

Department of Finance

Vote 03

To be appropriated by Vote in 2009/2010	R 236 397 000
Statutory amount	R 1 451 973
Responsible MEC	MEC of Finance
Administrating department	Department of Finance
Accounting Officer	Deputy Director General of Finance

1. Overview

1.1 Vision

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

1.2 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.

1.3 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.

1.4 Legislative and Other Mandates

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)
Municipal Finance Management Act (Act No.56 of 2003)
Finance Act No.35 of 2000

2. Review of the current financial year (2008/09)

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 office 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 (2009/2010)

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 2009/10 financial year. More so because the National Treasury (Minister) have delegated the MEC for Finance twenty one (21) municipalities in the province.

The 2009/10 fiscal year will see more resources (human & financial) being deployed towards supporting these 21-delegated Municipalities.

On 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 formation of supply chain and 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 fully spend all their capital budgets in 2007/08, 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.

On 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 2009 / 10 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.

On 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 2009/10 financial year.

4. Receipts and financing

Table 3.1: Summary of receipts: Finance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2008/09	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Equitable share	106 029	131 861	138 870	201 062	439 845	277 058	236 397	257 997	273 141
Conditional grants									
Departmental receipts									
Total receipts	106 029	131 861	138 870	201 062	439 845	277 058	236 397	257 997	273 141

Table 3.2: Summary of receipts: Finance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2008/09	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Treasury funding									
Equitable share	106 029	131 861	139 774	201 062	439 845	277 058	236 397	257 997	273 141
Conditional grants									
Departmental receipts									
Total Treasury funding	106 029	131 861	139 774	201 062	439 845	277 058	236 397	257 997	273 141
own receipts									
Tax receipts									
Sales of goods and services other than	1 737	1 202	2 162	2 000	1 891	2 000	2 000	2 000	2 000
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	63 341	62 375	141 220	30 244	40 138	38 489	59 638	70 393	110 629
Sales of capital assets	12								
Financial transactions in assets and liabilities		317	92						
Total departmental receipts	65 090	63 894	143 474	32 244	42 029	40 489	61 638	72 393	112 629
Total receipts: Finance	171 119	195 755	283 248	233 306	481 874	317 547	298 035	330 390	385 770

5. Payment Summary

5.1 Key Assumptions

- 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.

5.2 Programme summary

Table 3.3: Summary of payments and estimates: Finance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2008/09	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Administration	34 497	44 285	52 924	67 873	72 428	76 588	85 411	93 152	98 341
Sustainable Resource Management	18 048	24 494	18 663	27 418	249 758	99 163	34 293	37 652	40 486
Assets & Liability Management	5 813	11 213	11 434	26 014	21 459	21 043	29 512	32 110	34 081
Finanacial Governance	47 671	51 869	55 849	79 757	96 200	80 264	87 181	95 083	100 233
Total payments and estimates: Fin	106 029	131 861	138 870	201 062	439 845	277 058	236 397	257 997	273 141

5.3 Summary of economic classification

Table 3.4: Summary of provincial payments and estimates by economic classification: Finance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2008/09	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Current payments	99 838	128 817	136 354	197 030	387 813	273 026	232 397	252 227	265 241
Compensation of employees	38 349	56 005	63 190	89 171	82 187	85 654	112 815	118 923	125 512
Goods and services	61 489	72 812	73 164	107 859	305 626	187 372	119 582	133 304	139 729
Interest and rent on land									
Financial transactions in assets and liabilities									
Unauthorised Expenditure									
Transfers and subsidies to:	115	460	83		48 000				
Provinces and municipalities	115	458	60		48 000				
Legislature agencies and accounts									
Universities and technikons									
Public corporations and private enterprises		2							
Foreign governments and international organisations									
Non-profit institutions			23						
Households									
Payments for capital assets	6 076	2 584	2 433	4 032	4 032	4 032	4 000	5 770	7 900
Buildings and other fixed structures	1 446								
Machinery and equipment	4 630	2 271	2 404	4 032	4 032	4 032	4 000	5 770	7 900
Cultivated assets									
Software and other intangible assets		313	29						
Land and subsoil assets									
Total economic classification: Financ	106 029	131 861	138 870	201 062	439 845	277 058	236 397	257 997	273 141

5.4 Transfers

5.4.1 Transfers to local government

Table 3.5: Summary of departmental Transfer to local government by category

R thousand	Outcome			Main appropriation	Adjusted appropriation 2008/09	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Category A									
Category B									
Category C	115	458							
Total transfers	115	458							

6. Programme description

6.1 Programme 1 – Administration

6.1.1 Description and objectives

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

Table 3.6: Summary of payments and estimates: Programme 1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2008/09	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Office of the MEC	2 095	3 308	2 930	5 000	5 250	6 475	5 426	6 072	6 618
Management Services	13 302	19 414	26 120	35 290	39 595	38 889	53 021	57 792	60 681
Financial Management	18 192	19 651	21 797	25 088	25 088	28 894	23 545	25 664	26 947
Internal Audit	908	1 912	2 077	2 495	2 495	2 330	3 419	3 624	4 095
Total payments and estimates: 	34 497	44 285	52 924	67 873	72 428	76 588	85 411	93 152	98 341

Table 3.7: Summary of provincial payments and estimates by economic classification: Programme 1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2008/09	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Current payments	28 372	43 455	51 802	65 873	70 428	74 588	83 411	88 719	93 841
Compensation of employees	17 069	23 413	28 147	38 903	39 854	39 786	52 805	55 306	58 308
Goods and services	11 303	20 042	23 655	26 970	30 574	34 802	30 606	33 413	35 533
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to:	49	16	60						
Provinces and municipalities	49	14							
Departmentale agencies and accounts			60						
Univ ersities and technikons									
Public corporations and private enterprises		2							
Foreign governments and international organisations									
Non-profit institutions									
Households									
Payments for capital assets	6 076	814	1 062	2 000	2 000	2 000	2 000	4 433	4 500
Buildings and other fixed structures	1 446								
Machinery and equipment	4 630	814	1 062	2 000	2 000	2 000	2 000	4 433	4 500
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification: Program	34 497	44 285	52 924	67 873	72 428	76 588	85 411	93 152	98 341

6.1.2 Service delivery measure

Programme 1: Administration	Estimated Annual Targets		
	2009/2010	2010/2011	2011/2012
1.1 Office of the HOD			
Number of reports to monitor progress on implementation plan	4 quarterly	4 quarterly	4 quarterly
1.2 Chief Operations Officer			
Number of reports to monitor administrative processes	12	12	12
1.3 Economic Analysis			
Number of research reports completed	4	4	4
1.4 Corporate Services			
Number of positions filled	All vacant posts filled	All vacant posts filled	All vacant posts filled
Number of training programs conducted	30	30	30
Number of internal bursaries awarded	5	10	10
Number of labour cases resolved	100%	100%	100%
1.5 Gender Focal Point			
Number of training workshops and awareness campaigns conducted	4	4	4
1.6 Communication			
Number of Press conferences/ briefing sessions held	2	2	2
Number of media publicity campaigns organised	8	8	8
Number of radio talk-shows organised	12	12	12
1.7 Legal Services			
Number of cases instituted and defended	100%	100%	100%

6.2 Programme 2: Sustainable Resource Management

6.2.1 Description and objectives

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 3.8: Summary of payments and estimates: Programme 2: Sustainable Resource Management

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
R thousand									
Programme Support	9 350	11 320	7 495	5 500	229 568	80 930	4 186	4 500	4 976
Municipal Fiscal Discipline			503	1 726	1 726	1 761	5 154	5 692	6 204
Provincial Administration Fiscal Discipline	2 042	2 098	1 582	3 247	3 247	2 663	4 955	5 925	6 458
Budget and Expenditure Management	2 466	3 206	5 133	8 056	7 228	6 890	10 284	11 220	11 781
Municipal finance	4 190	7 870	2 794	5 093	5 093	4 388	5 766	6 020	6 561
Infrastructure Co-Ordination			1 156	3 796	2 896	2 531	3 948	4 295	4 506
Total	18 048	24 494	18 663	27 418	249 758	99 163	34 293	37 652	40 486

Table 3.9: 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		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
Current payments	18 026	24 088	18 663	27 418	201 758	99 163	34 293	37 652	40 486
Compensation of employees	6 659	10 142	10 021	15 440	13 712	14 989	21 118	22 208	23 428
Goods and services	11 367	13 946	8 642	11 978	188 046	84 174	13 175	15 444	17 058
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to:	22	7			48 000				
Provinces and municipalities	22	7							
Legislature agencies and accounts					48 000				
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households									
Payments for capital assets		399							
Buildings and other fixed structures									
Machinery and equipment		399							
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification: Program	18 048	24 494	18 663	27 418	249 758	99 163	34 293	37 652	40 486

6.2.2 Service delivery measure

Programme / Subprogramme / Performance Measures	Estimated Annual Targets		
	2009/2010	2010/2011	2011/2012
Programme 2: Sustainable Resource Management			
2.1 Programme Support			
Number of training workshops conducted annually	1	1	1
MTEC Hearings	14	14	14
2.2 Fiscal Policy			
Number of training workshops conducted annually	12	12	12
Number of revenue forums conducted annually	12	12	12
Number of cash offices visited annually in all districts	84	84	84
Number of revenue tariffs reviewed.	13	13	13
Number of monthly revenue reports analysed	156	156	156
Number of potential own revenue sources identified	1	1	1
2.3 Budget Management			
Budget Circular issued	1	1	1
14 Departments strategic plans and Annual Performance Plans reviewed.	14	14	14
6 Public Entities plans analysed	6	6	6
168 Monthly expenditure and performance reports analysed	168	168	168
Coordinate 12 In Year monitoring meetings annually	12	12	12
2009/10 Budget statement Preparation and Consolidation. Annual budget statement	1	1	1
Analysis of Linkages on 21 municipalities IDP's to provincial departments' strategic plans	21	21	21
2.4 Municipal Finance			
Number of quarterly Expenditure Analysis Reports	80	80	80
Number of consolidated monthly budget reports compiled	12	12	12
Number of quarterly reports compiled and published on municipal budget performance	4	4	4
Number of municipalities complying with the MFMA	20	20	20
Number of municipal draft budgets analysed and feedback provided to municipalities	20	20	20
Number of municipalities adhered to Municipal Finance Internship Guidelines	20	20	20
Number of MOU meetings held with the Department of Local Government	20	20	20
Number of municipalities that implemented IDIP principles	3	5	8
2.5 Municipal Fiscal Discipline			
Number of workshops conducted	2	2	2
Number of revenue forums annually	4	4	4
Number of debtors reports compiled	4	4	4
Number of reports reviewed per district	40	40	40
Number of gazette published	4	4	4
Consolidated statement on national and provincial allocations	1	1	1
2.6 INFRASTRUCTURE CO-ORDINATION			
Number of infrastructure reporting model (IRM) reports reviewed.	84	84	84
Number of infrastructure projects reviewed and assessed	80	80	80
Number of infrastructure plans	7	7	7
Coordinate 4 quarterly joint review sessions on infrastructure delivery by all sectors	4	4	4
Coordinate 12 monthly reviews on infrastructure delivery by all sectors	12	12	12

6.3 Programme 3 – Assets and Liabilities Management

6.3.1 Description and objectives

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 3.10: Summary of payments and estimates: Programme 3: Assets and Liabilities

R thousand	Outcome			Main appropriation	Adjusted appropriation 2008/09	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Programme Support	559	926	1 039	1 947	1 947	1 801	2 095	2 500	2 625
Provincial Supply Chain Management	5 254	10 287	7 756	12 453	11 153	12 311	13 607	14 332	15 048
Financial Assets			549	2 307	1 557	1 086	4 269	4 439	5 094
Public Sector Liabilities			356	4 230	2 616	1 493	4 410	5 166	5 209
Physical Assets			1 734	5 077	4 186	4 352	5 131	5 673	6 105
Total payments and estimates: Programme 3	5 813	11 213	11 434	26 014	21 459	21 043	29 512	32 110	34 081

Table 3.11: Summary of provincial payments and estimates by economic classification: Programme 3: Assets and Liabilities Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2008/09	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Current payments	5 805	10 521	11 353	25 874	21 319	20 903	29 512	31 773	33 681
Compensation of employees	2 612	7 272	5 767	12 897	9 441	10 208	15 238	16 137	17 026
Goods and services	3 193	3 249	5 586	12 977	11 878	10 695	14 274	15 636	16 655
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to:	8	11							
Provinces and municipalities	8	11							
Legislature 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	81	140	140	140	-	337	400
Buildings and other fixed structures									
Machinery and equipment		681	81	140	140	140		337	400
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification: Prog	5 813	11 213	11 434	26 014	21 459	21 043	29 512	32 110	34 081

6.3.2 Service delivery measure

Programme / Subprogramme / Performance Measures	Estimated Annual Targets		
	2009/2010	2010/2011	2011/2012
Programme 3: Asset and Liabilities Management			
3.1 Programme Support			
Number of reports submitted	12	12	12
Increased level of proficiency in MMS and SMS	40%	40%	40%
3.2 Asset Management			
3.2.1 Financial Asset Management			
Timeous availability of cash	100%	100%	100%
Effective banking services for all departments	100% compliance	100% compliance	100% compliance
3.2.2 Physical Asset Management			
Number of departments, public entities and municipalities monitored and supported	14 Depart, 20 Munic, 6 entity	14 Depart, 20 Munic, 6 entity	14 Depart, 20 Munic, 6 entity
One-on-one meetings held with departments, public entities and municipalities	156 Depart, 20 Munic, 612entity	156 Depart, 20 Munic, 12 entity	156 Depart, 20 Munic, 12 entity
Quarterly asset management forum meetings held with 13 departments	4	4	4
Number of votes, public entities and delegated municipalities that have implemented the Provincial Asset Management Framework	14 Depart, 6 entity	14 Depart, 20 Munic, 6 entity	14 Depart, 20 Munic, 6 entity
Number of officials trained on asset management	65 Depart , 60 Munic , 12 entity officials	65 Depart , 60 Munic , 12 entity officials	65 Depart , 60 Munic , 12 entity officials
3.3 Provincial Supply Chain Management			
Number of tender bulletins issued to subscribers	50000	52000	54000
Number of tender documents issued bidders	10000	11000	12000
Number of departments and municipalities complying with SCM procedures	14 Department & 20 municipality	14 Department & 20 municipality	14 Department & 20 municipality
Number of SCM Practitioners and Bid Committee Members trained on SCM within departments and Municipalities	400	200	200
Number of SCM and asset management practitioners from departments, public entities and municipalities trained by the University of Pretoria	25	25	25
Number of bid advisory services centres and road shows on SCM	6 Roadshows, 4 bid Advisory	6 Roadshows, 4 bid Advisory	6 Roadshows, 4 bid Advisory
Number of departments and municipalities complying with the PPPFA	13 Departments and 20 Municipalities	13 Departments and 20 Municipalities	13 Departments and 20 Municipalities
3.4 Public Sector Liabilities			
Number of liability status reports submitted by departments	52 reports	52 reports	52 reports
Number of officials trained	26 officials	26 officials	60 officials

6.4 PROGRAMME 4 – Financial Governance

6.4.1 Description and objectives

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 3.12: Summary of payments and estimates: Programme 4: Financial Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
Programme Support	1 236	3 934	749	3 061	1 820	1 721	2 903	3 491	3 805
Accounting Services	1 619	2 903	2 182	4 784	14 537	2 609	4 348	7 475	8 147
Norms and Standard	2 644	4 643	5 334	7 723	6 513	4 880	7 049	9 085	9 902
Risk Management	20	350	923	1 816	1 816	1 282	1 916	2 166	2 564
Provincial Treasury			493	1 941	1 941	1 155	2 218	2 417	2 537
Interlinked Financial System			4 250	5 747	6 076	5 783	7 961	8 677	9 457
Information Technology	42 152	40 039	41 918	54 685	63 497	62 834	60 786	61 772	63 821
Total payments and estimates:	47 671	51 869	55 849	79 757	96 200	80 264	87 181	95 083	100 233

Table 3.13: 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		
	2005/06	2006/07	2007/08				2008/09	2009/10	2010/11
Current payments	47 635	50 753	54 536	77 865	94 308	78 372	85 181	94 083	97 233
Compensation of employees	12 009	15 178	19 255	21 931	19 180	20 671	23 654	25 272	26 750
Goods and services	35 626	35 575	35 281	55 934	75 128	57 701	61 527	68 811	70 483
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to:	36	426	23						
Provinces and municipalities	36	426							
Legislature agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households			23						
Payments for capital assets		690	1 290	1 892	1 892	1 892	2 000	1 000	3 000
Buildings and other fixed structures									
Machinery and equipment		377	1 261	1 892	1 892	1 892	2 000	1 000	3 000
Cultivated assets									
Software and other intangible assets		313	29						
Land and subsoil assets									
Total economic classification: Proç	47 671	51 869	55 849	79 757	96 200	80 264	87 181	95 083	100 233

6.4.2 Service delivery Measure

Programme 4: Financial Governance	Estimated Annual Targets		
	2009/2010	2010/2011	2011/2012
4.1 Programme Support			
Number of monthly reports submitted on time and in line with format	12	12	12
Number of quarterly reports submitted on time and in line with format	4	4	4
Number of frameworks developed and implemented for co-ordination of plans	(2) for Monthly & Quarterly	(2) for Monthly & Quarterly	(2) for Monthly & Quarterly
Number of treasury policies and procedures compiled, implemented and reviewed	2	2	2
% of officials with a signed-off training and development programme and implementation there	100% Officials	100% officials	100% officials
4.2 Accounting Services			
Number of officials trained on accounting standards, other legislation and AFS	140 Department, 60 in municipal, 12 in entities	140 Department, 60 in municipal, 12 in entities	140 Department, 60 in municipal, 12 in entities
Number of municipalities implemented GRAP/GAMAP standards	5 high capacity	20 municipalities	20 municipalities
Number of departments, municipalities and public entities comply with disclosure requirement and submission	14 Department, 20 municipal, 6 entities	14 Department, 20 municipal, 6 entities	14 Department, 20 municipal, 6 entities
Date of tabling of the consolidated annual financial statement	31-Oct-09	31-Oct-10	31-Oct-11
Number of guidelines compiled and issued for implementation	1 Guidelines	Review	Review
4.3 Norms and Standards			
Number of high risk focus areas identified	8	8	8
Number of departments, municipalities and public entities monitored in line with high risk areas identified and monitored	14 Department, 20 municipal, 6 entities	14 Department, 20 municipal, 6 entities	14 Department, 20 municipal, 6 entities
Number of infrastructure in departments, municipalities and entities monitored	7 Department, 20 municipal, 6 entities	7 Department, 20 municipal, 6 entities	7 Department, 20 municipal, 6 entities
Date by which to complete and implement the strategy document	30-Nov-09	30-Nov-10	30-Nov-11
4.4 Risk Management			
Number of Standardised Risk management frameworks developed, implemented and maintained	1 Develop & Implemented	Implemented & Review	Implemented & Review
Number of municipalities and departments trained on the risk management framework	10 Department, 7 municipal	14 Department, 10 municipal	14 Department, 20 municipal
Number of risk management awareness workshops conducted at departments, entities and municipalities	4 Department, 6 municipal, 2 entities	6 Department, 8 municipal, 3 entities	7 Department, 9 municipal, 4 entities
Number of municipalities and departments assisted with risk assessments	2 Department, 4 municipal, 1 entities	3 Department, 5 municipal, 2 entities	4 Department, 6 municipal, 3 entities
4.5 Provincial Internal Audit			
Number of departments', municipalities' and entities' internal audit plans assessed	14 Department, 20 municipal, 2 entities	14 Department, 20 municipal, 3 entities	14 Department, 20 municipal, 5 entities
Number of assessment reports for feedback to departments, municipalities and entities on internal audit plans	14 for Department, 20 for municipal, 2 for entities	14 for Department, 20 for municipal, 2 for entities	14 for Department, 20 for municipal, 2 for entities
Number of Audit Committees evaluated in departments, municipalities and Entities	7 for Department, 10 for municipal, 2 for entities	7 for Department, 10 for municipal, 4 for entities	7 for Department, 10 for municipal, 4 for entities
Number of workshops and presentations conducted	2 workshop, 3 presentation	2 workshop, 3 presentation	2 workshop, 3 presentation
4.6 Supporting and Interlinked - Information Technology			
% of Network uptime	Greater than 80% as per the network monitor	Greater than 80% as per the network monitor	Greater than 80% as per the network monitor
Response time to End-user queries	12 hours response time	12 hours response time	12 hours response time
Number of individual End-user trained on software	450	470	500
Number of Security Awareness presentations on proper rules of behaviour for the use of IT systems and policies, procedures that need to be followed	4	4	4
Number of internet Kiosks installed	10 internet Kiosks maintained and 3 Kiosks installed	13 internet Kiosks maintained and 3 Kiosks installed	16 internet Kiosks maintained and 3 Kiosks installed

6.5 Other departmental information

6.5.1 Personnel

Table 3.14: Personnel numbers and costs¹: Finance

Personnel numbers	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	As at 31 March 2012
Administration	69	70	186	185	59	59	204
Sustainable Resource Management	15	21	32	34	18	18	40
Assets and Liabilities Management	12	28	34	36	36	36	36
Financial Governance	27	38	67	76	76	76	76
Total provincial personnel numbers	123	157	319	331	189	189	356
Total personnel cost (R thousand)	29 985	38 160	40 183	53 101	79 872	84 788	94 773
Unit cost (R thousand)	244	243	126	160	423	449	266

1. Full-time equivalent

Table 2.15: Summary of Finance personnel numbers and costs

	Outcome			Main appropriation	Adjusted appropriation 2008/09	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Total for province									
Personnel numbers (head count)	123	157	323	331	360	371	405	425	425
Personnel cost (R thousands)	38 349	56 005	63 190	89 171	89 171	85 654	112 817	119 436	126 006
Human resources component									
Personnel numbers (head count)			20	20	20	20	20	20	20
Personnel cost (R thousands)			3 599	3 850	3 850	3 850	4 061	4 264	4 264
Head count as % of total for province			6.19%	6.04%	5.56%	5.39%	4.94%	4.71%	4.71%
Personnel cost as % of total for province			5.70%	4.32%	4.32%		3.60%	3.57%	3.38%
Finance component									
Personnel numbers (head count)	74	85	89	108	108	136	197	197	197
Personnel cost (R thousands)	13 849	18 266	20 190	27 263	24 205	30 295	55 561	57 982	60 504
Head count as % of total for province	60.16%	54.14%	27.55%	32.63%	30.00%		48.64%	46.35%	46.35%
Personnel cost as % of total for province	36.11%	32.61%	31.95%	30.57%	27.14%		49.25%	48.55%	48.02%
Full time workers									
Personnel numbers (head count)	121	154	297	354	354	358	398	418	418
Personnel cost (R thousands)	28 108	41 028	69 348	85 078	85 078	84 078	110 383	116 878	123 148
Head count as % of total for province	98.37%	98.09%	91.95%	106.95%	98.33%		98.27%	98.35%	98.35%
Personnel cost as % of total for province	73.30%	73.26%	109.75%	95.41%	95.41%		97.84%	97.86%	97.73%
Part-time workers									
Personnel numbers (head count)		2	1	2	2	2	1		
Personnel cost (R thousands)		488	502	979	979				
Head count as % of total for province						979	4018		
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									

6.5.2 Training

Table 3.16: Information on training: Finance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2008/09	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Number of staff									
Number of personnel trained	208	208	311	367	367	367	433	433	433
<i>of which</i>									
Male	10	10	10	18	18	18	22	22	22
Female	18	10	20	22	22	22	118	118	118
Number of training opportunities	12	119	116	118	118	118	118	118	118
<i>of which</i>									
Tertiary	5	16	16	16	16	16	16	16	16
Workshops	2	103	100	102	102	102	106	106	106
Seminars									
Other	5	8	8	5	5	5	4	4	4
Number of bursaries offered	6	16	16	20	20	20	20	20	20
Number of interns appointed	6	16	16	20	20	20	20	20	20
Number of learnerships appointed		15	15	20	20	20	20	20	20
Number of days spent on training									

6.5.3 Reconciliation of structural changes

Table 3.18: Reconciliation of structural changes: Finance

	Programmes for 2008/09		Programmes for 2009/10	
	2007/08 Equivalent			
	Prog	Sub-prog	Prog	Sub-prog
Programme 1: Administration	1	Office of the MEC Management Services Corporate Services Financial Management Internal Audit	Programme 1: Administration	1 Office of the MEC Management Services Financial Management Internal Audit
Programme 2: Sustainable Resource Mana	2	Programme Support Economic Analysis Fiscal Policy Budget Management Public Finance	Programme 2: Sustainable Resource Managem	2 Programme Support Municipa Fiscal Discipline Pvovincial Administration Fiscal Budget and Expenditure Manag Municipal Finance Infrastructure Co-Ordination
Programme 3: Assets and liability Mngt	3	Programme Support Asset Management Support and Interlinked Fin System	Programme 3: Assets and liability Mngt	3 Programme Support Provincial Supply Chain Manag Financial Assets Public Sector liabilities Physical Assets
Programme 4: financial Governance	4	Programme Support Accounting Services Norms and Standards Risk Management Provincial Internal Audit	Programme 4: financial Governance	4 Programme Support Accounting Services Norms and Standards Risk Management Provincial Internal Audit Interlinked Fin Systems

ANNEXURE B TO BUDGET STATEMENT 2

Table B.1: Specification 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
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	1 737	1 203	2 162	2 000	1 891	2 000	2 000	2 000	2 000
Sale of goods and services produced by department (excluding capital assets)	1 737	1 203	2 162	2 000	1 891	2 000	2 000	2 000	2 000
Sales by market establishments									
Administrative fees									
Other sales	1 737	1 203	2 162	2 000	1 891	2 000	2 000	2 000	2 000
Of which									
Sales of tender documents	1 737	1 203	2 162	2 000	1 891	2 000	2 000	2 000	2 000
Other (Specify)									
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	63 341	62 375	141 220	30 244	40 138	38 489	53 702	62 241	100 841
Interest	63 341	62 375	141 220	30 244	40 138	38 489	53 702	62 241	100 841
Dividends									
Rent on land									
Sales of capital assets	12	317	92			2			
Land and subsoil assets	12								
Other capital assets		317	92			2			
Financial transactions in assets and liabilities									
Total departmental receipts	65 090	63 895	143 474	32 244	42 029	40 491	55 702	64 241	102 841

B.2: Payments and estimates by economic classification

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2008/09	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Current payments	28 372	43 455	51 802	65 873	70 428	74 588	83 411	88 719	93 841
Compensation of employees	17 069	23 413	28 147	38 882	39 854	39 786	52 805	55 306	58 308
Salaries and wages	13 484	19 947	20 659	28 434	28 455	28 940	35 842	37 365	38 280
Social contributions	3 585	3 466	7 488	10 448	11 399	10 846	16 963	17 941	20 028
Goods and services	11 303	20 042	23 655	26 991	30 574	34 802	30 606	33 413	35 533
<i>of which</i>									
Audit fees	2 550	2 678	2 022	2 146	2 146	3 000	1 281	2 759	2 451
Travel and Subsistence	2 844	3 832	1 232	1 430	1 430	1 770	1 836	610	2 009
Bursaries	950	1 996	791	800	800	800	1 520	2 524	3 000
Other	4 959	11 536	19 610	22 615	26 198	29 232	25 969	27 520	28 073
Interest and rent on land									
Interest									
Rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to¹:	49	14							
Provinces and municipalities	49	14							
Provinces ²	49	14							
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities ³									
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	2	60							
Public corporations and private enterprises ⁵	2	60							
Public corporations	2	60							
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	6 076	814	1 062	2 000	2 000	2 000	3 000	4 433	4 500
Buildings and other fixed structures	1 446								
Buildings	1 446								
Other fixed structures									
Machinery and equipment	4 630	814	1 062	2 000	2 000	2 000	3 000	4 433	4 500
Transport equipment	2 630								
Other machinery and equipment	2 000	814	1 062	2 000	2 000	2 000	3 000	4 433	4 500
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification: Programme (number and name)	34 497	44 283	52 864	67 873	72 428	76 588	86 411	93 152	98 341

Table B.3: Payments and estimates by economic classification: Programme2 Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2008/09	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Current payments	18 026	24 088	18 663	27 418	201 758	99 163	34 293	37 652	40 486
Compensation of employees	6 659	10 142	10 021	15 440	13 712	14 989	21 118	22 208	23 428
Salaries and wages	5 260	9 144	6 934	10 832	9 504	10 481	14 383	14 868	15 592
Social contributions	1 399	998	3 087	4 608	4 208	4 508	6 735	7 340	7 836
Goods and services	11 367	13 946	8 642	11 978	188 046	84 174	13 175	15 444	17 058
<i>of which</i>									
Consultant	2 394	2 540	4 012	2 607	2 607	1 807	712	1 315	1 342
Audit fees	1 021	1 083	755	796	796	796	789	830	874
Travel and Subsistence	3 474	3 554	125	259	259	259	319	283	295
Other	4 478	6 769	3 750	8 316	184 384	81 312	11 355	13 016	14 547
Interest and rent on land									
Interest									
Rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to¹:	22	7			48 000				
Provinces and municipalities	22	7			48 000				
Provinces ²									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities ³	22	7			48 000				
Municipalities									
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	399								
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	399								
Transport equipment									
Other machinery and equipment	399								
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification: Programme (number and name)	18 048	24 494	18 663	27 418	249 758	99 163	34 293	37 652	40 486

Table B.4: Payments and estimates by economic classification: Programme3: Assets and Liabilities Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2008/09	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Current payments	5 805	10 521	11 352	25 874	21 319	20 903	29 512	31 773	33 681
Compensation of employees	2 612	7 272	5 767	12 897	9 441	10 208	15 238	16 137	17 026
Salaries and wages	2 612	7 272	5 767	12 897	9 441	10 208	15 238	16 137	17 026
Social contributions									
Goods and services	3 193	3 249	5 585	12 977	11 878	10 695	14 274	15 636	16 655
of which									
Consultant									
Audit fees									
Travel and Subsistence									
Other	3 193	3 249	5 585	12 977	11 878	10 695	14 274	15 636	16 655
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	8	11							
Municipalities									
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	81		140	140	140	337	400	
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	681	81		140	140	140	337	400	
Transport equipment									
Other machinery and equipment	681	81		140	140	140	337	400	
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification: Programme (number and name)	5 813	11 213	11 433	26 014	21 459	21 043	29 512	32 110	34 081
<i>Of which: Capitalised compensation⁶</i>									

Table B.5: Payments and estimates by economic classification: Programme4: Finance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2008/09	Revised estimate	Medium-term estimates		
	2005/06	2006/07	2007/08				2009/10	2010/11	2011/12
Current payments	47 635	50 753	54 536	77 865	94 308	78 372	85 181	94 083	97 233
Compensation of employees	12 009	15 178	19 255	21 931	19 180	20 671	23 654	25 272	26 750
Salaries and wages	9 487	13 143	14 787	15 150	12 899	14 610	14 838	15 884	16 366
Social contributions	2 522	2 035	4 468	6 781	6 281	6 061	8 816	9 388	10 384
Goods and services	35 626	35 575	35 281	55 934	75 128	57 701	61 527	68 811	70 483
<i>of which</i>									
Consultant									
Audit fees									
Travel and Subsistence	4 805	6 209	6 570	1 834	1 834	1 834	1 931	2 039	1 784
Other	30 821	29 366	28 711	54 100	73 294	55 867	59 596	66 772	68 699
Interest and rent on land									
Interest									
Rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to¹:	36	426							
Provinces and municipalities	36	426							
Provinces ²									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities ³	36	426							
Municipalities									
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			23						
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			23						
Social benefits									
Other transfers to households			23						
Payments for capital assets	690	1 290		1 892	1 892	1 892	2 000	1 000	3 000
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	377	1 261		1 892	1 892	1 892	2 000	1 000	3 000
Transport equipment									
Other machinery and equipment	377	1 261		1 892	1 892	1 892	2 000	1 000	3 000
Cultivated assets									
Software and other intangible assets	313	29							
Land and subsoil assets									
Total economic classification: Programme (number and name)	47 671	51 869	55 826	79 757	96 200	80 264	87 181	95 083	100 233