	1 638	1 783	4 608	5 307	5 974
Goods and services	79 876	11 367	13 946	9 176	9 414	6 808	11 978	15 353	16 685
of which									
Consultants	12 141	2 394	2 540	2 625	2 625	2 914	3 000	3 200	3 519
Audit and Legal Fees	2 040	1 021	1 083	800	800	800			
Travel and Subsistence	3 007	3 474	3 554	3 356	2 056	2 276	4 538	5 928	5 812
Other	62 688	4 478	6 769	2 395	3 933	818	4 440	6 225	7 354
Interest and rent on land									
Interest									
Rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to¹:	23	22	7						
Provinces and municipalities	23	22	7						
Provinces ²									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities ³									
Municipalities	23	22	7						
of which: Regional service council levies	23	22	7						
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers ⁴									
Universities and technicians									
Transfers and subsidies to¹: - continued									
Public corporations and private enterprises ⁵									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions									
Households									
Social benefits									
Other transfers to households									
Payments for capital assets	3 200	399	20						
Buildings and other fixed structures	1 600								
Buildings	1 600								
Other fixed structures									
Machinery and equipment	1 600	399	20						
Transport equipment									
Other machinery and equipment	1 600	399	20						
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification: Programme 2 Sustainable Resource Management	99 139	18 048	24 494	21 201	20 135	17 511	27 418	32 254	34 991

Table B.4: Payments and estimates by economic classification: Programme 3 Asset and Liabilities Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2007/08	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07				2008/09	2009/10	2010/11
Current payments	2 309	5 805	10 521	13 870	12 108	11 018	25 874	29 070	32 639
Compensation of employees	1 222	2 612	7 272	8 806	7 273	6 687	12 897	13 646	15 064
Salaries and wages	965	2 064	6 644	7 044	5 590	5 266	8 292	8 656	9 316
Social contributions	257	548	628	1 762	1 683	1 421	4 605	4 990	5 748
Goods and services	1 087	3 193	3 249	5 064	4 835	4 331	12 977	15 424	17 575
of which									
Consultants		2 000	2 000	3 000	2 000	2 000	5 000	6 000	7 000
Bursaries and Class Fees									
Travel and Subsistence	666	590	700	1 148	1 622	1 041	4 251	5 229	6 096
Other	421	603	549	916	1 213	1 290	3 726	4 195	4 479
Interest and rent on land									
Interest									
Rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to¹:	8	11							
Provinces and municipalities	8	11							
Provinces ²									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities ³									
Municipalities									
of which: Regional service council levies	8	11							
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers ⁴									
Universities and technikons									
Transfers and subsidies to¹: - continued									
Public corporations and private enterprises ⁵									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions									
Households									
Social benefits									
Other transfers to households									
Payments for capital assets	681	82	81	140					
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	681	82	81	140					
Transport equipment									
Other machinery and equipment	681	82	81	140					
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification:	2 309	5 813	11 213	13 870	12 190	11 099	26 014	29 070	32 639

Table B.5: Payments and estimates by economic classification: Programme 4 Financial Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2007/08	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07				2008/09	2009/10	2010/11
Current payments	51 572	47 635	50 793	54 818	57 579	60 839	77 865	88 330	95 006
Compensation of employees	7 932	12 009	15 178	18 835	21 244	20 905	21 931	23 206	24 461
Salaries and wages	6 267	9 487	13 143	14 551	17 538	16 606	15 150	15 904	16 568
Social contributions	1 665	2 522	2 035	4 284	3 706	4 299	6 781	7 302	7 893
Goods and services	43 640	35 626	35 575	35 983	36 331	39 934	55 934	65 124	70 547
of which									
Consultants									
Audit and Legal Fees									
Travel and Subsistence	5 945	4 805	6 209	5 608	4 505	7 217	9 995	10 760	9 575
Other	37 695	30 821	29 366	30 375	31 826	32 717	45 939	54 364	60 972
Interest and rent on land									
Interest									
Rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to¹:	36	426			23	23			
Provinces and municipalities	36	426			23	23			
Provinces ²									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities ³									
Municipalities									
of which: Regional service council levies	36	426			23	23			
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers ⁴									
Universities and technikons									
Transfers and subsidies to¹: - continued									
Public corporations and private enterprises ⁵									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions									
Households									
Social benefits									
Other transfers to households									
Payments for capital assets	462	690		436	1 256	900	1 892	1 150	500
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	462		377	436	1 256	900	1 892	1 150	500
Transport equipment									
Other machinery and equipment	462		377	436	1 256	900	1 892	1 150	500
Cultivated assets									
Software and other intangible assets			313						
Land and subsoil assets									
Total economic classification: Programme 4 Financial Governance	52 034	47 671	51 869	55 254	58 854	61 762	79 757	89 480	95 508

Table B.6: Transfers to local government by transfer / grant type, category and municipality: Finance

Table B.6: Transfers to local government by transfer/grant type, category and municipality - Finance									
R thousand	Outcome			Main appropriation	Adjusted appropriation 2007/08	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07				2008/09	2009/10	2010/11
Type of transfer to Local Government									
Category A									
Municipality 1 (name)									
Municipality 2 (name)									
Municipality n (name)									
Category B									
Municipality 1 (name)									
Municipality 2 (name)									
Municipality n (name)									
Category C									
	25	115	458	-	-	-	-	-	-
Municipality 1 Ehlanzeni	16	86	456	-	-	-	-	-	-
Municipality 2 Enkangala	6	19	1	-	-	-	-	-	-
Municipality 3 Gert Sibande	3	10	1	-	-	-	-	-	-
Unallocated									
Type of transfer/grant n (name)									
Category A									
Municipality 1 (name)									
Municipality 2 (name)									
Municipality n (name)									
Category B									
Municipality 1 (name)									
Municipality 2 (name)									
Municipality n (name)									
Category C									
Municipality 1									
Municipality 2									
Municipality 3									
Unallocated									
Total departmental transfers/grants									
Category A									
Municipality 1 (name)									
Municipality 2 (name)									
Municipality n (name)									
Category B									
Municipality 1 (name)									
Municipality 2 (name)									
Municipality n (name)									
Category C									
Municipality 1 (name)									
Municipality 2 (name)									
Municipality n (name)									
Unallocated									