

VOTE 11

DEPARTMENT OF FINANCE

To be appropriated	R1 496 433 000
Responsible MEC	MEC for Finance
Administering Department	Department of Finance
Accounting Officer	Head of Department

1. OVERVIEW

Vision

To be an activist, developmental and interventionist department; providing strategic and operational support to the Province, towards the achievement of inclusive growth.

Mission

To be a strategic, pro-active and value-adding partner that promotes and enhances effective service delivery by:

- Ensuring allocation of resources and operational efficiencies;
- Instilling fiscal discipline and sound corporate governance;
- Mobilizing alternative funding sources and resourcing solutions;
- Ensuring innovation and leading-edge technologies and processes; and
- Professionalizing the public service by investing in human capital.

Overview of the main services

- The Gauteng Department of Finance (GDF) aims to deliver strategic and developmental services which assist the provincial government to meet its priorities through properly allocated and managed funding.
- To provide strategic leadership and oversight in resource mobilisation, management and operational support, in order to maximise service delivery through the effective and efficient use of the province's limited resources.

Strategic objectives

The strategic objectives of the GDF, as set out in the 2009 – 2014 Strategic Plan, are based on an analysis of the environment, key challenges and strategic issues that the department must address, and are aligned to national and provincial strategic priorities. The guiding principle of the department is to be activist, developmental and interventionist, as well as to manage finances and resources in a people-centred, sustainable, holistic and integrated way, and to support the enhancement of the quality of life of all citizens of Gauteng. The department has the following objectives:

- To be a centre of excellence in the public sector by providing strategic and innovative information solutions;
- To ensure sound corporate governance of the province and to provide robust resource management services;
- To provide proactive strategic and operational institutional support to stakeholders, thus enabling them to deliver quality services;
- To secure alternative finance sources and create new revenue streams;
- To ensure cost efficiencies and to consolidate resources for economies of scale;
- To be a preferred employer, attracting and retaining highly skilled and performing individuals.

Legislative mandates

- Division of Revenue Act, 2009;
- Prevention and Combating of Corrupt Activities Act, 2004;
- Municipal Finance Management Act, 2004;

- Broad-Based Black Economic Empowerment Act, 2003;
- Promotion of Access to Information Act, 2000 (Act 2 of 2000);
- Preferential Procurement Policy Framework Act, 2000;
- Municipality Systems Act, 2000;
- Public Finance Management Act, 1999;
- Employment Equity Act, 1998;
- Public Service Laws Amendment Act, 1997;
- Intergovernmental Fiscal Relations Act, 1997 (Act 97 of 1997);
- Basic Conditions of Employment Act, 1997;
- The National Archives Act, 1996;
- The Constitution of the Republic of South Africa, 1996;
- Borrowing Powers of Provincial Government Act, 1996 (Act 48 of 1996);
- Occupational Health and Safety Act, 1995;
- Labour Relations Act, 1995;
- Development Facilitation Act, 1995;
- Public Service Act, 1994 Regulations and Delegations;
- The Tender Board Act, 1994;
- Treasury Regulations 2005 and Delegations; and
- Government Employees Pension Law.

The work of GDF is also aligned to, and espouses the principles of, Batho Pele by ensuring that spending agencies create value for money, providing technical assistance and analysis, and promoting transparency and access to information through publications such as the Annual Report, the Annual Citizens' Report, the Service Charter and the Budget insert in local newspapers.

2. REVIEW OF THE 2009/10 FINANCIAL YEAR

Sustainable Resource Management

Budget Management

The main characteristic of the 2009/10 financial year was a political transition to the new term of governance ending in 2014 and an economic downturn. These macro socio-economic factors have an overall impact on the function of allocating the limited provincial resources to meet the service delivery.

The new government implemented a new electoral mandate, which translated to the new Medium-Term Strategic Framework that provides a background to guide planning and budgeting. This framework has implications for the unit's functions given the pivotal role that the unit will play in the realignment of the provincial budget with the requirements of the framework. One of the key features emanating from the electoral mandate in 2009 is the reconfiguration of provincial departments to effectively deliver services in a more efficient and diligent manner to the people of Gauteng. The reorganization of the provincial departments created two new departments through a merger, created two new departments through a split of a previously existing department and renamed one department. In facilitating this process, the unit prepared a provincial budget for tabling in the Gauteng Provincial Legislature in June 2009.

The economic downturn reduced the ability of the approved provincial budget to contain the cost of service delivery and to fund the spending requirements of the new government to drive the programme and projects that would effect to the new mandate. The unit facilitated the provincial process of budget reprioritization through convening the meetings of the provincial committees that discussed resource allocation and reallocation. These committees (that is, the Medium Term Expenditure Committee and the Premier Budget Committee) focused mainly on provincial departments' contribution to the new strategic programmes and projects as well as on identifying resources to fund these programmes and projects through budget reprioritization. This process culminated to the tabling of the 2009/10 Provincial Adjustment Budget in November 2009.

In its drive to improve the allocative efficiency through optimal resource allocation in the province, the unit continued the development of the provincial budget database and data warehouse system in 2009/10 to ensure the availability of high-level budget data integrity. Milestones reached to date include development of text module for capturing non-financial data, development of training manuals, user training and installation of the system for identified users and uploading of historical data in the data warehouse system. The Gauteng Treasury

internal user testing session was held to familiarize the internal users with the system and to test the system and to assess whether it could produce the desired outputs.

The planning, budgeting and reporting reforms implemented during the financial year relate to the introduction of a new framework for strategic and annual performance plans that was introduced to provincial departments in May 2009, introduction of the Estimates of Provincial Expenditure that replaces the Provincial Budget Statements and improvements in the 2009/10 Quarterly Performance Reporting Model.

The new framework for strategic and Annual Performance Plans (APP) provides new format of these plans and requires submission of these plans approximately a month prior to the submission of budgets with effect from 2010/11 financial year. The Estimates of Provincial Expenditure is a redesigned provincial budget document in line with the national budget documents. Enhanced automation in the Quarterly Performance Reporting model in 2009/10 improves its security and therefore ensures data integrity by prohibiting data changes after a predefined reporting period.

In implementing budgetary reforms, the department discussed key issues and trained provincial departments on technical issues relating to the 2010 MTEF budget preparation in the Budget Forum held during the financial year.

Public Finance (PF)

The unit is responsible for overseeing, guiding and providing input to provincial budgetary planning, development, implementation and analysis. In support of this, during the 2009/10 financial year the department compiled a circular, approved by Executive Council (EXCO), on cost-containment measures to be adopted by GPG departments. Connected with this was a review of ineffective programmes prepared for discussion at the Budget Lekgotla. This entailed high-level discussion of possible re-direction of resources to priority areas. In addition, a team from the unit was deployed to the Department of Health and Social Development to assist with a reprioritisation and cost-cutting exercise aimed at alleviating the department's budgetary pressures.

In terms of Budget Implementation and Quarterly Assessment reports, the unit prepared the 2008/09 financial year preliminary outcome report and the Cabinet Memo to EXCO. Detailed expenditure reports were completed for the fourth quarter of the 2008/09 financial year, and for the first and second quarters of the 2009/10 financial year. A mid-year expenditure review of budgets and expenditure was carried out in order to ensure that departments remained within their allocated budgets.

Monitoring and facilitation of the Implementation of the Infrastructure Delivery Improvement Programme (IDIP) model continued to be a major focus of the unit. Planning Infrastructure Delivery Reporting Model (IRM) for all infrastructure delivery departments were assessed and submitted to National Treasury, as were the infrastructure plans for the 2009/10 financial year. This was followed by detailed reviews of infrastructure delivery in the province for each infrastructure portfolio, and alignment of the planning IRM with the Estimates of Capital Expenditure. The unit also provided training to departments to aid with improving the credibility of IRM, with particular focus on the use of the Pivot Analysis Tool and Trend Analysis Tool. To assist with utilising scarce resources prudently, the unit developed a unit costing model for building schools; and, in consultation with the Departments of Infrastructure Development and Health and Social Development, developed Terms of Reference for the audit/assessment of legal, technical and financial affairs of the Zola/Jabulani Hospital project. This is being carried out under the Hospital Revitalisation Conditional Grant.

Research activities carried out in the 2009/10 financial year focused on the relationship between urban poverty and public physical infrastructure, the determinants of this poverty, and their impact on each other. Advice to departments was provided regularly through memos and reports. The department also assisted the Department of Social Development to prepare for the implementation of the Occupation Specific Dispensation (OSD) for doctors, dentists, pharmacists and Emergency Medical Services (EMS) personnel.

Fiscal and Economic Analysis

Fiscal Policy

Four quarterly own revenue forums were held with the four main revenue-generating departments, and two with non-significant revenue generating departments. These revenue forums play an important role in ensuring that revenue management process in all departments is taken seriously so as to optimize on own revenue collection. They are part of GDF's practice of maintaining contact with other departments, and ensures that

it fulfils its mandate of monitoring and oversight of own revenue. The unit reviewed and approved tariffs for G-Fleet management services and Roodeplaat tariffs. A study of GPG parking fees was completed and a circular prepared for consideration and approval by management before the end of the year. In addition, 4 quarterly own revenue reports were prepared for key stakeholders.

The 2009 Medium Term Budget Policy Statement was published and tabled in the Provincial Legislature in November 2009. The publication informs all stakeholders about GPG priorities and how they will be financed. As part of its new mandate of directly intervening and assisting key revenue generating departments, the unit is working with the Department of Health and Social Development to improve revenue management in the four central hospitals in Gauteng. This project was initiated by the MEC for Health and Social Development to improve revenue management processes within the department. The department also played a leading role in the technical team which examined the reincorporation of Merafong into Gauteng province. With the assistance of the PPP unit, a research paper exploring alternative sources of revenue for key provincial priorities was prepared, and presented at the 2009 Budget Lekgotla.

Economic Analysis

The Provincial Economic Review and Outlook (PERO) was published in July 2009. Three quarterly bulletins (QB) were completed. The Economic Analysis unit places Weekly Economic Newsletters on the department's intranet. The unit held a Socio-Economic Conference in June 2009, and the PERO conference in October 2009. The first draft of the simulation report is complete and currently drafting the model definition, specification and estimation of the second simulation report and research is still to follow. The 2010 Socio-Economic Review and Outlook (SERO) have been finalized and will be published in March 2010.

Public Private Partnerships (PPP)

The unit has played a significant hands-on support in collaboration with National Treasury and DBSA in assisting the Department of Health and Social Development in reconfiguring the previous Chris Hani Baragwanath PPP into a health village concept to be explored as a PPP. The change in scope for this project is in alignment with a health PPP rollout program at a national level in an effort to expedite health delivery infrastructure.

A further Health initiative includes the Nelson Mandela Children's Hospital Project as well as refurbishment of Kyalami Hospital in Kempton Park. Both of these projects are focused on raising funds through donor funding as well as enhanced revenue initiatives in supporting the current constraints on the fiscus.

A successful municipal PPP conference was held in February for the purpose of creating awareness, expedite and enhance service delivery through a PPP approach. The conference also served as relations building platform with industry players including research institutions, professional bodies and municipalities.

Draft paper on Alternative financing mechanisms:

The unit in collaboration with Fiscal Policy and Economic Analysis unit compiled this paper which was presented at the Budget Lekgotla in early July 2009. The purpose of the paper was to explore additional revenue sources to complement the Provincial Revenue Fund as well as to identify options to finance enabling infrastructure crucial for service delivery. This initiative is mainly aimed at complementing current national and provincial revenue resources that are showing a declining trend due to the economic down turn. Further work on the risk profile of each alternative option cited in is currently being compiled.

Progress in the Educational Sector has also been noticeable. The Department of Education (national or provincial) has registered a PPP initiative with National Treasury which is aimed at reducing school backlogs and enhancing the learning environment. Substantial work has commenced in respect of site development for schools, as well as areas and possibilities for refurbishment, upgrading and new build opportunities. This initial phase also included the appointment of a full time project officer as well as transaction advisor services, providing hands-on technical assistance from date of registration to signing of the PPP agreement.

A further educational initiative for the construction and operation of a Gauteng City Region Academy (GCRA) has been developed. Significant groundwork regarding the planning and design of this facility has already been completed and the project is currently in the process of being registered with the National PPP Unit as a possible public - private initiative

Local Government Resource Management & Intergovernmental Relations

LGRM & IGR within the auspices of the Intergovernmental Relations Framework introduced key municipal fiscal engagement platform both at a technical and political level. The unit successfully held a Gauteng Municipal Chief Financial Officers Forum at a technical level and the Municipal Finance Indaba under the leadership of the MEC for Finance with all Members of the Mayoral Committee for Finance. The preamble of the last mentioned platform is for all municipal, fiscal matters to and from the Premiers Co-ordinating Forum to resonate through this platform.

For the year under review the unit has intensified its oversight over municipalities through our standard MFMA Returns which covered key aspects such as the MFMA Implementation Plan, Borrowings Return, 12 Urgent Priorities, Long-term Contracts, etc. The unit has produced its Annual Consolidated Budget Assessment report on the municipal budgets for the 2009/10 financial year. The unit successfully organized, in collaboration with National Treasury, the district training workshop for Gauteng municipalities on the new Municipal Budget Regulation. LGMR & IGR Chief Directorate produced and published four quarterly Consolidated Monthly Budget Statements on the financial performance of all Gauteng municipalities. In terms of the IGR Funding framework as set by the Division of Revenue Act produced bi-annual Provincial Gazettes for the Provincial Main and the Adjustment Budgets on all municipal transfers allocated by Provincial Departments.

In order to equip the next generation with the financial skills capability, we continued our Capacity Building Program and support and successfully held our Annual Municipal Internship Forum. In an effort to improve the financial health of our municipalities and ensure payments in as far as it relates to services for Gauteng Government the unit instituted the Gauteng Debt Management Committee which is chaired by the Gauteng MFMA Co-ordinator, representation comprises of colleagues from Provincial Departments, Municipalities and staff from the Department of Finance. Through the National Treasury Municipal Financial Recovery Service completed a Financial Health Assessment and proposed a Municipal Recovery Plan to assist Nokeng Tsa Taemane municipality.

Financial Governance (FG)

Assets and Liabilities

In order to ensure liquidity and to optimize cash flow management within GPG, a system of monthly departmental cash allocation to departments has been developed and implemented for various payment categories. This gives total funds available for spending in a particular month in line with total revenue received for that month. This system will assist in aligning revenue received with expenditure for the month, and will reduce the risk of short-term cash shortages and overspending by departments.

The unit assisted other departments to strengthen their cash flow forecasting. Expenditure has been closely monitored to avoid an overrun of expenditure against revenue, thereby creating a cash shortage for the provincial government. Rolling cash flow projections are used to determine sufficiency of cash resources against expenditure, and for planning purposes. Training has been provided to cash managers in GPG departments on cash flow forecasting, managing the value chain in supplier payments, funds requisitions and petty cash.

Modules assisting departments to overcome challenges in areas such as asset management have been rolled out, and training has been provided on financial systems reconciliations and reports. Interest revenue collected for the nine months to December 2009 exceeded the revised budget by R6 million, although there are signs of accelerated spending by departments.

Accounting Services

The unit continuously provides training and support on financial accounting, supply chain and asset management to other provincial departments, entities and delegated municipalities. Interventions and active participation in forums of CFOs and on Annual Financial Statements, Supply Chain Management and Asset Management have contributed to strengthening capacity within the provincial government. Quarterly oversight reports are compiled and submitted to SCOPA to assist in their oversight role in the province. In collaboration with National Treasury, financial capability maturity assessments for departments have been completed. The results of this exercise, and actions plans to address inefficiencies identified, will be discussed with departmental CFOs in the February/ March 2010.

Seventeen new GRAP standards became effective in the financial year ending 30 June 2009. Exemption in terms of National Treasury Gazette 30013 from complying with accounting standards has fallen away, and municipalities are required to comply. Through training, workshops and hands-on assistance, the unit in collaboration with National Treasury has provided support with implementing these. It also acquired accounting software to assist municipalities with preparing their Annual Financial Statements, provided Kungwini Municipality with hands-on support and deployed one of the officials to act as the Chief Financial Officer.

At the provincial level, the department's Asset Management Unit is working with the Department of Infrastructure Development (DID) to ensure that all user departments have Assets Registers that meet minimum GIAMA requirements. The GIAMA unit at DID has appointed a service provider for this exercise and GDF will be part of the working team. At local government level, the department assisted municipalities with the implementation of the Plant, Property and Equipments standards, especially the unbundling of infrastructure assets. This is a costly exercise, and the unit will review the municipalities' budgets to ensure that this is catered for.

Supply Chain Management (SCM) remains a challenge within GPG. Auditor General (AG) reports have raised queries relating to SCM non-compliance, mainly around deviations from normal tender processes. The unit continues to engage with other departments to ensure that deviations are minimized and are reported in time to the AG and provincial treasury. It also ensures that EXCO decisions on DAC suspensions are adhered to.

Risk Management

Audit Committee's performance report as a risk management tool has been enhanced by the commitment and support received from departmental HoDs. Because of this enhanced relationship, there has been a significant improvement in attendance by HoDs at meetings of the Committee meetings. Audit Committee members have undergone a formal induction process to ensure that they understand their responsibilities and the business environment.

Implementation of Enterprise Risk Management reform has commenced in pilot municipalities, before being rolled out to all of the delegated municipalities. The biggest challenge is the lack of risk management structures and capacity within the municipalities, which slows down the implementation process, and delays in the establishment of the risk management forum. One of the eleven municipalities has appointed a Chief Risk Officer.

The Risk Management Unit continued to provide assistance to departments through training and the Risk Management Forum, to ensure that capacity of the Chief Risk Officers is enhanced. A review of the status of Risk Management in GPG departments was conducted on a quarterly basis. Previously, this was only done annually. Formal reports are submitted to the departments.

A review of the status of ERM in GPG departments was conducted in the first quarter of 2009/10. This revealed that ERM implementation has progressed although there is room for improvement. Only three of the provincial departments have not appointed a Chief Risk Officer. Risk Management committees are functional in all but two of the provincial departments. A Risk Management policy and framework were developed for all departments.

National Treasury conducted a road show to introduce the National Risk Management Framework, and introduced the e-learning initiative which tests learners' knowledge on the National Treasury Risk Management Framework.

Gauteng Audit Services (GAS)

As part of fostering continuous improvement and promoting a sound internal control environment within GPG, GAS has implemented an issue tracking system. This is a follow up process to the implementation of audit recommendations made to management by Internal Audit and the Auditor General. In order to assist the province to achieve a clean audit, regular report backs on this implementation were provided to Accounting Officers and Audit Committees to ensure that progress is effectively monitored and improved. In terms of assurance services, 131 audits were completed against a target of 139. From the 131 areas audited, 174 audit reports were issued relating to GPG departments and their entities including trading entities, hospitals, clinics, Regional Offices, District Offices and schools.

A major challenge has been the high vacancy rate in the Audit Services unit. This improved significantly in the year under review, with a reduction in the vacancy rate from about 50 per cent to 20 per cent. The aim is to fill all posts or to maintain a vacancy rate of no more than 10 per cent in the coming financial year.

Human Resource Services (HRS)

During the year under review, the HRS unit of the department shifted strategic direction in an effort to align the unit with the overall departmental transformation. The unit moved from delivering traditional human resource support functions to becoming an active partner in ensuring the achievement of the Gauteng Provincial Government's goals. To ensure optimised service delivery, the unit takes a developmental approach to the delivery of human resource services through a service delivery approach, and onsite query resolution that minimises the bureaucracy of resolving client queries.

In order to optimise service delivery and improve quality through the Talent Attraction Services, a Professional Job Centre was opened at the Maponya Mall Thusong Centre. This provides easy access to information about GPG vacancies within the local communities. SAP HCM Employee Self Service (ESS) was enhanced, and activated in the four departments. At the end of the financial year, all departmental offices were scheduled to go live on SAP HCM ESS. This will significantly reduce manual and paper based processes in HRS. Resources and capacity within the department have also been consolidated, and a leave processing belt with a capacity to process 67 200 leave forms a month has reduced backlogs.

Because of CV backlogs in the Talent Attraction Service, the unit undertook climate surveys, organisational development interventions and response handling process reviews to prepare for automation. An automated recruitment system (e-recruitment) will be fully functional in the Province. The Employee Exit section is developing an electronic termination system, scheduled for deployment during the year under review. This will assist in early and speedy termination of service contracts, and will assist in curbing salary overpayment arising from the manual submission of termination mandates.

The Organisation Development unit has been involved in supporting the reconfiguration of the Provincial Administration. The split of the former Department of Public Transport, Roads and Works into the Departments of Infrastructure Development, and Roads and Transport, was successfully completed. The Employee Health and Wellness Programme is on course to implement the new model that will create the capacity to properly manage and monitor service delivery programmes.

Procurement Services

The Procurement Services Business Unit successfully met all requirements for aligning its operations with the requirements of ISO9001:2008. The South African Bureau of Standards has issued the certificate, which indicates service excellence.

The Business Unit continued to improve the management of the GPG centralized vendor database of pre-qualified and BBBEE verified vendors.

The Vendor Management and Development sub-unit continued to network with individual stakeholders within the targeted groups, who are women, youth, and people with disabilities (PwDs). A workshop for PwDs was held in May, in conjunction with the Independent Living Centre (ILC) at the Netcare Hospital in Auckland Park. A second PwD workshop was held in July 2009, in conjunction with the Office of the Presidency, SALGA and the ILC. Workshops targeting women- and youth-owned businesses were held in June and August 2009.

Internal and external vendor awareness sessions were held, attracting people from targeted and non-targeted groups. In order to promote compliance with the GPG BBBEE Preferential Procurement Policy, quarterly meetings were held with Departmental Chief Financial Officers and Heads of Procurement.

There is a steady increase in the number of on-line vendor registrations and electronic e-Tendering, indicating that efforts put in to improve the way business is conducted are paying off. This initiative is in keeping with the objective of introducing fully-automated high-tech electronic e-Tendering in the near future.

Fifty-five contracts were awarded in the reporting period, compared with the target of 77. These include new term agreements, ad hoc requests, renewals and extensions of existing contracts. In order to deliver on these contracts, all requested market research, price adjustments and financial analyses were completed within allotted timeframes.

Finance Services

The Finance Budget Unit (FBU) of the department experienced challenges and successes in the year under review. Highlights were:

E-Invoicing:

This project was successfully implemented in all departments and entities. Although the timelines were exceeded by 5 months due to various factors, the project was still delivered within the allocated budget. The second phase of the project, which entails receipt of invoices in electronic format has been successfully piloted. Submission of invoices using XML format was piloted in Social Development for the payment of NGOs, whilst submission of invoices via encrypted emails has been tested successfully and is ready for deployment.

Electronic Receipting

The system has been deployed in 14 hospitals to date and is scheduled to be finalised by 31 March 2010. This however is dependent on the availability of the requisite Information Technology infrastructure in the entities.

E-Journal

The project was successfully piloted, and it is envisaged that it will be implemented first in GSSC as it accounts for 68 per cent of the total journals processed for GPG.

Employee Self-Service for Allowances

Employee Self Service was rolled out to the Health Department's Head Office, District Offices and Clinics as per the project plan. Payroll services, a sub unit of the Finance Business unit, have introduced the uploading of allowances, via a spreadsheet, which expedite the claim process for night shift and standby allowances. This method has been implemented in 14 Hospitals. The objective of improving the turnaround times and reducing the cost of transacting has been achieved, with the end-to-end process being reduced to one day.

Other Initiatives

In order to improve turnaround times in payment of suppliers and other beneficiaries, the following initiatives were implemented:

- Configuration of the system to accept electronic upload of significant recurring payments such as subsidies to schools and automation of payment of rentals;
- Creation of purchase orders for sundry payments such as cell phones, municipal rates and taxes; and
- Jointly with the Department of Education, migration of payments to Grade R practitioners from SAP/BAS to PERSAL, this will result in automatic payment to them.

Technology Support Services (TSS)

TSS has continued to build on previous successes in ensuring better service to the province. Customer service improvement has remained central to the work of the business unit, as reflected in customer service reviews. The reduction of ICT costs for the province has remained amongst the top priorities of the business unit.

The first phase of deploying an enhanced Gauteng Provincial Portal has been completed. The technical platform, portal content and the nine existing online applications have been re-developed. 1 50711 schools underwent quality assurance (QA), while 107 Local Service Nodes (LSN) were deployed for Gauteng online network coverage.

Nine buses were deployed for use in farm schools with no laboratories, and one mobile iLab has been deployed to Bronkhorstspuit Primary School, the first of the farm schools to receive this service.

Contractual issues delayed the implementation of the single domain within the Province. However, steady progress is being made with the completion of the Department of Finance and the Department of Economic Development. Planning is well advanced for implementation of the single domain within the Department of Sports Recreation Arts and Culture.

As at 31st August, asset management system has been deployed within the Departments of Finance, Economic Development and Local Government, and the Office of the Premier. It is envisaged that by the end of 2010/11 financial year the remaining departments will be completed.

As part of the implementation of the provincial bill presentation and payment engine, the automated receipting engine for patient payments has been deployed at some hospitals within the province.

3. OUTLOOK FOR THE 2010/11 FINANCIAL YEAR

Sustainable Resource Management

Budget Management

In order to facilitate and support the alignment and integration of planning and delivery, the Department will ensure availability of real time budget information through the implementation of data warehouse system that will electronically manage accurate, credible and timeous historical budget data. It is planned that the system will be reviewed and enhanced based on the feedback received during its implementation. Implementation of the budget database system during the financial year will facilitate the electronic compilation of the provincial main and adjustment budgets and hence improve the budget data quality.

The Department will contribute to the development of tools that will inform the constraints, growth opportunities and allocation process. One key area of service delivery relates to the tabling the main and adjustments budgets that support government priorities. To achieve this, the Department will, firstly, review and enhance the provincial budget process to improve efficiency; secondly, develop and distribute Treasury guidelines for the compilation of departmental budgets; and thirdly, host and facilitate the provincial bilateral engagements between Gauteng Treasury and departments (such as the Medium Term Expenditure Committee sessions, Budget Lekgotla and Budget Forums). Budget Management will also participate in the national Treasury's processes such as chief financial officers' fora, national benchmarks exercises and task teams designed to attend to special functions of national and provincial interest.

A review of the budget process will take place to increase transparency in resource allocation through exploring various ways of improving the stakeholder participation in the provincial budget process (including the public and the provincial legislature). The aim of improvements in the provincial budget process is enhancing allocative efficiency and minimizing the negative implication of the economic downturn on service delivery.

Public Finance

In the 2010/11 financial year, the unit will continue to focus on financial reporting, with the focus broadening to encompass priorities that are both agreed upon by the sector at national level, and those identified by the province. This will necessitate closer collaboration with other units within the Treasury Branch of the Department and incorporation of their inputs. The basis of reports produced by the unit shall also shift from desk-top analysis to factual information obtained from first-hand insight into departmental operations gained by spending time within departments. These reports shall also provide the basis for meaningful engagement with National Treasury and Provincial Departments at various forums.

With infrastructure delivery providing most of the impetus of economic recovery in South Africa, the 2010/11 financial year will see a renewed drive to improve infrastructure delivery in Gauteng, particularly with the existence of oversight by the executive by way of the Executive Infrastructure Management Committee (EIMC) and the Provincial Infrastructure Management Committee (PIMC) that were formally launched in November 2009 to monitor and evaluate key projects. This will entail not only the monitoring and evaluation of infrastructure assets and maintaining of an infrastructure database that is linked to projects. There will be increased emphasis on conducting site visits and compilation of technical reports thereafter, as a means of providing management with advice on spending and service delivery, and on improving overall infrastructure delivery in Gauteng.

Public Finance will also intensify the monitoring of Conditional Grant expenditure and outcomes, in line with the grant frameworks as set out in the 2010 Division of Revenue Act (DoRA). Interaction with respective grant managers will be based on ascertaining adherence to the grant frameworks, attainment intended outcomes, value for money and ultimately the impact on the population of the province. It is anticipated that in the 2010/11 financial year, Public Finance will compile a report for the Medium-Term Expenditure Committee (MTEC) hearings, with specific focus on policy issues and linking strategy to projects, analysis of implementation of national and provincial priorities, review of major programmes funded in the past, in addition to analysing requests for additional funding.

In the 2011/11 financial year, Public Finance Unit shall also focus on the publication of research on topical and pertinent issues, such as analysing the direction of key GPG projects. Research will mostly be qualitative, focusing on the direct and indirect socio-economic context and objectives of the investments undertaken, and what the probable impact would be on society's welfare.

Fiscal Policy and Economic Analysis

Fiscal Policy

The Fiscal Policy Unit will continue to deal proactively with own revenue related matters by assisting departments to optimize revenue collection. The Unit will consolidate its past achievements by ensuring that it keeps abreast of all revenue related issues. Local partners will be consulted, and the Unit will take part in discussions with national and provincial stakeholders. Key outputs such as the Medium Term Budget Policy Statement and own revenue reports will be constantly improved to ensure that they remain up to date and relevant.

Economic Analysis

The annual PERO and SERO will be published in order to provide a well-researched review and outlook of the provincial economy and thus inform policy decisions. The unit will apply the provincial Social Accounting Matrix (SAM) and Computable General Equilibrium (CGM) models were developed, on different projects, and will publish simulation reports. The unit will continue to publish Quarterly Bulletins on topical issues, and the Weekly Economic Newsletters which aim to inform public on key economic events of the preceding week. To get feedback from stakeholders and to improve the quality of future publications, the unit plans to hold two workshops after the release of the annual publications.

Public Private Partnerships

The unit will continue to municipalities in the form of one-on-one engagements, post Municipal PPP conference held recently, in an effort to explore and increase PPP initiatives as there is currently less appetite in the sector as compared to departments within GPG.

A Health PPP program driven by National Treasury, the DBSA, at a national level, in collaboration with Health (provincial & national) and PPP unit within Treasury Division of Department of Finance, focusing on CHBH Health Village PPP and later George Mkhari as priority projects by the province, will receive hands-on support in the form of technical and co-funding arrangements. The rationale for this arrangement is to try and expedite health service delivery projects in an effort to ensure that both national and provincial priorities are achieved.

Local Government Resource Management & Intergovernmental Relations

The unit will publish the first Gauteng Local Government Finance Review reflecting the overall performance of municipalities and simultaneously present the key focus priorities for all municipalities. Through our partnership with DBSA, under Siyenza Manje Programme, and the Department of Local Government & Housing we will continue with our collective programme of support to all municipalities in the Province. In the forthcoming financial year we will commence to look at how Municipal Tariffs and Taxes are formulated from a costing model perspective. The unit will endeavour to continue our Intergovernmental engagement with municipalities through the Gauteng Municipal CFO Forums and support the Office of the MEC for Finance in Municipal Fiscal deliberations with the Mayoral Committees for Finance through the Municipal Finance Indaba. The Unit will commence with a focus on the Gauteng Municipal Build Environment in an effort to ensure that infrastructure at a local level is properly financed, maintained and used effectively towards enhancing Service Delivery.

Financial Governance (FG)

Assets and Liabilities

Treasury will focus on strengthening departments' cash flow forecasting and expenditure management to ensure that monthly expenditure is aligned to revenue. The system of monthly cash allocation to departments will become a permanent feature of managing cash in GPG. Expenditure will be closely monitored to avoid overruns of expenditure against revenue, which create a cash shortage for GPG. Rolling cash flow projections will be prepared to determine sufficiency of cash resources against expenditure, and for planning purposes.

Training on cash flow forecasting, managing the value chain in supplier payments, funds requisitions and petty cash will be provided to cash managers in GPG's departments.

The Financial Systems Directorate will implement and roll out the Integrated Financial Management System (IFMS) and financial management solutions throughout the province. Training will be provided to the user departments to ensure effective and efficient use of the systems, and skills transfer to achieve departmental objectives.

A Cash Management System will be implemented. This is an in-house project designed to assist with making cash flow projections and to improve the efficiency of departmental performance. To optimise own revenue, the department will continue to invest surplus funds in a prudent manner at an acceptable level of risk.

Accounting Services

This unit will continue to provide training and support on financial accounting, supply chain and asset management to provincial departments, entities and delegated municipalities. The unit will engage the various stakeholders through active participation in various forums and will submit quarterly oversight reports to SCOPA.

The municipal accounting unit will continue support and monitor the implementation of the new accounting standards, through training, workshops and hands-on assistance. The unit will also strengthen its own capacity to assist municipalities with the implementation of effective Internal Audit and Audit Committee structures. The unit will participate in Operation Clean Audit to ensure that all Gauteng municipalities achieve clean audits by 2014. In consultation with the National Treasury, the unit will roll out the Financial Maturity Capability Model to municipalities, to assess their level of maturity in financial management and governance.

The asset management unit will continue to work with the provincial Department of Public Works to monitor the implementation of Government Immovable Asset Management Act (GIAMA). The unit will also monitor progress made by municipalities in unbundling their infrastructure assets in line with PPE standards. The unit will review its Supply Chain Management structure to ensure that it can support provincial government departments and entities, and municipalities. A thorough review of SCM practices within the province will be carried out, to ensure that practices are in line with the National Framework.

Risk Management

In implementing the financial management reforms in GPG departments and public entities, the PFMR Directorate will work with National Treasury to roll out the Financial Management Capacity Building project to enhance financial management capacity across the province. Personnel will be dedicated to public entities to assist with the creating and listing them, as well as ensuring that the normative measures of the PFMA are adhered to. The unit will also start a project to ensure the effective and efficient running of Audit Committees in local government and that these committees and internal audit are used effectively as risk management tools.

The Enterprise Risk Management (ERM) unit will roll out the risk management reform to the other delegated municipalities which have not made significant progress due to lack of capacity. There will also be collaboration with the metropolitan municipalities to establish a Risk Management Forum for them. This will create a platform of sharing ideas and learning for all Risk Officers in local government. The unit will also continue strengthening the capacity of departments' Chief Risk Officers by ensuring that they are kept abreast of best practices and the latest developments in risk management.

Gauteng Audit Services (GAS)

During the coming year, the division will continue to provide assurance services by performing risk, computer and performance audits covering 112 critical areas, in line with approved internal audit plans. These focus on areas identified as high risk by the GPG departments and their trading entities. Also taken into account will be areas highlighted by the Auditor General. Priority will be given to continuous auditing across GPG so as to provide departmental management with regular insight into the status of controls and transactions, through continuous data analysis of critical IT systems.

- *Risk and Compliance audit* will perform 70 audits across GPG evaluating adequacy, effectiveness and efficiency of controls, governance and risk management processes.
- *Computer audit* will perform 24 audits across GPG evaluating controls in each department's general computer environment and software applications in use. Data analysis on the various applications will be done, and advice regarding internal and computerized controls on new systems being developed will be provided. The unit will also facilitate risk assessments of the IT environment in GPG.

- *Performance audit* will look at 18 critical areas, projects and/or programmes within the departments, assessing whether there has been economic acquisition and effective and efficient use of resources, and whether value for money has been achieved.
- *Control Risk Self Assessment* unit will assist Accounting Officers in updating their risk profiles and ensuring that each department has an annual strategic risk assessment. Risk assessment workshops will be facilitated in the GPG departments and their entities. In partnership with the Gauteng Treasury Risk Management unit, assistance will be provided to departments in implementing risk management practices.
- *Centre of Excellence* will continue to maintain the GAS Quality Assurance Programme in accordance with the Standards for the Professional Practice of Internal Auditing (SPPIA) of the Institute of Internal Auditors, manage the internship and trainee auditor programmes, provide technological support to Teammate audit software users, and conduct internal audit research and development on behalf of the business unit.

Human Resource Services

The Human Resource Services Business Unit will continue to transform the human resource practice through automation of processes and transactions. SAP HCM and E-Recruitment will be rolled out to the rest of the Department of Education's districts as well as to the rest of the Department of Health's entities. Building Human Resource Services strategic business partnering capability to deliver integrated Human Resource consulting service will be done through Human Resource Services transformation and repositioning. The focus will be on retraining and skilling human resource practitioners to play their role in human resource partnering.

Talent Attraction Services will seek to standardize GPG Recruitment practice through the introduction of the Talent Attraction Policy framework. The HR consulting service will drive the linking of talent demand and organisational development to the Gauteng Provincial Government/Gauteng City Region Annual Performance Plan, Medium Term Expenditure Framework and Five Year Programme of Action. Monitoring and evaluation of HR service delivery will be prioritised, and business intelligence reports for GPG will be produced to assist managers in decision making. The Employee Health and Wellness remodelling will continue to be aligned with national policy and with GPG strategy. Labour Relations will focus on trend analysis of labour relations, discipline management, disputes and grievances, and will implement responsive interventions in the form of training programmes and advice. The Human Resource Service Business Unit will continue to support and guide the GPG departments in organisational transformation. The Human Resource Services Service Improvement campaign (Siyabangena) will be strengthened to ensure an integrated service delivery approach and onsite query resolution by the GSSC. The aim of the campaign will be to improve the turnaround in processing mandates, query resolution and improved customer satisfaction.

Procurement Services

- Ensure that at least 5 per cent of all provincial agricultural produce spend will be sourced directly from emerging farmers thereby assisting in creating decent work and building a growing, inclusive economy and sustainable livelihoods.
- Embark on a benchmark exercise whereby procurement standards and processes are measured against the standards of the Chartered Institute for Procurement Services (CIPS). This will further improve operational effectiveness and efficiency, and professionalism. CIPS certification will be obtained after completion of the benchmark exercise.
- In the ICT commodity area, explore the possibility of establishing formal agreements with substantial ERP companies.
- With regard to the maintenance of medical equipment, ensure that at least 40% of maintenance contracts are procured via BEE suppliers who are Original Equipment Manufacturer (OEM) accredited agents.
- In strengthening the developmental state and good governance, continue to promote alternative channels for interacting with government by enabling the e-Registration capability. Ensure the e-Tendering system infrastructure is enabled by March 2010.
- Implement a Contracts management solution that will improve service delivery through good governance.
- Devise effective ways to deal with process and regulatory inhibitors to the payment of small businesses.
- Further develop the empowerment strategy to determine who the strategy is targeting with a view to promoting local service providers.
- Expand the vision of the GSSC to become the "hub of Procurement" in the province, thereby empowering communities and becoming an "Activist GSSC".
- Identify goods and services that can be decentralized to the departments, and assist departments to put in place effective procurement systems.

Finance Services

Improving operating efficiencies remains a critical driver and a strategic focus area for the FBU for the 2010/2011 financial year. This will be underpinned by automation of current manual processes, roll-out to client departments and enhancing the robustness of the recently deployed systems. Two areas that earmarked for automation are, amongst others, the debt take-on process and the processing of garnishees orders; and the Roll-out of e-journal to all departments within the precinct and key entities such as central hospitals.

In order to keep abreast of developments and to ensure that client departments' requirements are met, all systems that have been deployed will be continuously evaluated and monitored. There will be specific emphasis on tracking the benefits that ought to be realized from the investments.

A challenge is that automation on a scale that has been embarked upon is likely to create staff redundancies. FBU has already started with retraining of staff through a range of programmes that comply with NQF. Up-skilling and re-skilling of staff will continue, in order minimize redundancies.

Technology Support Services

The provincial broadband programme will be launched by implementing the design and validation centre. This will enable all components of this strategic asset to be tested extensively prior to implementation.

The roll-out of the Gauteng Online Schools Programme (GoL) will be completed by the end of May 2010. This includes schools that do not yet have laboratories. Further ICT infrastructure efficiencies are envisaged, to improve service delivery. This includes efficiencies and reduction of operational cost within provincial Wide Area Network (WAN) and Data Centres.

Automation initiatives will be accelerated to include:

- The development of new services and supporting applications focusing on service delivery to citizens and businesses. The benefits will include the deployment of collaborative tools to enhance the interaction of all constituents with local and provincial government entities.
- The deployment of Enterprise Resource Planning (ERP) modules to the provincial departments. This will be accelerated to include the deployment of the following modules:
 - Human Capital Management (HCM);
 - Asset Management;
 - Budgeting and Forecasting;
 - Customer Relationship Management (CRM);
 - Monitoring and Evaluation , Strategy management; and
 - Governance Risk and Compliance

It is envisaged that the Security Operations Centre (SOC) will be fully operational and security incidents will be minimised and eliminated where possible by a dedicated team of security practitioners.

Security, privacy and authentication within the province will be enhanced with the implementation of an enterprise wide licensing agreement. This will further extend the reach of the bill presentation and payment engine with the availability of secure online identities.

4. REVENUE AND FINANCING

4.1. Summary of receipts

The main source of revenue for GDF is the equitable share. Other revenue consists of cost recovery from staff, expenses recovered from previous years, and debt collections. Significant fluctuations are not experienced because of the size of the equitable share compared to other revenue. Conditional grants allocations for infrastructure specialists and projects have been made from the 2008 MTEF.

TABLE 1: SUMMARY OF RECEIPTS: DEPARTMENT OF FINANCE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Equitable share	838 080	1 192 078	1 433 726	1 528 955	1 530 702	1 530 702	1 491 699	1 528 560	1 613 698
Conditional Grant		4 000	4 200	4 410	4 410	4 410	4 734	5 302	5 604
Total receipts	838 080	1 196 078	1 437 926	1 533 365	1 535 112	1 535 112	1 496 433	1 533 862	1 619 302

The department's equitable share grew by 31 per cent from 2006/07 to 2008/09 and continues to grow at an average of four per cent over the MTEF. For the 2010/11 financial year, the equitable share allocation declines from R1.53 million in 2009/10 to R1.5 million in 2010/11 due to a top-slicing exercise necessitated by other Provincial priorities, as determined by the Provincial Executive Committee and the Premier Budget Council (PBC).

The rest of the revenue for the department is generated from interest earned from a conservative investment of funds available due to successful cash flow management activities by the Province, the fees charged for gym membership and amounts charged for parking facilities available to staff members.

The combination of reduced estimates for revenue collection and the reduced equitable share allocation as received from Treasury have an effect of reducing the receipts for the Department by R34 million (from the revised estimate). The growth for the rest of the MTEF is influenced by optimism in the interest revenue collections.

4.2 Departmental receipts collection

TABLE 2: DEPARTMENTAL RECEIPTS: DEPARTMENT OF FINANCE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Tax receipts									
Casino taxes									
Sales of goods and services other than capital assets	354	410	752		115	646	629	664	699
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	227 690	326 024	128 760	254 240	31 888	49 974	50 000	100 000	140 000
Sales of capital assets	45								
Transactions in financial assets and liabilities	795	5 283	5 459	1 440	1 834	1 849			
Total departmental receipts	228 884	331 717	134 971	255 680	33 837	52 469	50 629	100 664	140 699

The department receives most of its revenue in the form of interest earned on the investment of provincial reserves. Other revenue is received from parking facilities available to staff, gymnasium membership fees and funds received from previous financial year's. Interest income averaged R227million between 2006/07 and 2008/09. During the 2010/11 financial year and over the MTEF the expected interest income was forecast downward, given the prevailing economic conditions in the country. Additionally, with the inflation forecast indicating a downward trend moving forward, and interest income being a function of prevailing inflation, it was prudent to revise the expected income from this stream conservatively.

In 2009/10 financial year department initially projected revenue of R255.7 million which was revised downwards to R34 million during the adjustment budget due to the fact that the funds available for investment have been decreased.

The implementation of the Intergovernmental Cash Coordination Project will place investment powers with the Corporation of Public Deposits. The MTEF trend is based on the conservative projections where the department will monitor spending patterns of GPG departments and the financial markets, and thus interest income is expected to average to R97 million per annum over the MTEF period.

5. PAYMENT SUMMARY

The Department of Finance brings together the support functions in the province that were historically undertaken by the Gauteng Shared Service Centre and the Gauteng Treasury, and operates these functions according to international leading practice with the main aim of providing efficient, effective and value-adding business support services.

5.1 Key assumptions

- In preparing the budgets for the 2010 MTEF, provision was made for inflation-related adjustments to the compensation of employees at the following rates over the MTEF period:
- 5.9 percent for financial year 2010/11
- 5.5 percent for financial year 2011/12
- 5.0 percent for financial year 2012/13
- Provision for pay progression of 1.0 percent of the Department's total payroll has been made.
- Salary increases for Senior Management Services officials are also based on the above-mentioned inflation projections over the MTEF.

5.2 Programme summary

TABLE 3: SUMMARY OF PAYMENTS AND ESTIMATES: GAUTENG DEPARTMENT OF FINANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
1. Administration (Corporate Support)	194 692	207 580	243 631	325 427	390 264	409 757	271 935	291 545	313 209
2. Sustainable Resource Management	25 646	35 698	44 442	55 154	50 326	50 325	58 364	61 879	67 452
3. Financial Governance	11 366	21 110	42 582	36 036	46 874	46 874	45 133	46 925	49 283
4. Gauteng Audit Services	59 418	63 114	50 231	53 888	44 486	44 486	52 863	58 016	60 986
5. Human Resource Services	78 902	86 361	76 978	72 412	74 697	74 697	68 648	76 923	81 904
6. Procurement Services	58 176	68 756	76 279	79 290	70 135	70 135	76 314	84 386	88 524
7. Finance Services	54 308	59 840	64 762	66 126	68 043	68 043	65 264	71 684	75 121
8. Technological Support Services	297 155	591 618	666 306	765 028	745 877	745 877	807 912	792 504	832 824
9. Gauteng Fund		40 000	60 000	80 000	40 000	40 000	50 000	50 000	50 000
10. Programme Management Unit	33 548	44 142							
Total payments and estimates	813 211	1 218 219	1 325 211	1 533 361	1 530 702	1 550 194	1 496 433	1 533 862	1 619 303

5.3 Summary of economic classification

TABLE 4: SUMMARY OF ECONOMIC CLASSIFICATION: DEPARTMENT OF FINANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	781 404	1 066 351	1 232 608	1 423 528	1 441 319	1 496 972	1 400 537	1 441 749	1 525 996
Compensation of employees	305 228	355 730	389 675	489 994	491 771	500 634	527 614	568 505	604 393
Goods and services	476 176	710 621	842 933	933 534	949 548	934 022	872 923	873 244	921 603
Interest and rent on land									
Transfers and subsidies to:	1 594	41 500	61 892	81 617	40 080	40 088	52 000	52 000	52 000
Provinces and municipalities	60	1 500	1 551	1 617			2 000	2 000	2 000
Departmental agencies and accounts	6	40 000	60 000	80 000	40 000	40 000	50 000	50 000	50 000
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	1 528		341		80	88			
Payments for capital assets	30 213	110 368	30 711	28 216	49 303	75 450	43 896	40 113	41 307
Buildings and other fixed structures						13			
Machinery and equipment	29 638	24 952	30 675	28 216	49 303	75 437	43 896	40 113	41 307
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	575	85 416	36						
Payments for financial assets									
Total economic classification	813 211	1 218 219	1 325 211	1 533 361	1 530 702	1 550 194	1 496 433	1 533 862	1 619 303

The preparation of the 2010 MTEF budget was guided by the department's five year strategic plan, the annual performance plan, the national and the provincial governments' strategic objectives.

Over the MTEF, the department spent 38 per cent on average of its appropriation on the compensation of employees, averaging 28 per cent in 2006/07 and 2008/09. The increase in personnel costs is consistent with the overall increase in the number of employees between 2006/07 (1 481) and the projected staff complement in 2012/13 (2 029). Capacitating staff in various programmes, and the department's retention strategy, both reflect in the cost and staff complement for the period under review.

Goods and services remains the department's biggest spending item, at above 50 per cent throughout the period under review. Key cost drivers are communication costs, computer services, business and advisory services, and operating costs such as maintenance, rates and taxes, water and sewage, and electricity consumption. Total current payments constitute 94 per cent of the department's total expenditure.

Payments for capital assets have fluctuated over time, peaking at R110 million during the 2007/08 financial year. This period coincides with the establishment of satellite sites for the GPG Customer Contact Centre, the establishment of Gauteng Treasury as a stand-alone department, and other expenditure relating to

e-Government projects. In the financial year 2009/10, expenditure on this economic category also increased, reflecting expenditure incurred during the commissioning of generators. Over the MTEF, payment for capital assets declines at an average rate of three per cent of the department's total appropriation.

6. PROGRAMME DESCRIPTION AND INPUT

PROGRAMME 1: ADMINISTRATION (CORPORATE SUPPORT)

Programme description

To provide well functioning, co-ordinate programmes and activities in order ensure that the department delivers on its role and mandate.

Programme objectives

- Integrate policies within the department to ensure synergies and effective co-ordination;
- Drive the departmental strategy;
- Provide sufficient physical security to persons and assets of the department;
- Manage and coordinate demand planning, management and the sourcing of goods and services for the department;
- Provide required internal support services to enhance delivery;
- Provide human resource management services, compliant with legislation;
- Provide internal and external communications services;
- Provide internal information technology services;
- Provide all other auxiliary services; and
- Provide all risk management and financial management services within the department.

TABLE 5 : SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
1. Office of the MEC	30	302	222	275	6 775	6 775	7 192	7 595	7 977
2. Office of the CEO	132 398	139 429	86 557	101 100	93 902	93 902	113 665	121 536	126 983
3. Office of the COO			66 871	127 193	132 795	132 795	29 515	29 622	31 123
4. Office of the CFO	7 506	17 310	36 965	42 854	88 659	108 152	56 548	62 115	71 413
5. Corporate Services	54 758	50 539	53 016	54 005	68 133	68 133	65 015	70 677	75 713
Total payments and estimates	194 692	207 580	243 631	325 427	390 264	409 757	271 935	291 545	313 209

TABLE 6: SUMMARY OF ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	184 621	201 757	233 145	318 575	347 543	340 897	259 844	282 057	304 339
Compensation of employees	45 105	61 794	76 622	122 373	124 427	133 719	148 410	157 604	173 023
Goods and services	139 516	139 963	156 523	196 202	223 116	207 178	111 434	124 453	131 316
Interest and rent on land									
Transfers and subsidies to:	810		51		15	7			
Provinces and municipalities	12								
Universities									
Public corporations and private enterprises									
Non-profit institutions									
Households	798		51		15	7			
Payments for capital assets	9 261	5 823	10 435	6 852	42 706	68 853	12 091	9 488	8 870
Buildings and other fixed structures									

2010 Estimates of Provincial Expenditure

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Machinery and equipment	9 261	5 823	10 399	6 852	42 706	68 853	12 091	9 488	8 870
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets			36						
Payments for financial assets									
Total economic classification	194 692	207 580	243 631	325 427	390 264	409 757	271 935	291 545	313 209

Following the Premier's pronouncement that resulted in the establishment of the Gauteng Department of Finance, the support programmes from the legacy departments were combined into one. As the support programme has not yet been re-configured, the historical financial information of the legacy departments was consolidated, resulting in the trends that follow.

The Administration programme grows substantially from R194.7 million in 2006/07 to R313.2 million in 2012/13. The growth results from the establishment of the Treasury as a stand-alone department and from the establishment of the centralised contact centre as a shared service for all GPG departments. Expenditure on the programme grew by 34 per cent, from R243.6 million in 2008/09 to R325.4 million in 2009/10. This was due to the establishment of the Monitoring and Evaluation unit in the office of the HOD for the legacy Treasury department. The increase in payments for capital assets results from the GSSC having had to procure and commission generators for clinics, hospitals and schools in Gauteng, on behalf of the Departments of Education and Health. It was also affected by the acquisition of additional office space to accommodate growth in the staff compliment, in line with the approved departmental structure.

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

Programme description

The programme aims to optimise resource allocation, utilisation and revenue in order to maximise the social benefit to Gauteng citizens.

Programme objectives

Budget Management

- To allocate resources in an optimal and transparent manner that is aligned to national and provincial priorities and that addresses equity, need and spatial development; and
- To implement budget reforms which enhance budgeting processes in the province and enshrines the stochastic nature of budgeting.

Fiscal Policy and Economic Analysis

- Maximise current revenue sources and optimise potential new revenue streams;
- Develop and implement a comprehensive provincial revenue strategy;
- Provide advisory services to relevant stakeholders on fiscal policy matters and the medium term fiscal framework; and
- Provide provincial socio-economic research and analysis in order to inform resource allocation and utilisation.

Public Private Partnerships

- To facilitate, enhance and complement provincial revenue through private investment in infrastructure and service delivery;
- To evolve as a dynamic and sustainable centre of excellence for PPP's, providing technical assistance to public institutions through project feasibility studies, procurement and management;
- To improve the infrastructure and service delivery efficiency of the province; and
- To drive PPP deal flow by identifying project opportunities that yield value to all stakeholders.

Public Finance

- To provide strategic support to departments and agencies to effectively utilise public resources;
- To conduct sector level policy analysis in order to maximise efficiency gains and value for money; and
- To monitor and evaluate performance outcomes of spending agencies.

Local Government Resource Management and Intergovernmental Relations

- To be known as a producer of cutting-edge finance and economic solutions;
- To ensure credible financial and non-financial information;
- To facilitate, advise on and support the alignment and integration of planning and delivery in the province;
- To manage the province's budgeting process effectively;
- To manage and oversee the implementation of strategic financing solutions;
- To institutionalize tools to inform about constraints, growth opportunities and allocation processes;
- To attract highly skilled and competent people that foster high performance; and
- To ensure the effective and efficient management of the sub-programme.

TABLE 7: SUMMARY OF PAYMENT AND ESTIMATES: SUSTAINABLE RESOURCE MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
1. Programme Support (SRM)	1 228	2 122	1 614	2 048	1 982	1 981	2 153	2 254	2 367
2. Budget Management	5 026	5 546	8 541	9 621	10 188	10 188	10 278	10 761	11 299
3. Fiscal Policy	3 095	4 061	7 237	9 438	8 464	8 464	10 004	10 474	10 998
4. Public Finance	4 202	8 798	9 321	15 053	14 202	14 202	13 315	13 963	15 145
5. Public Private Partnership	1 696	3 528	3 697	4 976	4 496	4 496	5 274	5 522	5 798
6. Local Government Resource Management and Intergovernmental Relations	10 399	11 643	14 032	14 018	10 994	10 994	17 340	18 905	21 845
Total payments and estimates	25 646	35 698	44 442	55 154	50 326	50 325	58 364	61 879	67 452

TABLE 8: SUMMARY OF ECONOMIC CLASSIFICATION: SUSTAINABLE RESOURCE MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	24 543	33 265	42 891	53 537	50 326	50 325	56 364	59 879	65 452
Compensation of employees	10 963	19 358	28 394	44 915	44 119	44 118	45 082	48 427	51 394
Goods and services	13 580	13 907	14 497	8 622	6 207	6 207	11 282	11 452	14 058
Interest and rent on land									
Transfers and subsidies to:	41	1 500	1 551	1 617			2 000	2 000	2 000
Provinces and municipalities	5	1 500	1 551	1 617			2 000	2 000	2 000
Departmental agencies and accounts									
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	36								
Payments for capital assets	1 062	933							

2010 Estimates of Provincial Expenditure

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Buildings and other fixed structures									
Machinery and equipment	1 062	933							
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	25 646	35 698	44 442	55 154	50 326	50 325	58 364	61 879	67 452

Programme expenditure increased by R18.9 million between 2006/07 and 2008/09 as a result of increased staff numbers and the establishment of the two sub-programmes: Local Government Resource Management, and Intergovernmental Relations. The additional personnel were appointed to enable more focus on monitoring and evaluation of infrastructure and municipalities in the province.

The expenditure for 2009/10 was adjusted from R55.2 million to R50.3 million. This is due to the suspension of funds to the Department of Local Government and Housing to provide financial assistance to Nokeng Tsa Taemane Municipality. This decline is also reflected under goods and services.

From 2009/10 to 2012/13, total expenditure is expected to grow marginally from R58 million to R67.5 million due to inflationary adjustments to compensation of employees and goods and services.

KEY OUTPUTS AND SERVICE DELIVERY MEASURES

Sub-programme/Performance measures	Estimated Annual Targets		
	2010/11	2011/12	2012/13
Budget Management			
Accurate provincial budget database established	Accurate provincial database established	Provincial budget database maintained	Provincial budget database maintained
Timeous submission of accurate and qualitative monthly, quarterly and annual provincial reports to National Treasury and Gauteng Legislature	Timeous submission of 4 PFMA S32 reports; 4 Quarterly Financial and Performance Reports; 12 In-Year Monitoring; main and adjustment budgets; Provincial Gazette i.t.o. 2009 DoRA	Timeous submission of 4 PFMA S32 reports; 4 Quarterly Financial and Performance Reports; 12 In-Year Monitoring; main and adjustment budgets; Provincial Gazette i.t.o. 2010 DoRA	Timeous submission of 4 PFMA S32 reports; 4 Quarterly Financial and Performance Reports; 12 In-Year Monitoring; main and adjustment budgets; Provincial Gazette i.t.o. 2011 DoRA
Tabling of main and adjustments budgets that is informed by government priorities	Main budget in February/March Adjustments budget in November	Main budget in February/March Adjustments budget in November	Main budget in February/March Adjustments budget in November
MTEC report produced to inform Executive decision making on resource allocation	1 consolidated MTEC report produced	1 consolidated MTEC report produced	1 consolidated MTEC report produced
Public Finance			
Sectoral MTSF Assessment reports to be completed	14 reports completed annually in August	14 reports completed annually in August	14 reports completed annually in August
Adjustment Budget, MTEF, Infrastructure plan and budget analysis Assessment reports completed	14 reports completed annually in September	14 reports completed annually in September	14 reports completed annually in September
Fiscal Policy and Economic Analysis			
Timely PERO and SERO publications	PERO and SERO published	PERO & SERO published	PERO and SERO published
Chapter 1 of the MTBPS	Chapter 1 of the MTBPS	Chapter 1 of the MTBPS	Chapter 1 of the MTBPS
Socio-Economic Report for the BS1	Report in the BS1 Submitted	Report in the BS1 Submitted	Report in the BS1 Submitted
Simulation Reports	2 simulation reports	3 simulation reports	3 simulation reports
Timely Published Reports	Number of Weekly Economic Newsletters published 4 Quarterly Bulletins	Number of Weekly Economic Newsletters published 4 Quarterly Bulletins	Number of Weekly Economic Newsletters published 4 Quarterly Bulletins

Sub-programme/Performance measures	Estimated Annual Targets		
	2010/11	2011/12	2012/13
Customization of Revenue Forecasting model for Department of Transport	Annual monitoring of revenue collection in all GPG department in line with the Revenue Forecasting Model	Annual monitoring of revenue collection in all GPG department in line with the Revenue Forecasting Model	Annual monitoring of revenue collection in all GPG department in line with the Revenue Forecasting Model
Timely Published progress own revenue review reports	4 Reports produced for legislature and department 8 monthly In-Year Monitoring (IYM) reports revenue reports produced 4 quarterly IYM Revenue reports produced	4 Reports produced for legislature and department 8 monthly In-Year Monitoring (IYM) reports revenue reports produced 4 quarterly IYM Revenue reports produced	4 Reports produced for legislature and department 8 monthly In-Year Monitoring (IYM) reports revenue reports produced 4 quarterly IYM Revenue reports produced
Analyse provincial receipts (national transfers and own revenue)	1 report for Budget statement analysis	1 report for Budget statement analysis	1 report for Budget statement analysis
Interact with revenue departments to review their tariffs	All tariffs reviewed and aligned as per legislation for all GPG departments	All tariffs reviewed and aligned as per legislation for all GPG departments	All tariffs reviewed and aligned as per legislation for all GPG departments
Monitor and play an oversight role in the debt management strategy for GPG	Monitor debt management compliance in all 10 GPG departments	Monitor debt management compliance in all 10 GPG departments	Monitor debt management compliance in all 10 GPG departments
Timely Published report tabled at the legislature	1 MTBPS published	1 MTBPS published	1 MTBPS published
Review and timely comments on the FFC recommendations; DORA; DORB and Inputs on the PES to National Treasury	1 Report: comments on the FFC recommendations submitted 1 Report: comments on the DORA and DORB; Inputs on the PES are submitted	1 Report: comments on the FFC recommendations submitted 1 Report: comments on the DORA and DORB; Inputs on the PES are submitted	1 Report: comments on the FFC recommendations submitted 1 Report: comments on the DORA and DORB; Inputs on the PES are submitted
Public Private Partnerships			
Provide legal , technical and financial advice to all provincial and municipal initiatives through the PPP cycle	Respond to requests within 5 working days	Respond to requests within 5 working days	Respond to requests within 5 working days
Promote PPP projects in departments and municipalities to obtain value for money solutions	Co-ordinate 5 provincial and 2 municipal projects	Co-ordinate 5 provincial and 2 municipal projects	Co-ordinate 5 provincial and 2 municipal projects
Monitor and enforce compliance with Treasury Regulations	Regulate 5 provincial and 2 municipal projects	Regulate 5 provincial and 2 municipal projects	Regulate 5 provincial and 2 municipal projects
Capacitate departments and municipalities on PPP's	Visit 6 provincial departments and 4 municipalities in line with our internal Communication Plan	Visit 6 provincial departments and 4 municipalities in line with our internal Communication Plan	Visit 6 provincial departments and 4 municipalities in line with our internal Communication Plan
Local Government Resource Management and Intergovernmental Relations			
Assist and ensure the appointment of CFOs and Senior Financial Managers at Municipalities	All 11 Municipalities	All 11 Municipalities	All 11 Municipalities
Ensure that Municipalities prepare MTEF (3 year) Budget in line with MFMA circular 28 & 42	All delegated Municipalities	All delegated Municipalities	All delegated Municipalities

PROGRAMME 3: FINANCIAL GOVERNANCE

Programme description

- Implement accounting practices that promote effective capturing of revenue, expenditure, assets and liabilities;
- Ensure the effective management of risks to which the GPG is exposed to by virtue of its assets, programmes and operations;
- Optimise liquidity requirements and maximize returns within acceptable levels of risk for the GPG, and secure sound cash management;
- Ensure the efficient and effective management of assets for the GPG; and
- Ensure that the financial systems of GPG efficiently to enable GPG to perform its operations effectively.

Programme objectives

Financial Accounting

- Compile and submit Consolidated Financial Statements for the GPG;
- Compile the annual Provincial Revenue Fund Financial Statements;
- Submit reports to the Legislature and National Treasury; and
- Provide technical assistance and training to departments.

Risk Management

- Develop and manage a GPG risk strategy and advise departments;
- Recommend and enforce effective processes to determine exposure to risk and develop plans to mitigate and prevent risks;
- Submit Risk reports to Legislature and National Treasury to compare variances, actual against the budget and forecasts; and
- Provide technical assistance and training to departments.

Assets and Liabilities

- Optimize cash flow management within the GPG;
- Manage the Provincial Revenue Fund and relevant bank accounts;
- Optimise financial systems in GPG; and
- Compile and publish annual Provincial Revenue Fund Financial Statements.

Asset Management

- Ensure effective and efficient management of assets for the province;
- Submit Asset Management reports to National Treasury; and
- Provide asset management technical assistance and training to departments.

Financial Systems

- Determine the requirements for and implement financial management systems; and
- Develop policy frameworks for the evolution of and of efficient financial management systems.

TABLE 9: SUMMARY OF PAYMENT AND ESTIMATES: FINANCIAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
1. Programme Support (FG)	5 083	1 978	2 636	1 777	1 492	1 492	1 896	1 985	2 084
2. Assets & Liabilities	2 390	2 828	10 187	11 528	21 529	21 529	19 299	19 877	20 521
3. Accounting Services	2 349	11 229	24 460	13 770	12 316	12 316	14 451	15 130	15 886
4. Risk Management	1 544	5 075	5 299	8 961	11 537	11 537	9 487	9 933	10 792
Total payments and estimates	11 366	21 110	42 582	36 036	46 874	46 874	45 133	46 925	49 283

TABLE 10: SUMMARY OF ECONOMIC CLASSIFICATION: FINANCIAL GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	8 448	20 401	42 582	36 036	46 874	46 874	45 133	46 925	49 283
Compensation of employees	5 334	10 251	17 779	27 030	26 030	26 030	27 678	29 228	30 688
Goods and services	3 114	10 150	24 803	9 006	20 844	20 844	17 455	17 697	18 595
Interest and rent on land									
Transfers and subsidies to:	2								
Provinces and municipalities	2								
Departmental agencies and accounts									
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets	2 912	709							

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Buildings and other fixed structures									
Machinery and equipment	2 912	709							
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets									
Total economic classification:	11 362	21 110	42 582	36 036	46 874	46 874	45 133	46 925	49 283

Expenditure increased by R9.7 million from 2006/07 to 2007/08. The most significant increase was in Accounting Services which increased by R8.8 million due to absorption of the budget Municipal Financial Governance (MFG) and the increase in staff complement. Risk management was also introduced in 2007/08. The unit assists departments to implement Enterprise Risk Management (ERM). The introduction of the unit came with a budget of R2.6 million and absorbed a budget of R2.4 million from Provincial Financial Reforms (PFR) as a result of structural changes.

The budget increased from R21.1 million in 2007/08 to an adjusted budget of R42.6 million in 2008/09. The growth in the budget was because of the structural changes explained above (MFG: R8.5 million, and PFR: R9.7 million). A significant portion of the budget (R15 million) was utilised for the implementation of the Asset valuation project in which the GPG departments were assisted with valuing of all assets with a value of R1 and R0 in the asset register.

Between 2008/09 and 2009/10, the budget decreased by R6.5 million due to the completion of special projects which took place in 2008/09, as explained above. Over the MTEF, the budget increases by 9 per cent to accommodate inflation-related adjustments to employee compensation, as well as goods and services. To ensure cost effectiveness, and maximise economies of scale during the procurement of goods and services, the budget for machinery and equipment was centralised within the Administration programme from the 2008/09 financial year.

KEY OUTPUTS AND SERVICE DELIVERY MEASURES

Sub-programme/Performance measures	Estimated Annual Targets		
	2010/11	2011/12	2012/13
Accounting Services			
Timeous submission of consolidated financial statements for the GPG at the legislature within 6 months of the year end	Oct 2011	Oct 2012	Oct 2013
Assets and Liabilities Management			
Optimise interest revenue from investment to at least meet budgeted amount	Interest revenue to at least meet budgeted amount	Interest revenue to at least meet budgeted amount	Interest revenue to at least meet budgeted amount
Effective cash management; minimise the variance between funds transferred to departments and actual expenditure not to exceed 5%	All departments to comply with the 5% variance measure	All departments to comply with the 5% variance measure	All departments to comply with the 5% variance measure
Risk Management			
Implement Provincial Risk Management in line with the National Risk Management Framework	Implemented best practice Risk Management tools and techniques to all provincial departments	Monitor, evaluate and enhance the implemented tools and techniques	Monitor, evaluate and enhance implemented tools and techniques

Sub-programme/Performance measures	Estimated Annual Targets		
	2010/11	2011/12	2012/13
	Begin implementation of best practice Risk Management tools and techniques to all municipalities	Implement best practices Risk Management tools and techniques in all municipalities	

PROGRAMME 4: GAUTENG AUDIT SERVICES

Programme description

The purpose of Gauteng Audit Services is to provide a full range of internal audit services to all departments. The services are:

- Transversal Audit;
- Programme Audit;
- Forensic Audit and Fraud Prevention;
- Computer Audit;
- Performance Audit;
- Control Risk Self Assessment; and
- Centre of Excellence and Development.

Programme objectives

Gauteng Audit Services provides a full spectrum of internal audit services (assurance and consulting), focusing on strategic risks of GPG departments and aimed at fostering continuous internal control improvement in the public sector.

TABLE 11: SUMMARY OF PAYMENT AND ESTIMATES: GAUTENG AUDITS SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
1. GM Office	5 816	4 039	4 041	5 024	6 239	6 078	5 909	6 243	6 852
2. Risk Audit	24 928	26 747	19 937	26 261	23 802	23 802	26 972	29 231	29 597
3. Forensic Audit	10 446	15 161	12 239						
4. Computer Audit	9 229	6 395	4 353	7 403	4 567	4 728	5 730	6 766	7 500
5. Performance Audit	8 999	10 772	9 661	15 200	9 878	9 878	14 252	15 776	17 037
Total payments and estimates	59 418	63 114	50 231	53 888	44 486	44 486	52 863	58 016	60 986

TABLE 12: SUMMARY OF ECONOMIC CLASSIFICATION: GAUTENG AUDITS SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	59 304	61 909	49 018	53 284	44 380	44 380	52 456	57 541	60 020
Compensation of employees	38 242	34 289	36 396	39 783	37 083	36 475	46 136	49 371	50 367
Goods and services	21 062	27 620	12 622	13 501	7 297	7 905	6 320	8 170	9 653
Interest and rent on land									
Transfers and subsidies to:	10								
Provinces and municipalities									
Departmental agencies and accounts									
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Households	10								
Payments for capital assets	104	1 205	1 213	604	106	106	407	475	966
Buildings and other fixed structures									
Machinery and equipment	104	596	1 213	604	106	106	407	475	966
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		609							
Payments for financial assets									
Total economic classification	59 418	63 114	50 231	53 888	44 486	44 486	52 863	58 016	60 986

Expenditure in GAS increases at an annual average rate of 1.3 per cent from R59.4 million in 2006/07 to R60.9 million in 2012/13. Expenditure declines in 2009/10 due to the move by the Forensic Audit function to Corporate Affairs.

Over the MTEF, compensation increases at an annual average rate of 11.1 per cent due to the anticipated filling of vacancies from the 2010/11 fiscal year. A substantial element in the increase is employee compensation following the wage settlement (Improvement of Conditions of Service) between the state and employee unions for salary levels 1 to 12.

Whilst goods and services show an average real decline of 5.2 per cent, from R21.1 million in 2006/07 to R9.6 million in 2012/13 reflecting a decreased use of consultants, over the MTEF there is an average annual increase of 11.3 per cent. This is because of the maintenance of commitments such as software licences, and day-to-day operating expenditure such as stationery and printing and telephone costs.

Capital expenditure shows an average annual increase of 211.9 per cent, from R104 thousand in 2006/07 to R966 thousand in 2012/13. This translates to an annual increase 134.7 per cent over the MTEF. The increase is attributable to the procurement of computers for new employees and to replacing existing computers as they become due for replacement.

KEY OUTPUT AND SERVICE DELIVERY MEASURES

Sub-programme/Performance measures	Estimated Annual Targets		
	2010/11	2011/12	2012/13
Risk Audit			
Number of planned risk audits completed	85	85	85
Performance Audit			
To provide an independent and objective assurance that measures instituted by management ensure that resources have been acquired economically and are utilized efficiently and effectively.	18	18	18
Computer Audit			
Number of planned computer audits	30	30	30
Number of CAATS	16	16	16
Number of IT risk assessments	10	0	10
Control Risk Self Assessment			
Number of planned CRSA workshops completed	52	52	52
Number of Global risk assessments completed	10	10	10
Centre Of Excellence			
Number of planned QAR's	12	12	12
Number of interns in programme	20	20	20

PROGRAMME 5: HUMAN RESOURCE SERVICES**Programme description**

The provision of specialised and efficient HR Solutions to GPG departments.

Programme objectives

- To build capability, and improve the quality of service and client experience in Human Resource administration;
- To transform the human resource environment and improve efficiency through the automation of transactional services;
- To align the employee wellness strategy and programme with the overall business strategy of the province;
- To renew the Labour Relations provincial architecture through redefined content and processes;
- To provide expert advice on organisational development interventions that support the integrated strategic programme of building the organisation and capacity of the state;
- To model and position the HRS Business Unit as a strategic partner of choice through the execution of key strategic initiatives that support organisational transformation and the re-organisation of the GSSC; and
- To strengthen and improve business intelligence, monitoring and evaluation in Human Resource Services.

TABLE 13: SUMMARY OF PAYMENT AND ESTIMATES: HUMAN RESOURCES MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
1. GM Office	3 253	2 389	3 728	3 242	3 614	3 614	3 468	3 860	4 058
2. Talent Attraction Services	8 001	10 517	9 521	9 274	7 280	7 280	8 978	10 449	10 966
3. Human Resource Administration	11 898	14 223	17 361	18 301	18 305	18 305	17 027	19 127	20 042
4. Employee Exits	6 671	9 034	8 219	8 064	8 246	8 246	8 353	9 232	9 442
5. HR Organizational Development	11 374	13 147	14 570	16 049	14 205	14 205	14 664	15 935	16 734
6. Learning and Development	10 627	12 210	1 731						
7. Management Information Services	3 205	2 712	1 865	2 420	1 645	1 645	2 888	3 261	3 426
8. Labour Relations	23 873	22 129	11 214	9 997	11 137	11 137	10 046	11 271	13 248
9. Employee Wellbeing & Assessment Centre			8 769	5 065	10 265	10 265	3 224	3 788	3 988
Total payments and estimates	78 902	86 361	76 978	72 412	74 697	74 697	68 648	76 923	81 904

TABLE 14: SUMMARY OF ECONOMIC CLASSIFICATION: HUMAN RESOURCES MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	77 305	85 754	75 520	71 606	74 597	74 594	67 923	76 304	81 419
Compensation of employees	54 194	61 429	59 470	62 611	63 023	63 203	60 721	66 609	71 333
Goods and services	23 111	24 325	16 050	8 995	11 574	11 391	7 202	9 695	10 086
Interest and rent on land									
Transfers and subsidies to:	62		59		6	10			
Provinces and municipalities									
Departmental agencies and accounts	6								
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	56		59		6	10			

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Payments for capital assets	1 535	607	1 399	806	93	93	725	619	485
Buildings and other fixed structures						13			
Machinery and equipment	1 474	607	1 399	806	93	80	725	619	485
Heritage Assets									
Software and other intangible assets	61								
Payments for financial assets									
Total economic classification	78 902	86 361	76 978	72 412	74 696	74 697	68 648	76 923	81 904

Expenditure in HRS increases at an annual average rate of 1 per cent from R78.9 million in 2006/07 to R81.9 million in 2012/13. Expenditure declined in 2008/09, as the Learning & Development function was moved to the Gauteng City Region Academy (GCRA).

Over the MTEF, total expenditure on HRS increases at an annual average rate of 3.9 per cent, mainly because of inflation-related adjustments to compensation. This increases at an annual average rate of 4.4 per cent over the MTEF, due to the anticipated filling of vacancies from 2010/11. A large contributing factor in the increase in compensation is attributable to the wage settlement (Improvement of Conditions of Service) between the state and employee unions for salary levels 1 to 12.

Goods and services decline on average by 9.3 per cent, from R23.1 million in 2006/07 to R10 million in 2012/13. This reflects the decreased use of consultants. Over the MTEF, expenditure on goods and services increases at an average rate of 0.2 per cent, representing provision for day-to-day operating expenditure, such as stationery and printing, telephone costs and other such recurring expenditure.

Capital expenditure shows an average annual increase of 103.3 per cent between 2006/07 and 2012/13. However, the budget for capital assets decreases from R1.5 million in 2006/07 to R485 000 in 2012/13 and over the MTEF capital expenditure decreases at an average annual rate of 33 per cent. The initial increase is attributable to the procurement of computers for new employees and to replacing existing computers when needed.

KEY OUTPUT AND SERVICE DELIVERY MEASURES

Sub-programme/Performance measures	Estimated Annual Targets		
	2010/11	2011/12	2012/13
% integration of Mobile Application System (MAS), E- recruitment, SAP systems	100% maintenance of integrated recruitment systems.	100% maintenance of integrated recruitment systems.	100% maintenance of integrated recruitment systems.
No of professional job centres rolled out.	Deliver a more refined strategic research and model for rolling out the PJC.	2 additional Professional Job Centres at Thusong Centres/ Labour Centres.	2 additional Professional Job Centres at Thusong Centre/ Labour Centres.
No. of departments fully automated and utilising	Complete GDE district offices and Health entities.	Maintain	Maintain
% completion of automation of HR 21 (termination of service contract form).	Maintain electronic termination of service contracts	Maintain electronic termination of service contracts	Maintain electronic termination of service contracts
% of exit interviews conducted per department	100%	100%	100%
No of days to produce business intelligence reports	HR BI compilation in 4days	HR BI compilation in 4days	HR BI compilation in 4days
% organisation structures finalised in compliance with Letter of Engagement (LOE).	100% organisation structures finalised in compliance with LOE.	100% organisation structures finalised in compliance with LOE.	100% organisation structures finalised in compliance with LOE.
% implementation of the new model	80% % implementation of the new model	100% % implementation of the new model	Maintain and monitor
% implementation of a developmental activist labour relations model	Maintain and monitor	Maintain and monitor	Maintain and monitor

PROGRAMME 6: PROCUREMENT SERVICES**Purpose**

To provide procurement related services to GPG customers. This is done in a customer-focused and socio-economically responsible manner, using technology as the key enabler in automating, standardising and streamlining processes; and developing Procurement's human capital to fulfil the GSSC vision of being a world class provider of support services in the public sector.

Programme objectives

- Promote the participation of BEE/SMME enterprises in GPG procurement business opportunities.
- Optimise and support the utilization of procurement processes and systems for GPG users.
- The Strategic Sourcing unit to develop and implement improved sourcing strategies that will assist GPG departments to purchase goods and services effectively and efficiently from suppliers, balancing financial efficiency with socio-economic BBBEE development outcomes.

TABLE 15: SUMMARY OF PAYMENT AND ESTIMATES: PROCUREMENT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
1. GM Office	3 279	6 750	10 561	11 370	8 035	6 965	10 770	12 508	13 186
2. Strategic Sourcing & Contracts Management	40 698	44 733	38 919	39 434	34 852	34 871	37 256	40 493	42 416
3. Vendor Management	5 537	8 890	10 575	11 435	11 870	11 884	12 124	13 684	14 350
4. Procurement Support	8 662	8 383	11 239	11 859	10 965	11 988	11 032	12 086	12 675
5. Market Research			2 980	2 637	2 782	2 796	2 810	3 145	3 305
6. Financial Risk & Escalation			2 005	2 555	1 631	1 631	2 322	2 470	2 592
Total payments and estimates	58 176	68 756	76 279	79 290	70 135	70 135	76 314	84 386	88 524

TABLE 16: SUMMARY OF ECONOMIC CLASSIFICATION: PROCUREMENT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	57 032	67 829	75 780	78 424	70 064	70 045	75 470	83 506	87 621
Compensation of employees	45 998	52 400	57 140	59 931	60 914	60 914	59 385	64 506	67 662
Goods and services	11 034	15 429	18 640	18 493	9 150	9 131	16 085	19 000	19 959
Interest and rent on land									
Transfers and subsidies to:	336		20		51	70			
Provinces and municipalities	10								
Departmental agencies and accounts									
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	326		20		51	70			
Payments for capital assets	808	927	479	866	20	20	844	880	903
Buildings and other fixed structures									
Machinery and equipment	808	927	479	866	20	20	844	880	903
Heritage Assets									
Specialised military assets									
Software and other intangible assets									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Payments for financial assets									
Total economic classification	58 176	68 756	76 279	79 290	70 135	70 135	76 314	84 386	88 524

Expenditure in Procurement Services increases at an annual average rate of 7.6 per cent from R58.2 million in 2006/07 to R88.5 million in 2012/13. With the exception of the 2009/10 financial year, in which there is an expected fall in overall expenditure in this Unit, expenditure has been steadily increasing over the period under review. Over the MTEF, expenditure increases at an annual average rate of 8.1 per cent, a result of the above-mentioned decrease during 2009/10, which gave rise to a low relative base in measuring the increase in expected expenditure during the 2010/11 fiscal year.

Compensation of employees increases at an annual average rate of 3.7 per cent over the MTEF, due to the anticipated filling of vacancies from the 2010/11 fiscal year. In absolute terms, compensation of employees increases from R59.4 million in 2010/11 to R67.7 million in 2012/13. A substantial contributing factor in the increase in employee compensation attributable to the wage settlement (Improvement of Conditions of Service) between the state and employee unions for salary levels 1 to 12.

Goods and services show an average increase of 18.1 per cent from R11 million in 2006/07 to R20 million in 2012/13. Most of this relates to items such as media advertising tenders, staff training and development, stationery and communication costs, and other recurring operating expenditure.

Capital expenditure shows an average annual increase of 10.5 percent between 2006/07 and 2012/13. The apparently steep rise over the MTEF relative to the 2009/10 financial year is a result of the actual decrease in payments for capital assets in the two successive financial years 2008/09 and 2009/10. These decreases provide a low measuring base in subsequent periods, hence the apparently steep subsequent increases. In absolute terms, payments for capital assets increase from R808 000 in 2006/07 to R903 000 in 2012/13, a 12 per cent increase over the period since 2006/07. Over the MTEF, capital expenditure increases at an average annual rate of 3.4 per cent. The increase is attributable to the procurement of computers for new employees and to the replacement of existing computers as needed.

KEY OUTPUTS AND SERVICE DELIVERY MEASURES

Sub-programme/Performance measures	Estimated Annual Targets		
	2010/11	2011/12	2012/13
% integration of Mobile Application System (MAS), E-recruitment, SAP systems	100% maintenance of integrated recruitment systems.	100% maintenance of integrated recruitment systems.	100% maintenance of integrated recruitment systems.
No of professional job centres rolled out.	Deliver a more refined strategic research and model for rolling out the PJC.	2 additional Professional Job Centres at Thusong Centres/ Labour Centres.	2 additional Professional Job Centres at Thusong Centre/ Labour Centres.
No. of departments fully automated and utilising	Complete GDE district offices and Health entities.	Maintain	Maintain
% completion of automation of HR 21 (termination of service contract form).	Maintain electronic termination of service contracts	Maintain electronic termination of service contracts	Maintain electronic termination of service contracts
% of exit interviews conducted per department	100%	100%	100%
No of days to produce business intelligence reports	HR BI compilation in 4days	HR BI compilation in 4days	HR BI compilation in 4days
% organisation structures finalised in compliance with Letter of Engagement (LOE).	100% organisation structures finalised in compliance with LOE.	100% organisation structures finalised in compliance with LOE.	100% organisation structures finalised in compliance with LOE.
% implementation of the new model	80% % implementation of the new model	100% % implementation of the new model	Maintain and monitor
% implementation of a developmental activist labour relations model	Maintain and monitor	Maintain and monitor	Maintain and monitor

PROGRAMME 6: PROCUREMENT SERVICES**Purpose**

To provide procurement related services to GPG customers. This is done in a customer-focused and socio-economically responsible manner, using technology as the key enabler in automating, standardising and streamlining processes; and developing Procurement's human capital to fulfil the GSSC vision of being a world class provider of support services in the public sector.

Programme objectives

- Promote the participation of BEE/SMME enterprises in GPG procurement business opportunities.
- Optimise and support the utilization of procurement processes and systems for GPG users.
- The Strategic Sourcing unit to develop and implement improved sourcing strategies that will assist GPG departments to purchase goods and services effectively and efficiently from suppliers, balancing financial efficiency with socio-economic BBBEE development outcomes.

TABLE 15: SUMMARY OF PAYMENT AND ESTIMATES: PROCUREMENT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
1. GM Office	3 279	6 750	10 561	11 370	8 035	6 965	10 770	12 508	13 186
2. Strategic Sourcing & Contracts Management	40 698	44 733	38 919	39 434	34 852	34 871	37 256	40 493	42 416
3. Vendor Management	5 537	8 890	10 575	11 435	11 870	11 884	12 124	13 684	14 350
4. Procurement Support	8 662	8 383	11 239	11 859	10 965	11 988	11 032	12 086	12 675
5. Market Research			2 980	2 637	2 782	2 796	2 810	3 145	3 305
6. Financial Risk & Escalation			2 005	2 555	1 631	1 631	2 322	2 470	2 592
Total payments and estimates	58 176	68 756	76 279	79 290	70 135	70 135	76 314	84 386	88 524

TABLE 16: SUMMARY OF ECONOMIC CLASSIFICATION: PROCUREMENT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	57 032	67 829	75 780	78 424	70 064	70 045	75 470	83 506	87 621
Compensation of employees	45 998	52 400	57 140	59 931	60 914	60 914	59 385	64 506	67 662
Goods and services	11 034	15 429	18 640	18 493	9 150	9 131	16 085	19 000	19 959
Interest and rent on land									
Transfers and subsidies to:	336		20		51	70			
Provinces and municipalities	10								
Departmental agencies and accounts									
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	326		20		51	70			
Payments for capital assets	808	927	479	866	20	20	844	880	903
Buildings and other fixed structures									
Machinery and equipment	808	927	479	866	20	20	844	880	903
Heritage Assets									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Specialised military assets									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	58 176	68 756	76 279	79 290	70 135	70 135	76 314	84 386	88 524

Expenditure in Procurement Services increases at an annual average rate of 7.6 per cent from R58.2 million in 2006/07 to R88.5 million in 2012/13. With the exception of the 2009/10 financial year, in which there is an expected fall in overall expenditure in this Unit, expenditure has been steadily increasing over the period under review. Over the MTEF, expenditure increases at an annual average rate of 8.1 per cent, a result of the above-mentioned decrease during 2009/10, which gave rise to a low relative base in measuring the increase in expected expenditure during the 2010/11 fiscal year.

Compensation of employees increases at an annual average rate of 3.7 per cent over the MTEF, due to the anticipated filling of vacancies from the 2010/11 fiscal year. In absolute terms, compensation of employees increases from R59.4 million in 2010/11 to R67.7 million in 2012/13. A substantial contributing factor in the increase in employee compensation attributable to the wage settlement (Improvement of Conditions of Service) between the state and employee unions for salary levels 1 to 12.

Goods and services show an average increase of 18.1 per cent from R11 million in 2006/07 to R20 million in 2012/13. Most of this relates to items such as media advertising tenders, staff training and development, stationery and communication costs, and other recurring operating expenditure.

Capital expenditure shows an average annual increase of 10.5 percent between 2006/07 and 2012/13. The apparently steep rise over the MTEF relative to the 2009/10 financial year is a result of the actual decrease in payments for capital assets in the two successive financial years 2008/09 and 2009/10. These decreases provide a low measuring base in subsequent periods, hence the apparently steep subsequent increases. In absolute terms, payments for capital assets increase from R808 000 in 2006/07 to R903 000 in 2012/13, a 12 per cent increase over the period since 2006/07. Over the MTEF, capital expenditure increases at an average annual rate of 3.4 per cent. The increase is attributable to the procurement of computers for new employees and to the replacement of existing computers as needed.

KEY OUTPUTS AND SERVICE DELIVERY MEASURES

Sub-programme/Performance measures	Estimated Annual Targets		
	2010/11	2011/12	2012/13
Strategic Sourcing			
Compliance iro of purchases from term contracts	95%	95%	95%
Procurement Support			
Compliance iro of requests created with reference to the catalogue	100%	100%	100%
Vendor Management & Development			
Attainment of GPG preferential procurement spend targets	70%	As determined by the Provincial Executive Committee	As determined by the Provincial Executive Committee
Maintain vendors registered within SLA	14 days	14 days	10 days
% implementation of the new model	80% % implementation of the new model	100% % implementation of the new model	Maintain and monitor

PROGRAMME 7: FINANCE SERVICES**Programme description**

Providing finance services to GPG, providing an enabling environment for doing business with government, facilitating on-time payment, specifically with regards to BBBEE companies & SMME's.

Programme objectives

- Administering the cash books of the GPG departments;
- Maintaining the general ledger accounts of the departments of the GPG;
- Accurately and timeously processing payments of the suppliers of the GPG;
- Acting as the debt collection agent for GPG departments and; and
- Administering the payroll of the GPG Departments.

TABLE 17: SUMMARY OF PAYMENT AND ESTIMATES: FINANCIAL SERVICES

	Outcome			Main	Adjusted	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
1. GM Office	3 540	3 082	3 875	5 076	5 974	5 881	4 630	5 618	5 916
2. Cash Book	6 054	6 768	6 738	6 946	6 410	6 410	6 469	7 167	7 523
3. General Accounting	4 705	5 922	8 530	9 188	9 573	9 573	9 502	10 727	11 251
4. Accounts Payable	14 336	17 161	15 586	16 719	16 769	16 769	15 991	17 350	18 184
5. Payroll Administration	16 265	18 236	20 527	17 901	19 817	19 838	19 255	20 408	21 323
6. Debts Management	8 503	8 671	9 506	10 296	9 500	9 572	9 417	10 414	10 924
7. ERP (Quality Assurance)	905								
Total payments and estimates	54 308	59 840	64 762	66 126	68 043	68 043	65 264	71 684	75 121

TABLE 18: SUMMARY OF BY ECONOMIC CLASSIFICATION: FINANCIAL SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	53 413	59 688	64 264	65 665	67 879	67 879	65 011	71 416	74 842
Compensation of employees	46 380	51 680	57 337	59 438	62 953	62 953	61 058	65 339	68 644
Goods and services	7 033	8 008	6 927	6 227	4 926	4 926	3 953	6 077	6 198
Interest and rent on land									
Transfers and subsidies to:	312		205		1	1			
Provinces and municipalities	13								
Departmental agencies and accounts									
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	299		205		1	1			
Payments for capital assets	583	152	293	461	163	163	253	268	279
Buildings and other fixed structures									
Machinery and equipment	583	152	293	461	163	163	253	268	279
Heritage Assets									
Specialised military assets									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Software and other intangible assets									
Payments for financial assets									
Total economic classification	54 308	59 840	64 762	66 126	68 043	68 043	65 264	71 684	75 121

Expenditure in Finance Services increases at an annual average rate of 5.7 per cent from R54.3 million in 2006/07 to R75.1 million in 2012/13. With the exception of the 2009/10 financial year, in which there is an expected fall in aggregate expenditure in this Unit, expenditure has been steadily increasing over the period under review. Over the MTEF, expenditure in Finance Services increases at an annual average rate of 3.5 per cent, reflecting a combination of increased employee compensation and provision for recurring operating expenditure as explained below.

Compensation of employees represents, on average, 90 per cent of aggregate spending in the Finance Services unit. It increases at an annual average rate of 3 per cent over the MTEF. In absolute terms, compensation of employees increases from R61 million in 2010/11 to R68.6 million in 2012/13. With the Unit being almost fully staffed, the increase in compensation is attributable to the wage settlement (Improvement of Conditions of Service) between the state and employee unions for salary levels 1 to 12.

Goods and services decrease from R7 million in 2006/07 to R6.2 million in 2012/13. Relatively, the increase in aggregate expenditure in goods and services over the same period stands at 1.2 per cent. Over the MTEF specifically, expenditure on goods and services increases by 12 per cent, with most of the expenditure on items such as the staff training and development, stationery, communication costs, travel and subsistence, and other recurring operating expenditure.

Although payments for capital assets show an average annual increase of 6.6 per cent, this category of expenditure actually declines in absolute terms by almost half, from R583 000 in 2006/07 to R279 000 in 2012/13. Actual and planned expenditure in this category is directed mainly to the replacement of computer equipment currently in use and to the procurement of such equipment for employees joining the Unit.

KEY OUTPUTS AND SERVICE DELIVERY MEASURES

Sub-programme/Performance measures	Estimated Annual Targets		
	2010/11	2011/12	2012/13
Cash Book Services			
% of receipts processed within SLA % of transactions cleared and verified on the bank account	98%	98%	98%
% of bank recons provided to CFOs within SLA	100%	100%	100%
General Accounting			
Rate of successful closures	100%	100%	100%
No. of trial balances (TB) submitted within SLA	100%	100%	100%
Accounts Payable			
% of suppliers paid within SLA target	99%	99%	99%
Debt Administration			
% of new employee debts deducting within 60 days	100%	100%	100%
% collection of supplier debts <90 days	75%	75%	75%
% collection of supplier debts >90 days	15%	15%	15%
% collection of ex-employee debts <90 days	60%	60%	60%
Payroll Services			
Payment of salary –related allowances	98%	98%	98%
Completion & submission of tax reconciliation to SARS	100%	100%	100%

PROGRAMME 8: TECHNOLOGICAL SUPPORT SERVICES**Programme description**

Technological Support Services (TSS) is the Information and Communications Technology (ICT) shared services provider for GPG, responsible for all transversal or cross-departmental ICT infrastructure. This includes applications, networks, hardware, software and any other ICT related assets. TSS is also responsible for managing these assets on a daily basis to ensure an adequate ICT enabled working environment for all departments.

TABLE 19: SUMMARY OF PAYMENT AND ESTIMATES: TECHNOLOGICAL SUPPORT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
1. GM Office	2 641	3 179	5 632	3 608	19 397	19 390	4 543	5 034	5 073
2. Service Management	4 159	3 808	4 453	5 897	4 168	4 168	5 538	5 855	6 534
3. Planning & Architecture	5 894	7 924	3 259	8 311	1 519	1 526	8 774	9 487	9 804
4. Programme Management	4 507	5 372	4 818	5 226	4 688	4 688	4 896	5 175	5 446
5. Application Management	78 604	99 224	94 463	96 775	66 273	66 273	120 863	101 042	102 771
6. Information Security	1 799	28 324	9 953	64 558	82 833	82 833	86 471	17 638	18 419
7. Operations Management	115 811	120 089	112 011	112 653	98 999	98 999	118 608	129 355	136 260
8. E-Government	83 740	323 698	431 717	468 000	468 000	468 000	458 219	518 918	548 517
Total payments and estimates	297 155	591 618	666 306	765 028	745 877	745 877	807 912	792 504	832 824

TABLE 20: SUMMARY OF ECONOMIC CLASSIFICATION: TECHNOLOGICAL SUPPORT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	287 553	494 296	649 408	746 401	739 656	739 662	778 336	764 121	803 020
Compensation of employees	48 492	50 758	56 537	73 913	73 222	73 222	79 144	87 421	91 282
Goods and services	239 061	443 538	592 871	672 488	666 434	666 440	699 192	676 700	711 738
Interest and rent on land									
Transfers and subsidies to:	14		6		6				
Provinces and municipalities	11								
Departmental agencies and accounts									
Universities									
Public corporations and private enterprises									
Non-profit institutions									
Households	3		6		6				
Payments for capital assets	9 588	97 322	16 892	18 627	6 215	6 215	29 576	28 383	29 804
Buildings and other fixed structures									
Machinery and equipment	9 332	12 515	16 892	18 627	6 215	6 215	29 576	28 383	29 804
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	256	84 807							
Payments for financial assets									
Total economic classification	297 155	591 618	666 306	765 028	745 877	745 877	807 912	792 504	832 824

Expenditure in Technological Support Services increases at an annual average rate of 64.3 per cent from R297.2 million in 2006/07 to R832.8 million in 2012/13. This steep increase in aggregate spending is attributable to the inclusion of the both the Bana-Pele and Gauteng-on-Line (GoL) projects (e-government) in TSS. The increase in spending occurs mostly under goods and services, which increase at annual average rate of 23.5 percent particularly with regard to the GoL project, annual renewal of licences, maintenance of existing contractual obligations, information security against attacks, maintenance of the GPG Data Centre and the GPG's overall ICT infrastructure.

Compensation of employees represents, on average, 10 per cent of aggregate spending in the TSS, reflecting the project-oriented character of the Unit. Compensation increases at an annual average rate of 7.6 percent in relative terms over the MTEF. In absolute terms, compensation of employees increases from R79 million in 2010/11 to R91 million in 2012/13. TSS continues to be faced with scarce skills in certain areas of the Unit's operation. However, there is a concerted effort to capacitate the Unit as much as possible, notwithstanding these constraints. The commitment to fill vacancies is reflected in the relative and absolute increases in employee compensation referred to above. As with other programmes in the department, the increase in compensation is also attributable to the wage settlement (Improvement of Conditions of Service) between the state and employee unions for salary levels 1 to 12.

Goods and services increase from R239 million in 2006/07 to R711 million in 2012/13 in absolute terms. Relatively, the increase in aggregate expenditure in goods and services over the same period is 66.4 per cent. As stated above, the increase in aggregate expenditure on goods and services in TSS is accounted for by expenditure to items such as GoL, licence renewal, infrastructure maintenance and information security. Over the MTEF, expenditure on goods and services actually declines from R699 million in 2010/11 to R711 in 2012/13. This relates to the expiry of the special allocation to the Information Security sub-programme. As with other units in the department, some of the outlay in goods and services is directed towards items such as staff training and development, stationery, communication costs, travel and subsistence, and other recurring operating expenditure.

Payments for capital assets show an average annual increase of 191 per cent, from R9.6 million in 2006/07 to R29.8 million in 2012/13. Over the MTEF, planned payments for capital assets remain constant, with expenditure increasing from R29.6 million in 2010/11 to R29.8 in 2012/13. Most of the planned expenditure relates to the installation, maintenance and replacement of computers in public schools in the province, and the completion of internet connectivity in public schools. Provision is also made for replacement of servers in the GPG Data Centre and of computer equipment currently in use by employees, and for procurement of such equipment for new employees.

KEY OUTPUTS AND SERVICE DELIVERY MEASURES: TECHNOLOGY SUPPORT SERVICES

Sub-programme/Performance measures	Estimated Annual Targets		
	2010/11	2011/12	2012/13
Service Management			
Number of reports communicated to clients	10 departments 12 client	10 departments 12 client	10 departments 12 client
Architecture and Planning			
Number of base line reports developed	10	10	10
Number of GAP analysis reports	10	10	10
Number of road map recommendation report	10	10	10
Application Management			
Number of hours the application is available	22 hours per day (92%)	22 hours per day (92%)	22 hours per day (92%)
Percentage of application incident support resolved within SLA	85%	95%	95%
Enterprise Resource Planning			
The deployment of Human Capital Management (HCM) within GPG Departments.	10	-	-
The deployment of Budgeting and Forecasting within GPG Departments	10	-	-
The deployment of CRM within GPG Departments.	10	-	-
The deployment of Asset Management within GPG Departments	10	-	-

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Sub-programme/Performance measures	Estimated Annual Targets		
	2010/11	2011/12	2012/13
The deployment of Performance Management system within GPG Departments.	10	-	-
The deployment of Governance Risk and compliance within GPG Departments.	10	-	-
Information Security			
Develop and implement a DRP site	Implement DRP site for GDF	Monitor and Maintain DRP site	Monitor and Maintain DRP site
Number of users trained in security awareness	2000	2000	2000
Number of ICT policies developed and reviewed.	9	12	16
Number of ICT Risk Assessments	4	4	4
Number of threats resolved	95% of threats detected	95% of threats detected	95% of threats detected
Operations Management			
Hours of WAN available	715 hrs per month	715 hrs per month	715 hrs per month
Hours of LAN available	715 hrs per month	715 hrs per month	715 hrs per month
Hours of server available	715 hrs per month	715 hrs per month	715 hrs per month
Hours of Data Centre infrastructure available	24 hours per day	24 hours per day	24 hours per day
Reduce the footprint in the Data Centre	200 servers	200 servers	200 servers
Hours of internet availability	715 hrs per month	715 hrs per month	715 hrs per month
Hours of messaging availability	715 hrs per month	715 hrs per month	715 hrs per month
Increase number of WAN Links	200 sites	100 sites	100 sites
E-Government			
Number of access Points	65	65	65
Gauteng Online Schools Project	2045	2045	2045
% of no-cost or affordable access to broadband	95%	95%	95%
Number of provide services/ applications of high utility to G2C, G2B, G2G and G2E segments	30	100	120

PROGRAMME 9: GAUTENG FUND PROJECT OFFICE

Programme description

The purpose of the Gauteng Funding Project Office is to institutionalize an alternative funding model for GPG, including the development of strategies to attract private sector funding into infrastructure projects of government.

Programme objectives

- To develop the capacity of the Gauteng Funding Agency (GFA) in all its key areas of operations so that it can become a centre of excellence in infrastructure project financing;
- To put in place all the necessary requirements to ensure that GFA practices good governance and its resources are managed effectively and efficiently in line with the prescripts of PFMA;
- To put in place processes and procedures to develop government infrastructure projects into either bankable projects that would attract private investment, or into project options for which alternative sources of funding could be sourced by the GFA; and
- To create an environment that will be preferred as a choice of employment by providing the necessary skills development, performance management and incentive strategies to recruit and retain the valuable skill base.

TABLE 21: SUMMARY OF PAYMENTS AND ESTIMATES: GAUTENG FUND PROJECT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
1. Gauteng Fund Project Office		40 000	60 000	80 000	40 000	40 000	50 000	50 000	50 000
Total payments and estimates		40 000	60 000	80 000	40 000	40 000	50 000	50 000	50 000

TABLE 22: SUMMARY OF ECONOMIC CLASSIFICATION: GAUTENG FUND PROJECT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments									
Compensation of employees									
Goods and services									
Interest and rent on land									
Transfers and subsidies to:		40 000	60 000	80 000	40 000	40 000	50 000	50 000	50 000
Provinces and municipalities									
Departmental agencies and accounts		40 000	60 000	80 000	40 000	40 000	50 000	50 000	50 000
Households									
Payments for capital assets									
Buildings and other fixed structures									
Machinery and equipment									
Software and other intangible assets									
Payments for financial assets									
Total economic classification		40 000	60 000	80 000	40 000	40 000	50 000	50 000	50 000

The total expenditure increased by 50 per cent from 2007/08 to 2008/09 and indicates growth within the entity for that period (mainly the set-up stage of the entity). The Fund was ready to fully roll-out its activities, increasing expenditure to a planned R80 million for the 2009/10 financial year. A political decision was taken to reduce the activities of the Fund (GFPO) and to convert it into a Funding Agency (proposed name- the Gauteng Funding Agency - GFA), which would be operational as from 1 April 2010. This resulted in the adjustment of the budget of R80 million in 2009/10, to R40 million during the 2009/10 adjustment budget process.

Most of the expenditure incurred in the 2010 financial year thus related to the activities of the GFPO as it existed in the first quarter, and thereafter to the costs incurred in winding down the operations of the GFPO and preparation for readiness for the new GFA. Funding available for the GFA has been set at R50 million over the MTEF. Operations of the GFA are expected to significantly increase from 2011 to 2013, and assessments and probable adjustments will be performed during the year.

KEY OUTPUTS AND SERVICE DELIVERY MEASURES

Sub-programme/Performance measures	Estimated Annual Targets		
	2010/11	2011/12	2012/13
GFA capacity rate in all key functional areas	60% capacity	80% capacity	95% capacity
Effective and reliable Project Finance and Research Agenda	Project Finance and Research Agenda	Applied and tested project finance infrastructure models	Applied and tested project finance infrastructure models
Number of business processes, procedures and systems developed, approved, reviewed and improved	All Business processes, procedures and systems developed and approved	All Business processes, procedures and systems reviewed and improved	All Business processes, procedures and systems reviewed and improved
Number of projects identified for investment	5 projects identified	5 projects identified and invested in	5 projects identified and invested in
Number of qualitative, accurate and timeously submitted accountability reports	All monthly, quarterly and annual reports timeously submitted	All monthly, quarterly and annual reports timeously submitted	All monthly, quarterly and annual reports timeously submitted
Reliable and dependable Risk Management and Internal Audit Strategy and Plan	Risk Management and Internal Audit Strategy and Plan	Reliable and dependable Risk Management and Internal Audit Strategy and Plan	Reliable and dependable Risk Management and Internal Audit Strategy and Plan
Credible and reliable Strategic Planning and Performance Information Framework	Comprehensive Strategic Planning and Performance Information Framework	Reviewed Strategic Planning and Performance Information Framework	Reviewed Strategic Planning and Performance Information Framework

7. OTHER PROGRAMME INFORMATION

7.1 Personnel numbers and cost

TABLE 23: PERSONNEL NUMBERS AND COSTS: DEPARTMENT OF FINANCE

Personnel numbers	As at 31 March 2007	As at 31 March 2008	As at 31 March 2008	As at 31 March 2010	As at 31 March 2011	As at 31 March 2012	As at 31 March 2013
1. Administration	216	313	376	537	546	546	546
2. Sustainable Resource Management	36	72	102	102	107	107	107
3. Financial Governance	34	53	63	59	62	62	62
4. Gauteng Audit Services	136	220	220	140	140	140	140
5. Human Resource Services	291	325	325	281	281	281	281
6. Procurement Services	242	296	296	278	278	278	278
7. Finance Services	330	349	349	355	355	355	355
8. Technological Support Services	169	266	266	260	260	260	260
9Gauteng Fund							
10. Programme Management Unit	37	37					
Total departmental personnel numbers	1491	1 931	1 997	2012	2029	2 029	2029
Total departmental personnel cost (R thousand)	305 228	355 730	389 675	489 994	527 614	568 505	604 393
Unit cost (R thousand)	206	184	231	244	244	245	256

The above information about outcomes of previous financial years represents combined outcomes in respect of the previous Gauteng Treasury and the GSSC. As a result of the reconfiguration of the GPG and the subsequent merger of Gauteng Treasury and the GSSC, the appropriations and medium term estimates represent the combined figures of the two divisions within the GDF.

Total personnel numbers and related costs for the GDF stabilise over the MTEF. The increase in personnel numbers over the MTEF reflects the planned filling of vacant posts in the first year of the 2010/11 MTEF. The stability also reflects the benefits of automation that had been undertaken in previous years. With a number of processes being automated, there is less need to substantially increase the staff complement beyond the levels already reached. In terms of cost, the changes are consistent with the projected cost of living adjustments.

TABLE 24: PERSONNEL NUMBERS AND COSTS: DEPARTMENT OF FINANCE

TABLE 24: PERSONNEL NUMBERS AND COSTS: DEPARTMENT OF FINANCE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Total for department									
Personnel numbers (head count)	1491	1 931	1 997	2012	2029	2 029	2029	1491	1 931
Personnel cost (R thousands)	305 228	355 730	389 675	489 994	491 771	562 950	527 614	568 505	604 393
Human resources component									
Personnel numbers (head count)	30	34	30	37	37	37	37	37	37
Personnel cost (R thousands)	6 044	7 977	7 618	7 898	8 333	8 333	8 831	9 305	9 761
Head count as % of total for province	2%	2%	2%	2%	2%	2%	2%	2%	2%
Personnel cost as % of total for province	2%	2%	2%	2%	2%	1%	2%	2%	2%
Finance component									
Personnel numbers (head count)	32	60	76	87	87	87	90	90	90
Personnel cost (R thousands)	4 451	10 139	14 065	20 128	22 233	20 128	35 385	39 044	48 373

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Head count as % of total for province	2%	3%	4%	4%	4%	4%	4%	6%	5%
Personnel cost as % of total for province	1%	3%	4%	4%	5%	5%	7%	7%	8%
Full time workers									
Personnel numbers (head count)	1 481	1 902	1 688	1 992	1 992	1 992	2 009	2 009	2 009
Personnel cost (R thousands)	294 708	341 960	389 675	482 433	491 771	556 928	518 740	559 144	594 559
Head count as % of total for province	99%	98%	85%	99%	99%	98%	99%	135%	104%
Personnel cost as % of total for province	97%	96%	100%	98%	100%	99%	98%	98%	98%
Part-time workers									
Personnel numbers (head count)				20	20	20	20	20	20
Personnel cost (R thousands)				7 561	7 561	7 561	8 874	9 361	9 834
Head count as % of total for province				1%	1%	1%	1%	1%	1%
Personnel cost as % of total for province				2%	2%	1%	2%	2%	2%
Contract workers									
Personnel numbers (head count)				20	20	20	20	20	20
Personnel cost (R thousands)				7 561	7 561	7 561	8 874	9 361	9 834
Head count as % of total for province				1%	1%	1%	1%	1%	1%
Personnel cost as % of total for province				2%	2%	1%	2%	2%	2%

Total personnel numbers and related costs for the GDF stabilise over the MTEF. The increase in personnel numbers over the MTEF reflects the planned filling of vacant posts in the first year of the 2010/11 MTEF. The stability also reflects the benefits of automation that had been undertaken in previous years. With a number of processes being automated, there is less need to substantially increase the staff complement beyond the levels already reached. In terms of cost, the changes thereto are consistent with the projected cost of living adjustments.

The human resource component of the GDF basically maintains a consistent pattern throughout the period under review, in personnel numbers and cost. The increases in cost over the period are mainly a reflection of projected compensation adjustments in keeping with the cost of living.

The finance component also maintains a consistent pattern between personnel number and cost. The abnormal spike over the MTEF is a result of the allocated inflationary adjustments credited to the CFO's office. If these provisional allocations are taken out of the equation, the increases in cost for the finance component also reflect the projected cost of living adjustments.

Part-time workers/contractors refer to personnel that have been brought to areas such as the Document Management Centre (DMC). DMC experiences seasonal spikes of mail handled, particularly around the end of the financial year, and therefore requires additional support to cope with this. The increases in cost over the MTEF for part-time/contract workers are mainly a reflection of projected compensation adjustments in keeping with the cost of living.

7.2 Training

TABLE 25: PAYMENTS ON TRAINING: DEPARTMENT OF FINANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Administration	9 845	3 705	5 319	2 551	9 030	3 935	6 490	6 756	7 065
of which									
Subsistence and travel	7 727	2 753	4 330	1 351	7 951	2 705	3 935	3 980	4 181
Payments on tuition	2 118	952	989	900	1 079	1 230	2 555	2 776	2 884
Sustainable Resource Management	44	159	51	606	606	606	400	530	600
of which									
Subsistence and travel	40	152	51	606	606	606	400	530	600
Payments on tuition	4	7							
Financial Governance	52	103	21	24	24	24	30	34	36
of which									
Subsistence and travel	52	76							
Payments on tuition		27							
Gauteng Audit Services	383	1 486	362	554	822	822	804	818	936
of which									
Subsistence and travel	303	986	287	212	498	498	459	451	536
Payments on tuition	80	500	75	342	324	324	345	367	400
Human Resource Services	1 180	2 416	1 007	1 027	1 027	1 983	902	1 127	1 127
of which									
Subsistence and travel	1 090	2 063	890	764	764	1 720	332	420	390
Payments on tuition	90	353	117	263	263	263	570	707	737
Procurement Services	1 228	394	786	1 278	917	917	1 329	1 575	1 662
of which									
Subsistence and travel	1 064	348	679	744	483	483	800	955	1 000
Payments on tuition	164	46	107	534	434	434	529	620	662
Finance Services	1 592	549	196	341	1 417	1 417	811	1 156	1 026
of which									
Subsistence and travel	1 558	496	150	243	1 117	1 184	617	848	926
Payments on tuition	34	53	46	98	300	233	194	308	100
Technology Support Services	1 108	3 596	3 084	3 346	2 637	2 637	3 804	4 108	3 557
of which									
Subsistence and travel	842	2 986	2 494	2 691	2 511	2 143	3 225	3 477	2 875
Payments on tuition	266	610	590	655	126	494	579	631	682
Programme Management Unit									
of which									
Subsistence and travel									
Payments on tuition									
Total payments on training	15 432	12 408	10 826	9 727	16 480	12 341	14 570	16 104	16 009

TABLE 26: INFORMATION ON TRAINING: DEPARTMENT OF FINANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Number of staff	1479	1860	1771	2012	2012	2012	2029	2029	2029
Number of personnel trained	415	543	617	689	476	476	723	760	798
of which									
Male	199	236	257	306	171	171	321	337	354
Female	216	307	360	383	305	305	402	422	443
Number of training opportunities	534	498	471	510	594	594	536	624	624
of which									
Tertiary	190	303		292	354	354	307	372	372
Workshops		45		7	42	42	7	44	44
Seminars				7	10	10	7	11	11
Other	344	150	471	204	188	188	214	197	197
Number of bursaries offered	213	293		344	218	218	361	229	229
Number of interns appointed	32	52		65	55	55	68	58	58
Number of learnerships appointed	29	40	54	52	16	16	55	17	17
Number of days spent on training	12	26		300	313	313	315	329	329

Table 25 and 26 above refer to GDF's work on training matters. In keeping with GPG's aim of developing and empowering women at all levels of leadership, management, skills development, involvement with the highly successful Women Management Advancement Programme (WOMAP) offered by the Wits Business School continues. Twenty-five women employees are participating in the programme in 2009/10 financial year, and 30 participated in 2008/09. WOMAP also accounts for the relatively higher number of females being trained relative to their male counterparts.

Other development programmes include Khaedu and Project Management. These are informed by the outcome of the competence assessment conducted 2008/09. Internship programmes continue in the specialised fields of Internal Audit, Finance, HR and Risk Management. The department has also provided EQ training to a significant number of employees in the former Gauteng Treasury, which covers soft issues areas such as building trust, emotional intelligence, enhancement of cohesion within and between the employees and units, and building relationships within the work place. The department has also liaised with the National Department of Justice and Constitutional Development to provide training on the Promotion of Administrative Justice Act in the work place. All employees in the former Gauteng Treasury division of the department at middle and junior management have been trained.

The spike in the number of bursaries offered in 2010/11 is a result of the anticipated skills gap, arising from the skills audit conducted when the GSSC and Gauteng Treasury were merged to form the Department of Finance. In subsequent years, the number of bursaries offered stabilises, in keeping with the projected staff complement.

As part of the strategic planning framework of the Department of Finance, an HR Plan will be developed where a Workplace Skills Plan and Human Resource Development Strategy will be formulated. The individual Personal Development Plans of employees will determine the training and development for the 2010/11 financial year.

Emphasis is being placed on capacity building in the field of management and leadership development through blended interventions which include formal training programmes, executive coaching programmes and workshops. Capacity building in technical competencies is informed by individuals' personal development plans.

8. CROSS CUTTING ISSUES

Cross Cutting Issue	Programme and sub-programme	Indicator/Measure	Target	MTEF BUDGET		
				2010/11	2011/12	2012/13
Women	There should be 50% women in senior management	50% of women at SMS level in the GDF	50%	R28.8 million	R30.5 million	R32.2 million
	50% of beneficiaries of education and training programmes should be women	50% of total development opportunities at the GDF awarded to women employees	50%	R3 million	R3.2 million	R3.4 million
	Promotion of women owned businesses	15% of GDF business opportunities awarded to women-owned businesses	15%	R13.3 million	R14.6 million	R16.1 million
Youth	The learnership and internship programmes should benefit the youth	60% of women appointed in internships. 40% of women enrolled in learnerships.	60% 40%	60% 40%	60% 40%	60% 40%
	The youth should benefit from bursaries and training programmes	20% of total development opportunities at the GDF awarded to the youth	20%	R2.9 million	R4 million	R4.3 million
	Promotion of youth owned businesses	5% of GDF business opportunities awarded to youth-owned businesses	5%	R3 million	R3.2 million	R3.6 million
PwDs	2% of employees should be PwDs	2% of total GDF staff complement being PWD's	2%	2%	2%	2%
	The PwD's should benefit from bursaries and training programmes	2% of total development opportunities at the GDF awarded to PWD's	2%	2%	2%	2%
	Promotion of PWD's owned businesses	5% of GDF business opportunities awarded to businesses owned by PWD's	5%	R1.5 million	R2 million	R3 million

ANNEXURE TO ESTIMATES OF PROVINCIAL EXPENDITURE

2010 Estimates of Provincial Expenditure

TABLE 27: SPECIFICATION OF RECEIPTS: FINANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	354	410	752		115	646	629	664	699
Sale of goods and services produced by department (excluding capital assets)	354	410	738		115	646	629	664	699
Sales by market establishments		410	424		115	475			
Administrative fees	344								
Other sales	10		314			171	629	664	699
Of which									
Parking Bays	10		124			171	582	615	647
Gymnasium			190				47	49	52
Sales of scrap, waste, arms and other used current goods (excluding capital assets)			14						
Transfers received from:									
Other governmental units									
Universities									
Households and non-profit institutions									
Fines, penalties and forfeits									
Interest, dividends and rent on land	227 690	326 024	128 760	254 240	31 888	49 974	50 000	100 000	140 000
Interest	227 690	326 024	128 760	254 240	31 888	49 974	50 000	100 000	140 000
Dividends									
Rent on land									
Sales of capital assets	45								
Land and sub-soil assets									
Other capital assets	45								
Transactions in financial assets and liabilities	795	5 283	5 459	1 440	1 834	1849			
Total departmental receipts	228 884	331 717	134 971	255 680	33 837	52469	50 629	100 664	140 699

TABLE 28: SUMMARY OF ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	184 621	201 757	233 145	318 575	347 543	340 897	259 844	282 057	304 339
Compensation of employees	45 105	61 794	76 622	122 373	124 427	133 719	148 410	157 604	173 023
Salaries and wages	41 309	55 572	68 863	110 072	111 984	121 827	137 218	145 753	160 532
Social contributions	3 796	6 222	7 759	12 301	12 443	11 892	11 192	11 851	12 491
Goods and services of which	139 516	139 963	156 523	196 202	223 116	207 178	111 434	124 453	131 316
Administrative fees	4 594	44	1 882	830	2 480	1 626	1 900	2 730	2 996

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Advertising	4 488	3 726	7 685	2 503	2 302	2 437	3 592	3 964	3 769
Assets <R5000	1 299	3 324	1 420	647	304	627	848	1 516	949
Audit cost: External	1 692	530	3 909	4 657	6 457	4 657	5 534	6 601	7 758
Bursaries (employees)	370	952	1 034	1 630	1 200	1 479	2 555	3 776	3 884
Catering: Departmental activities	2 198	1 534	1 394	627	777	706	779	821	864
Communication	15 171	7 148	13 493	6 219	14 932	5 637	4 876	5 086	5 291
Computer services	12	10 958	7 446	2 862	490	3 001	2 141	2 275	2 438
Cons./prof:business & advisory services	19 472	59 903	56 605	138 186	142 651	39 881	24 901	26 833	27 503
Cons./prof: Legal cost	108	15	8 622	2 458	7	2 507	16 582	17 430	18 092
Contractors			4 212	872	4 051	858	2 513	2 741	2 964
Agency & support/ outsourced services	151	142	3 239	201	2 443	102	538	588	641
Entertainment	402	842	1 579	649	120	760	942	978	1 004
Government motor transport					360	360	1 010	2 011	1 011
Housing									
Inventory: Food and food supplies		80	244	263	298	304	347	399	456
Inventory: Fuel, oil and gas		70	61	240		240			
Inventory: Learn & teacher support material			173						
Inventory: Raw materials			14	34	33	274			
Inventory: Other consumables		1 137	411	1 203	210	928	1 180	1 064	1 144
Inventory: Stationery and printing	3 692	2 761	4 002	4 605	2 750	4 420	3 262	4 460	4 835
Lease payments	2 294	3 328	4 524	3 375	2 670	2 055	5 984	6 382	9 429
Owned & leasehold property expenditure	8 313		566	8 680	20 097	9 533	7 474	8 527	9 536
Transport provided dept activity				30	30	80	50	50	60
Travel and subsistence	4 727	5 486	12 355	7 682	7 252	117 062	9 387	10 560	10 540
Training & staff development	9 735	3 445	5 444	2 532	8 474	3 046	6 340	6 651	6 905
Operating expenditure	60 733	32 497	12 258	3 319	1 581	2 431	3 239	3 488	3 718
Venues and facilities	65	2 041	3 951	1 898	1 147	2 167	5 460	5 522	5 529
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies to:	810		51		15	7			
Provinces and municipalities	12								
Provinces	2								
Provincial Revenue Funds									
Provincial agencies and funds	2								
Municipalities	10								
Municipalities	10								
Municipal agencies and funds									
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									

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R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Public corporations									
Non-profit institutions									
Households	798		51		15	7			
Social benefits	798		51		15	7			
Other transfers to households									
Payments for capital assets	9 261	5 823	10 435	6 852	42 706	68 853	12 091	9 488	8 870
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	9 261	5 823	10 399	6 852	42 706	68 853	12 091	9 488	8 870
Transport equipment			521						
Other machinery and equipment	9 261	5 823	9 878	6 852	42 706	68 853	12 091	9 488	8 870
Heritage Assets									
Payments for financial assets									
Total economic classification	194 692	207 580	243 631	325 427	390 264	409 757	271 935	291 545	313 209

TABLE 29: SUMMARY OF ECONOMIC CLASSIFICATION: SUSTAINABLE RESOURCE MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	24 543	33 265	42 891	53 537	50 326	50 325	56 364	59 879	65 452
Compensation of employees	10 963	19 358	28 394	44 915	44 119	44 118	45 082	48 427	51 394
Salaries and wages	9 858	17 446	25 279	40 689	39 893	39 892	40 393	43 502	46 320
Social contributions	1 105	1 912	3 115	4 226	4 226	4 226	4 689	4 925	5 074
Goods and services	13 580	13 907	14 497	8 622	6 207	6 207	11 282	11 452	14 058
of which									
Administrative fees		78	9	40	40	40	40	50	50
Advertising	890	856	598	192	192	192	81	81	81
Assets <R5000	201	237	3	10	10	10	20	30	30
Audit cost: External	267								
Bursaries (employees)	4	7							
Catering: Departmental activities	183	338	233	151	46	46	194	205	225
Communication	265	398	511	626	143	143	536	567	591
Computer services	1 103	1 377	2 768	1 514	1 514	1 514	1 081	100	100
Cons/prof:business & advisory services	6 632	4 059	1 275	1 298	1 081	1 081	4 155	5 079	7 295
Cons/prof: Infrastructure & planning							401	200	200
Cons/prof: Legal cost			89	90	90	90			
Contractors			40				100	100	120
Agency & support/ outsourced services	10		1 800	43	43	43	388	443	493
Entertainment	2	55	319	4	4	4	4	4	4
Government motor transport									
Housing									
Inventory: Food and food supplies	1 590	2 463	73	46			80	80	80
Inventory: Fuel, oil and gas									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Inventory: Learn & teacher support material									
Inventory: Raw materials			4	5					
Inventory: Medical supplies									
Inventory: Other consumables			14						
Inventory: Stationery and printing			1 950	1 844	1 538	1 538	2 010	2 199	2 319
Lease payments	13	106	82						
Travel and subsistence	1 460	2 820	3 434	1 109	106	106	936	994	1 076
Training & staff development	397	519	11	57	57	57	62	72	82
Operating expenditure	4	25	453	475	225	225	205	207	210
Venues and facilities	559	569	831	1 118	1 118	1 118	989	1 041	1 102
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies to:	41	1 500	1 551	1 617			2 000	2 000	2 000
Provinces and municipalities	5	1 500	1 551	1 617			2 000	2 000	2 000
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	5	1 500	1 551	1 617			2 000	2 000	2 000
Municipalities	5	1 500	1 551	1 617			2 000	2 000	2 000
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers									
Universities									
Subsidies on production									
Households	36								
Social benefits									
Other transfers to households	36								
Payments for capital assets	1 062	933							
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	1 062	933							
Transport equipment									
Other machinery and equipment	1 062	933							
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									

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	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Payments for financial assets									
Total economic classification	25 646	35 698	44 442	55 154	50 326	50 325	58 364	61 879	67 452

TABLE 30: SUMMARY OF ECONOMIC CLASSIFICATION: FINANCIAL GOVERNANCE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	8 448	20 401	42 582	36 036	46 874	46 874	45 133	46 925	49 283
Compensation of employees	5 334	10 251	17 779	27 030	26 030	26 030	27 678	29 228	30 688
Salaries and wages	4 756	8 996	15 896	26 180	25 180	25 180	25 558	26 989	28 336
Social contributions	578	1 255	1 883	850	850	850	2 120	2 239	2 352
Goods and services of which	3 114	10 150	24 803	9 006	20 844	20 844	17 455	17 697	18 595
Administrative fees		1 710	22	1 020	10	10	21	22	24
Advertising		308	54						
Assets <R5000	(133)	44	42	100			15		
Audit cost: External	150	1 380	393	510	510	510	447	486	528
Bursaries (employees)		27							
Catering: Departmental activities	29	55	55	127			86	94	102
Communication	96	195	343	520			476	511	549
Computer services			4 830	2 477	12 977	12 977	11 197	11 302	11 488
Cons/prof:business & advisory services	254	126	14 473	1 344	5 344	5 344	3 000	2 968	3 437
Cons/prof: Infrastructure & planning									
Cons/prof: Laboratory services									
Cons/prof: Legal cost									
Contractors			8	35	35	35			
Agency & support/ outsourced services	1 662	4 331	1 621						
Entertainment	5	1	9						
Government motor transport							20		
Housing									
Inventory: Food and food supplies	4	17	20	47			50	53	56
Inventory: Fuel, oil and gas									
Inventory: Learn & teacher support material									
Inventory: Raw materials			6	2			2	2	2
Inventory: Medical supplies									
Medsas inventory interface									
Inventory: Military stores									
Inventory: Other consumables			2	1			1	1	1
Inventory: Stationery and printing			322	241	91	91	256	253	265
Lease payments			38						

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Owned & leasehold property expenditure									
Transport provided dept activity									
Travel and subsistence	71	902	968	1 123	418	418	589	632	677
Training & staff development	58	680							
Operating expenditure	52		317	267	267	267	80	86	92
Venues and facilities	866	374	1 280	1 192	1 192	1 192	1 214	1 287	1 375
Other (big spending items not included above)									
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies to:	2								
Provinces and municipalities	2								
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	2								
Municipalities	2								
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers									
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on production									
Households									
Social benefits									
Other transfers to households									
Payments for capital assets	2 912	709							
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	2 912	709							
Transport equipment									
Other machinery and equipment	2 912	709							
Heritage Assets									
Specialised military assets									
Biological assets									

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	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	11 362	21 110	42 582	36 036	46 874	46 874	45 133	46 925	49 283

TABLE 31: SUMMARY OF ECONOMIC CLASSIFICATION GAUTENG AUDIT SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	59 304	61 909	49 018	53 284	44 380	44 380	52 456	57 541	60 020
Compensation of employees	38 242	34 289	36 396	39 783	37 083	36 475	46 136	49 371	50 367
Salaries and wages	34 591	30 860	32 757	35 805	33 376	32 827	41 522	44 434	45 330
Social contributions	3 651	3 429	3 639	3 978	3 707	3 648	4 614	4 937	5 037
Goods and services	21 062	27 620	12 622	13 501	7 297	7 905	6 320	8 170	9 653
of which									
Administrative fees	60	42	118	10		398	1	1	1
Advertising	594	438	307	205	84	200	319	289	314
Assets <R5000	255	255	6	77			4	7	10
Audit cost: External	36								
Bursaries (employees)	150	223	139	254		120	225	244	262
Catering: Departmental activities	105	309	51	5		1	15	16	18
Communication	1 002	4 531	852	806	208	241	794	851	916
Computer services		103		552		332	513	551	592
Cons./prof:business & advisory services	16 159	17 239	7 609	7 913	3 742	4 177	1 997	3 311	4 307
Cons./prof: Infrastructure & planning		169							
Cons./prof: Laboratory services									
Cons./prof: Legal cost									
Contractors			132	160	163		42	42	43
Agency & support/ outsourced services	38	2	109	581	555		115	177	198
Entertainment	28	9	51	48	168		37	58	61
Government motor transport									
Housing									
Inventory: Food and food supplies		16	22	10	4	4	8	9	9
Inventory: Other consumables	83	79	118	6	2	44	7	8	9
Inventory: Stationery and printing	231	205	281	423	257	44	339	414	450
Lease payments		182	71	51	26		64	64	86
Owned & leasehold property expenditure					36				
Travel and subsistence	1 453	1 574	2 050	841	622	452	834	1 050	1 166
Training & staff development	383	1 486	362	554	556	892	804	818	936
Operating expenditure	71	12	79		784	1 000	152	210	225

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Venues and facilities		16	49	134	90		50	50	50
Other	414	730	216	871					
O/P: Professional Bodies									
Membership	61	423	146	731					
Consultants Project									
Management	353	307	70	140					
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies to:	10								
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provide list of entities receiving transfers									
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Other transfers									
Non-profit institutions									
Households	10								
Social benefits	10								
Other transfers to households									
Payments for capital assets	104	1 205	1 213	604	106	106	407	475	966
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	104	596	1 213	604	106	106	407	475	966
Transport equipment									
Other machinery and equipment	104	596	1 213	604	106	106	407	475	966
Land and sub-soil assets									
Software and other intangible assets		609							
Payments for financial assets									
Total economic classification	59 418	63 114	50 231	53 888	44 486	44 486	52 863	58 016	60 986

TABLE 32: SUMMARY OF ECONOMIC CLASSIFICATION: HUMAN RESOURCE SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	77 305	85 754	75 520	71 606	74 597	74 594	67 923	76 304	81 419
Compensation of employees	54 194	61 429	59 470	62 611	63 023	63 203	60 721	66 609	71 333
Salaries and wages	47 451	55 287	53 525	56 350	56 721	56 883	54 650	59 948	64 200
Social contributions	6 743	6 142	5 945	6 261	6 302	6 320	6 071	6 661	7 133

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R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Goods and services	23 111	24 325	16 050	8 995	11 574	11 391	7 202	9 695	10 086
of which									
Administrative fees	307	986	181				1	1	1
Advertising	646	961	3 628	1 731	20	101	304	541	648
Assets <R5000	225	745	206	241	37	38	193	321	263
Audit cost: External									
Bursaries (employees)	168	353	117	363		43	675	822	872
Catering: Departmental activities	325	142	112				52	63	73
Communication	1 253	1 443	1 458	972	231	274	913	1 028	1 067
Computer services	24	812	35	60	31	66			
Cons./prof.business & advisory services	15 392	9 341	4 121	1 749	8 240	(547)	1 180	1 967	1 980
Cons./prof. Infrastructure & planning			318						
Cons./prof. Legal cost	5		9	10		13			
Contractors			98	48	46	8 674	85	146	149
Agency & support/ outsourced services	164	72	719	436	65	75	748	901	932
Entertainment	35		40	45	3	6	12	14	17
Government motor transport									
Housing									
Inventory: Food and food supplies		35	45	19	1	1	8	8	9
Inventory: Raw materials					1	1			
Inventory: Military stores						1			
Inventory: Other consumables		109	6		3	99	1	1	2
Inventory: Stationery and printing	795	594	832	825	663	727	869	1 015	954
Lease payments	432	677	160	321	25	364	242	310	369
Owned & leasehold property expenditure					133				
Transport provided dept activity	226	129							
Travel and subsistence	1 714	3 477	2 276	667	685	311	550	686	777
Training & staff development	1 390	2 698	1 151	1 075	1 172	1 144	903	1 128	1 219
Operating expenditure					74				
Venues and facilities	10	1 751	538	433	144		466	743	754
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies to:	62		59		7	10			
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipalities									
Municipal agencies and funds									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Departmental agencies and accounts	6				1				
Social security funds	6				1				
Provide list of entities receiving transfers ⁴									
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Subsidies on production									
Other transfers									
Non-profit institutions									
Households	56		59		6	10			
Social benefits	56		59		6	10			
Other transfers to households									
Payments for capital assets	1 535	607	1 399	806	93	93	725	619	485
Buildings and other fixed structures									
Buildings						13			
Other fixed structures									
Machinery and equipment	1 474	607	1 399	806	93	80	725	619	485
Transport equipment									
Other machinery and equipment	1 474	607	1 399	806	93	80	725	619	485
Land and sub-soil assets									
Software and other intangible assets	61								
Payments for financial assets									
Total economic classification	78 902	86 361	76 978	72 412	74 697	74 697	68 648	76 923	81 904

TABLE33: SUMMARY OF ECONOMIC CLASSIFICATION: PROCUREMENT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	57 032	67 829	75 780	78 424	70 064	70 045	75 470	83 506	87 621
Compensation of employees	45 998	52 400	57 140	59 931	60 914	60 914	59 385	64 506	67 662
Salaries and wages	40 851	47 160	51 427	53 938	54 824	54 822	53 447	58 056	60 896
Social contributions	5 147	5 240	5 713	5 993	6 091	6 092	5 939	6 450	6 766
Goods and services of which	11 034	15 429	18 640	18 493	9 150	9 131	16 085	19 000	19 959
Administrative fees									
Advertising	1 855	1 675	668	1 464	1 628	1 947	2 341	2 612	2 657
Assets <R5000	53	135	65	539		4	93	149	178
Audit cost: External									
Bursaries (employees)	64	446	207	733		130	729	820	862
Catering: Departmental activities	48	43	65	12	2	5	15	18	20
Communication	1 624	1 891	1 911	2 005	160	191	1 484	1 645	1 745
Computer services	27		31	91		135	76	88	100

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R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Cons/prof:business & advisory services	3 161	7 318	9 615	7 513	2 043	3 419	4 808	5 878	6 162
Contractors			78	9	19	28	9	11	11
Agency & support/ outsourced services	151	123	551	199			54	121	132
Entertainment	7			32					
Inventory: Food and food supplies		44	48	139	3	4	98	124	143
Inventory: Other consumables			7	7	5	19	25	34	32
Inventory: Stationery and printing	856	1 160	895	1 661	1 119	723	1 845	2 121	2 077
Lease payments		293	411	915	6	599	1 344	1 521	1 597
Owned & leasehold property expenditure	321				480				
Transport provided dept activity	186						10	10	15
Travel and subsistence	902	865	2 550	1 752	1 753	1 630	1 226	1 462	1 689
Training & staff development	1 254	1 307	843	1 286	1 931	297	1 742	2 064	2 178
Operating expenditure	320				1				
Venues and facilities	205	129	695	136			186	322	361
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies to:	336		20		51	70			
Provinces and municipalities	10								
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	10								
Municipalities	10								
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers ⁴									
Universities									
Subsidies on production									
Non-profit institutions									
Households	326		20		51	70			
Social benefits	326		20		51	70			
Other transfers to households									
Payments for capital assets	808	927	479	866	20	20	844	880	903
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	808	927	479	866	20	20	844	880	903

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Transport equipment									
Other machinery and equipment	808	927	479	866	20	20	844	880	903
Heritage Assets									
Specialised military assets									
Payments for financial assets									
Total economic classification	58 176	68 756	76 279	79 290	70 135	70 135	76 314	84 386	88 524

TABLE 34: SUMMARY OF ECONOMIC CLASSIFICATION: FINANCE SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	53 413	59 688	64 264	65 665	67 879	67 879	65 011	71 416	74 842
Compensation of employees	46 380	51 680	57 337	59 438	62 953	62 953	61 058	65 339	68 644
Salaries and wages	40 485	46 515	51 603	53 495	56 658	56 657	54 953	58 806	61 779
Social contributions	5 895	5 165	5 734	5 943	6 295	6 296	6 105	6 533	6 865
Goods and services	7 033	8 008	6 927	6 227	4 926	4 926	3 953	6 077	6 198
of which									
Administrative fees	87								
Advertising	74	210	61	93		1 922	44	113	112
Assets <R5000	29	240	17				252	340	398
Audit cost: External				76					
Bursaries (employees)	34	83	150	167		128	294	408	400
Catering: Departmental activities	57	60	65						
Communication	1 238	904	1 382	1 115	131	176	783	1 215	1 220
Computer services	619	401	18		110	113			
Cons/prof:business & advisory services	537	314	900	323	272	60	200	216	229
Cons/prof: Infrastructure & planning									
Cons/prof: Laboratory services									
Cons/prof: Legal cost				18			18	20	21
Contractors			45	110	9	14	30	63	65
Agency & support/ outsourced services	45		787	1 063	1 579				
Entertainment	6		10						
Government motor transport									
Housing									
Inventory: Food and food supplies		29	44	25	5	4	16	24	26
Inventory: Fuel, oil and gas									
Inventory: Military stores						38			
Inventory: Other consumables		7	6	6		1	3	5	5
Inventory: Stationery and printing	1 060	1 328	868	743	1 032	925	672	949	1 004
Lease payments		1 480	244	546	44	488	196	337	362

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R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Owned & leasehold property expenditure	278		9		216				
Transport provided dept activity									
Travel and subsistence	978	1 458	1 902	430	584	437	584	1 101	1 185
Training & staff development	1 625	1 006	365	1 463	944	620	811	1 156	1 026
Operating expenditure	351	456							
Venues and facilities	15	32	54	50			50	130	145
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies to:	312		205		1	1			
Provinces and municipalities	13								
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	13								
Municipalities	13								
Social security funds									
Provide list of entities receiving transfers ⁴									
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Households	299		205		1	1			
Social benefits	299		205		1	1			
Other transfers to households									
Payments for capital assets	583	152	293	461	163	163	253	268	279
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	583	152	293	461	163	163	253	268	279
Transport equipment									
Other machinery and equipment	583	152	293	461	163	163	253	268	279
Heritage Assets									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	54 308	59 840	64 762	66 126	68 043	68 043	65 264	71 684	75 121

TABLE 35: SUMMARY OF ECONOMIC CLASSIFICATION: TECHNOLOGICAL SUPPORT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	287 553	494 296	649 408	746 401	739 656	739 662	778 336	764 121	803 020
Compensation of employees	48 492	50 758	56 537	73 913	73 222	73 222	79 144	87 421	91 282
Salaries and wages	44 838	45 683	50 885	66 522	65 900	65 900	71 230	78 679	82 154
Social contributions	3 654	5 075	5 652	7 391	7 322	7 322	7 914	8 742	9 128
Goods and services of which	239 061	443 538	592 871	672 488	666 434	666 440	699 192	676 700	711 738
Administrative fees									
Advertising	1 665	9 490	431	5 407	204	2 125	5 210	3 770	3 422
Assets <R5000	597	4 347	1 890	18	7 955	7 955	8	8	9
Audit cost: External	423						65	60	67
Bursaries (employees)	266	310	255	655	26	220	579	631	682
Catering: Departmental activities	68	88	103	8	125	119	17	19	21
Communication	4 066	3 102	1 522	29 126	5 465	9 354	1 514	1 563	1 600
Computer services	191 636	176 038	175 453	47 922	57 450	42 900	44 920	33 776	34 523
Cons/prof:business & advisory services	21 244	224 361	385 469	486 062	564 127	579 176	509 646	511 032	540 187
Contractors			4 681	1 206	266	977	70	113	120
Agency & support/ outsourced services	55	29	410	590	71		10	8	90
Entertainment	620	9	3	50					
Inventory: Food and food supplies		38	77	91	9		11	11	12
Inventory: Other consumables		612	37	1	1	26	1	1	2
Inventory: Stationery and printing	397	850	839	351	311	68	150	179	197
Lease payments	148	767	755	22 485	24	85			
Owned & leasehold property expenditure	58		2 336		39				
Transport provided dept activity				302					
Travel and subsistence	1 803	1 861	3 088	5 277	2 241	804	2 644	2 912	2 999
Training & staff development	1 109	3 597	3 086	3 346	2 639	792	3 804	4 108	3 557
Operating expenditure	6 774	17 946	12 275	204	24 973		110 040	102 956	109 250
Venues and facilities		30	87	1 100	508		503	553	
SITA mainframe time	8 132	63	74	68 287		21 839	20 000	15 000	15 000
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies to:	14		6		6				
Provinces and municipalities	11								
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	11								
Municipalities	11								
Municipal agencies and funds									
Universities									

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R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Foreign governments and international organisations									
Subsidies on production									
Other transfers									
Non-profit institutions									
Households	3		6		6				
Social benefits	3		6		6				
Other transfers to households									
Payments for capital assets	9 588	97 322	16 892	18 627	6 215	6 215	29 576	28 383	29 804
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	9 332	12 515	16 892	18 627	6 215	6 215	29 576	28 383	29 804
Transport equipment									
Other machinery and equipment	9 332	12 515	16 892	18 627	6 215	6 215	29 576	28 383	29 804
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	256	84 807							
Payments for financial assets									
Total economic classification	297 155	591 618	666 306	765 028	745 877	745 877	807 912	792 504	832 824

TABLE 36: SUMMARY OF ECONOMIC CLASSIFICATION: PROGRAMME MANAGEMENT UNIT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	29 185	41 452							
Compensation of employees	10 520	13 771							
Salaries and wages	9 755	12 891							
Social contributions	765	880							
Goods and services	18 665	27 681							
of which									
Administrative fees	21	35							
Advertising	4 495	5 414							
Assets <R5000	3 023	4 138							
Audit cost: External									
Bursaries (employees)	59	74							
Catering: Departmental activities	48	487							
Communication	223	390							
Computer services	2 740	3 151							
Cons./prof.business & advisory services	6 978	12 110							
Inventory: Other consumables									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Inventory: Stationery and printing	107	343							
Travel and subsistence	142	300							
Training & staff development	398	550							
Operating expenditure	431	689							
Venues and facilities									
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies to:	3								
Provinces and municipalities	3								
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	3								
Municipalities	3								
Municipal agencies and funds									
Departmental agencies and accounts									
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Private enterprises									
Households									
Social benefits									
Other transfers to households									
Payments for capital assets	4 360	2 690							
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	4 102	2 690							
Transport equipment									
Other machinery and equipment	4 102	2 690							
Heritage Assets									
Software and other intangible assets	258								
Payments for financial assets									
Total economic classification	33 548	44 142							

