

# VOTE 12

## DEPARTMENT OF FINANCE

To be appropriated	R1 322 700 000
Responsible MEC	MEC for Finance
Administering department	Department of Finance
Accounting officer	Head of Department

### 1. OVERVIEW

#### Vision

The Gauteng Department of Finance sets for itself the following vision:

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

#### Mission

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

- Ensuring operational efficiencies;
- Instilling sound corporate governance;
- Ensuring innovation and leading edge technologies and processes; and
- Professionalizing the public service and increasing productivity.

#### Overview of the main services

The Department's purpose is to improve information and communications technology (ICT) and corporate governance, making Gauteng's government a sound, innovative, integrated and connected government.

The GDF has aligned its services to contribute to the priority outcome: Effective Public Service, to be expressed through the following outputs:

- Output 1: Service delivery quality and access;
- Output 2: Human Resource Management and development;
- Output 3: Business processes, systems, decision rights and accountability;
- Output 4: Corruption tackled effectively;
- Output 5: Effective financial management; and
- Output 6: Performance monitoring and evaluation.

#### Key strategic objectives

The strategic objectives of the GDF, set out in the 2009 – 2014 Strategic Plan, are derived from an analysis of the environment, key challenges and strategic issues that the Department should address. The GDF has revised the strategic plan for the remainder of the term 2012-2014 as follows:

- Be a centre of excellence in the public sector on strategic and innovative information solutions
- Position the organisation as a reference point in the public sector for effective solutions to service delivery challenges.
- Provide business intelligence and support to executive planning and decision processes across GPG, and ensure accurate reporting and accountability.
- Ensure sound corporate governance in the province and provide robust resource management services
- Provide strategic leadership and technical support in corporate governance, and evaluate strategies funded

through projects and other initiatives to ensure that they are aligned with provincial priorities and principles of Batho Pele.

- Provide proactive strategic and operational institutional support to stakeholders, thus enabling them to deliver quality services
- Provide strategic and operational institutional support for an effective and responsive service management framework in key service areas;
- Provide integrated and efficient systems and processes; and
- Participate in strategic partnerships which support the work of the Department.
- Ensure cost efficiencies and consolidate resources for economies of scale
- Develop, maintain and provide innovative systems and processes which are responsive to the needs of GPG departments
- Be a preferred employer, attracting and retaining highly skilled and performing individuals
- Strive to develop a professional organisation with high standards and objectives;
- Develop the skills and competencies of GDF employees; and
- Manage and reward a high performance culture.

### **Acts, rules and regulations**

- Basic Conditions of Employment Act, 1997;
- Division of Revenue Act (DORA), 2008;
- Prevention Treasury Regulations 2005 and Delegations;
- and Combating of Corrupt Activities Act, 2004;
- Municipal Finance Management Act, 2004;
- Broad-Based Black Economic Empowerment Act, 2003;
- The Tender Board Repeal Act, 2002;
- Preferential Procurement Policy Framework Act, 2000;
- Promotion of Administrative Justice Act, 2000;
- Promotion of Access to Information Act, 2000 (Act 2 of 2000);
- Municipality Systems Act (2000) and Development Facilitation Act (1995);
- Public Finance Management Act, 1999 ;
- Employment Equity Act, 1998 ;
- Public Service Laws Amendment Act, 1997;
- Intergovernmental Fiscal Relations Act, 1997 (Act 97 of 1997);
- Borrowing Powers of Provincial Government Act, 1996 (Act 48 of 1996);
- The Constitution of the Republic of South Africa, 1996;
- The National Archives Act, 1996;
- Labour Relations Act, 1995;
- Occupational Health and Safety Act, 1995;
- Public Service Act, 1994 Regulations and Delegations; and
- Government Employees Pension Law.

## **2. REVIEW OF THE CURRENT FINANCIAL YEAR (2011/12)**

### **Outcome 8A: An efficient, effective and development oriented public service**

The GDF started the financial year 2011/12 as a fully reconfigured and integrated department, on course to deliver on its mandate. Within the broader strategic priorities of Gauteng, an organisational strategic review process was conducted in the GDF to identify and prioritise the focus areas of the Department in line with the provincial outcomes. The new structure was approved by the Department of Public Service Administration (DPSA) in June 2011. Employees were then placed according to the agreed matching and placing process, to ensure the organisation fulfils its mandate as the financial hub of the province.

The past financial year has seen the GDF making significant progress on key projects aimed at ensuring that it implements its mandate effectively. One notable project is the restructuring of the Gauteng Shared Service Centre (GSSC). Following the Barkofield Review of the GSSC, EXCO endorsed the model of the shared services centre as a delivery vehicle, but agreed that a hybrid model should be adopted in order to address departmental needs, characterised by the following:

- A much smaller, strategically positioned and highly focused shared service model;
- Some functions to remain centralised within the shared service centre and some decentralised to departments based on the type and method of service delivery to citizens by a specific department;

- Within the second quarter of the 2010/11 financial year, a list of goods and services to be centralized and decentralised;
- Improved systems and capacitation of departments to conduct their own procurement to assist with the promotion of local procurement; and
- Prioritisation of local procurement including the incorporation of best procurement practices.

As a result the GDF initiated a project to reconfigure the provision of support services.

### **Output 1: Service delivery quality and access**

Bringing government services closer to Gauteng communities through e-Government initiatives has been a key focus for the financial year under review. The Department has sought to align information communications technology projects with the ICT strategy of the GPG. EXCO has approved the revised business case of the Gauteng Broadband Project (G-Link). GPG has embarked on the convergence of their ICT infrastructure throughout the province, in an effort to improve service delivery as well as create jobs and realize cost savings. The G-Link programme is key contributor to this. In April 2011, the Department established the G-Link Programme Management Office (PMO), the main function of which is to ensure that the province rolls out broadband during the current political term of Government. A G-link transaction advisor has been appointed.

The transaction advisor has been tasked with:

- Development of the procurement strategy, funding mix or funding strategy, rollout model and associated cost structure and budget;
- Providing the province with a clear view of how much G-link will cost and how it will be funded;
- Development of business and technical requirements specifications;
- Development of a Request for Proposal (RFP);
- Participating in specialized aspects of tender evaluation; and
- Development of implementation and maintenance contracts or concession contracts depending on the recommended procurement method.

During the year under review, the Department has successfully collaborated with the Office of the Premier (OoP) in implementing the Public Liaison Hotline (Premier's Hotline). The hotline provides a single point of contact for Gauteng citizens and enables GPG departments and municipalities to handle and resolve service delivery queries. Processes and systems have been implemented to ensure that the hotline escalates unresolved service delivery queries to Public Liaison Officers for resolution.

The GDF continues to promote access to opportunities for doing business with government. The Procurement Services and Vendor Management unit has maintained the vendor data base by registering 2 977 new suppliers and updating 4 074 vendors. Internal and external vendor awareness sessions are being conducted in order to provide support to GPG departments and suppliers; by the end of January 2012, 33 internal sessions held with 490 attendees. 19 external vendor awareness sessions were conducted between April 2011 and January 2012, with 1 676 attendees registered.

### **Output 2: Human Resource management and development**

The Department places emphasis on transforming the human resource environment in GPG. Automation of the Hire-to-Retire processes has received much attention. The Department has seen the benefits of the HR initiatives, particularly in the area of recruitment. Phase 1 of the E-recruitment model was deployed at the urban Thusong centre in Maponya Mall and a total of 6 653 candidates (4 791 candidates between April 2011 to January 2012) visited the centre since its opening in February 2011. The development of Phase 2 of the E-recruitment model has been finalised and is ready for piloting at the GDF. The Internal Human Resource function of Phase 2 will take effect from March 2012. The current benefits of the model is the reduced turnaround times for the submission of electronic curriculum vitae to departments and the automation process also significantly reduces the number of paper based applications.

The automated function Human Resource 21 and 24 (request to terminate, and exit interview) forms have been successfully completed within GDF and before the end of the financial year will be rolled out to the OoP and the DED.

The Department has completed the identification of functions that could be developed to GPG departments. Some quick wins were realised in the implementation of this project, such as leave functions which were successfully handed over to the Department of Health and Social development and the Department of Education. This in

effect means that these departments can capture leave information at their various entities. The project is now at a stage where the number of staff that is going to follow the identified functions in relation to the migration has been determined.

The Organisational Development (OD) unit has continued to assist departments during the GPG reconfiguration process. The structures of the five departments were consulted on with Department of Public Service and Administration and they are in the process of resolving the outstanding issues before the end of the 2011/12 financial year.

The Department continues to experience challenges in recruiting and retaining critical skills. There is a national shortage of ICT skills. GPG generally uses cutting-edge technologies relative to its peers and some private sector entities. Consequently, employees are targeted and poached. The situation is exacerbated by the fact that GPG is not always in a position to offer competitive salaries to match those in the private sector. The limitation of ongoing training is the 1 per cent of the salary bill that we have to adhere to. Generally, ICT training is expensive. This situation has resulted in a high vacancy rate within the province; currently, the Technical Support Service unit under GDF has an average vacancy rate of 40 per cent. The current challenges in specialist and scarce skills include the areas of Enterprise Resource Planning (ERP), document management such as Livelink, Systems Development and SharePoint (Microsoft). The inability to retain key resources results in depleting the pool of experience within GDF's ICT environment, and has a direct impact on operations and the implementation of major ICT projects within the province.

### **Output 3: Business process, systems, decision rights and accountability**

Procurement relating to critical functions and essential goods and services such as clinical care will be delegated to line departments as well as the site of delivery so as to ensure timely and quality service delivery. The project to implement this decision is at an advanced stage. Functions (procurement, human resources and finance) will be migrated from GDF to GDH, GDSD, GDARD, GDSACR, GDCS and GDE by 1 April 2012. Human Resource functions to be moved back to departments include leave administration, response handling for job applications, employee exits - State guarantee, freezing or unfreezing of salaries, and labour investigations. Finance functions include accounts payable – administration of invoice exceptions and provisioning payments; payroll – overtime processing; and cashbook – accounting for cash received. Procurement Functions covers all department-specific procurement, including Requests for Proposal (RFP), Requests for Quotation (RFQ), tenders and contracts.

The GDF continues to implement its initiatives to improve service delivery across GPG. It has rolled out the Invoicing and Receipting Engine (IRE) to 34 hospitals and 3 Social Development sites. This system collects patient fees and reconciles cash payments made at pay points to the bank account and the patient account. This removes the need to have money in the suspense account. Money is cleared and allocated to the correct account as soon as it is received.

The GDF remains focused on reducing the cost of ICT service providers to the GPG by consolidating and leveraging on existing ICT investments. The Data Centre is one area where the Department has started the process of consolidation. The bid evaluation for the fully managed Data Centre tender is currently underway. It is anticipated that it will be completed by end of April 2012, with the anticipated awarding of the tender by May 2012.

The establishment of the Security Operations Centre was commissioned on 1 April 2011. There has been a decline in security threats and a marked improvement in patch management. We continue to see improvements in the reduction of bad events throughout the ICT environment within the province. Patch management is presently at its highest levels ever within the province.

### **Output 4: Corruption tackled effectively**

The effective prevention and detection of corruption cases, enforcement and compliance continues to be a key focus area for the Department. Forensic Services continuously receives reports from the National Anti Corruption hotline through the Office of the Public Service Commission (OPSC). These are then disseminated to the respective departments for investigation. The departments provide feedback on the progress of cases, and finalised reports, to the relevant stakeholders. Forensic Services provide quarterly reports to the OPSC on the status of cases and provide reports of finalised cases as and when they are submitted by departments. During the financial year under review, Forensic Services has concluded 38 forensic investigations and fraud risk assessments in respect of all requests received. A further audience of 600 was reached through our interactive fraud awareness workshop sessions with GPG employees.

Fraud prevention plans were implemented and maintained in each GPG department. In close cooperation with departments, the hotline case backlog as reported by the Office of the Public Service Commission was reduced by half and strategies have been put in place to achieve a case resolution rate of above 80 percent.

### **Output 5: Effective financial management**

The Department has tightened controls over procurement procedures across provincial government. There was a review of the Procurement Framework to promote Broad Based Black Economic Empowerment, access, job creation and service delivery. In this regard, a database of pre-qualified and accredited suppliers has been established. The database is regionalised and localised, and will be used on a rotational basis for all purchases valued up to R500 000. This improvement enables the province to procure by region, and to procure from cooperatives.

The Contracts Management tender was awarded in December 2011 and the contracted supplier commenced with the project in February 2012. It is planned that all participating departments will be utilizing the system by the end of April 2012.

Working closely with the departmental risk management and internal risk control units, Gauteng Audit Services (GAS) has continued to monitor the implementation of audit recommendations. The status of implementation is then reported to the GPG Heads of Departments on a monthly basis and to the Audit Committees on a quarterly basis to ensure effective monitoring and interventions. Internal audit plans are focused not only on auditing the key service delivery priorities as per the departmental strategic risk assessments and Strategic Plans, but also on playing a role in helping departments address critical findings raised by the Auditor General (AG) by ensuring that management puts in place adequate, efficient and effective internal controls within their operations and financial processes.

Gauteng Audit Services is geared towards 100 per cent achievement of the planned audit coverage for the 2011/12 financial year. The Department has completed audits in line with the approved risk-based internal audit plans covering key service delivery areas in all departments as well as findings and key control weaknesses identified by the Auditor General. Resources continue to be a challenge; however, the Department has managed to bring down the vacancy rate to 12 per cent and the recruitment process is currently underway with the aim of filling all remaining vacant posts by 1 April 2012.

The following are some of the areas that the Department has audited to assist GPG departments to achieve clean audits by 2014:

- Performance information;
- Interim financial statements;
- Review of implementation of management action plans to address Auditor General findings; and
- Tracking of implementation of internal audit recommendations.

Status shows significant improvement in the implementation of audit recommendations, with overall 83 per cent implementation for 2009/10 and 64 per cent implementation for the 2010/11 audits.

The Department has implemented an effective risk management strategy that responds to key risk areas. Through the Business Continuity processes, key risks in the GDF ICT environment were identified. These include aged infrastructure, high cost of licenses (sustainability) and ICT governance, as a requirement of the State Information Technology Agency (SITA) Act. This exercise informs the GDF ICT Strategy going forward.

### **Output 6: Performance monitoring and evaluation**

Government has always had the need to monitor the progress of its programmes, projects and strategic development initiatives. However, the state of monitoring has varied, with manual methods are still being used in many areas of data collection whilst most monitoring is based on spreadsheets which makes it difficult to produce meaningful reports. The GDF needed to put in place a framework and supporting technologies to ensure that the Department practices good governance and that its resources are managed effectively and efficiently in line with the prescripts of PFMA. In light of this, the GDF introduced a Strategy Performance Management module to the existing business intelligence application. The module outlines the principles for the development of good indicators and targets specific to the outcomes that the Department is pursuing. The project was successfully piloted in the Procurement business unit.

### 3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2012/13)

#### **Outcome 8A: An efficient, effective and development oriented public service**

##### **Output 1: Service delivery quality and access**

To contribute to the province-wide turnaround strategies as well as supporting the GDF strategic plan, the Department has adopted the ICT strategy as the key strategy to drive transformation. ICT initiatives in the province are coordinated through the Political Steering Committee consisting of the MECs for Economic Development, Finance and Education. The roll out of G-Link is central to the implementation of key elements of the GPG ICT Strategy.

The implementation partner will be tasked to roll out the network infrastructure from April 2012 to 2014. Rolling out the network infrastructure will take into consideration the current Gauteng On-line network and other Metro networks to minimise total capital cost outlay. It will be followed by the rollout of key e-government services through the Gauteng On-line network taking into consideration key government priorities and other departmental priorities. This will be done in 2013 and 2014.

##### **Output 2: HR management and development**

As part of automating the human resource manual processes, the Department will roll out Phase 2 of the e-Recruitment model, which includes short listing on the system, SMS notification, reports, advertisement library, electronic and searchable database. The automated termination system will be extended to two more GPG departments.

The Organisational Development unit will assist GPG departments that have split in the previous financial year with their cleanup projects.

##### **Output 3: Business process, systems, decision rights and accountability**

The project to implement procurement relating to critical functions and essential goods and services such as in clinical care delegation to the line departments is at an advanced stage.

In a post-migration environment, the unit will be focusing on consolidating and building on the existing range of services as well as ensuring that roles and responsibilities in the areas of Contracts Management and Transversal Agreements is implemented. It is also likely that the Department will continue to render services to certain GPG departments as the various phases of the migration unfold.

The key focus areas are listed below:

- Administration and maintenance of the GPG wide Vendor Database ensuring that targeted enterprises are adequately represented;
- Maintenance of the GPG catalogue of goods and services;
- Maintaining the high integrity of tender advertising and closing process;
- Maintaining fast, accurate invoice data processing as well as implementation and support of strategic Accounts Payable automation projects for GPG;
- Provide strategic support and troubleshooting advice to the province in the purchasing of goods and services; and
- Provide Contracts Management System Administration that will ensure optimal usage of functionality with the view of improving management information through enhanced reporting and increasing processing speed.

The primary focus of the Technology Support Service for 2012/13 is to maintain the stability of GPG's ICT services offered. Key ICT strategic objectives and initiatives are:

- Implement a modern, reliable and secured infrastructure by maintaining 95 percent infrastructure availability;
- Optimise utilization of ICT applications by implementing or improving 17 business applications including provisioning of automated scanning facilities for additional GPG entities;
- Provide innovative, integrated and interoperable systems by introducing a fully managed Data Centre for the province and reduction of server rooms within GPG. Provide 80 per cent of services through the Contact Centre;
- Bridge the digital divide by implementing an additional 636 School computer laboratories and ensuring that the 2200 school computer laboratories are properly managed; and
- Reduce ICT operational costs by forming strategic partnerships with key service providers.

**Output 4: Corruption tackled effectively**

During the coming year, the Unit will continue to provide forensic services that include the prevention, detection and investigation of fraud and corruption in all GPG departments. This will be achieved through conducting investigations into reported incidents of fraud and corruption; fraud detection reviews; fraud risk assessments; assistance in employee dispute resolution; and heightening awareness through online and interactive fraud and corruption awareness campaigns. The target is to:

- Complete 100 per cent forensic investigations commissioned as per agreed terms of engagement;
- Conduct 11 fraud detection reviews and 11 fraud risk assessments;
- Update, maintain and implement 11 fraud prevention plans for GPG departments; and
- Conduct 50 fraud and corruption awareness workshops.

**Output 5: Effective financial management**

During the coming year, the division will continue to provide internal audit services by performing risk and compliance audits, and computer and performance audits covering critical areas in line with approved internal audit plans based on the top strategic risks of the GPG departments, focusing on key service delivery areas. The GPG is aiming to achieve clean audit reports by 2014, and Gauteng Audit Services continues to provide assistance to departments in this regard. This includes a focus on key control areas highlighted by the Auditor General to ensure continuous improvement with regard to internal controls, governance and risk management processes. The Department will also continue to track and monitor the implementation of audit recommendations. The status of implementation will be reported to the Audit Committees on a quarterly basis to facilitate appropriate monitoring and oversight.

**Sub-Programme: Risk and compliance audit**

The target for the 2012/13 financial year is to conduct 96 risk and compliance audits focusing on key service delivery areas and key control areas identified by the Auditor General.

**Sub-Programme: Computer audit**

The target for the 2012/13 financial year is to conduct 26 computer audits in line with the identified departmental information technology risks, and provide ad hoc advisory services on new IT systems and projects.

**Sub-Programme: Performance audit**

The target for the 2012/13 financial year is to conduct 26 performance audits focusing on supply chain management in all GPG departments.

**Sub-Programme: Audit Centre of Excellence**

- Manage the internal audit tracking system to monitor implementation of audit recommendations by departmental management and reporting results to the GPG Heads of Departments and Audit Committees;
- Ongoing implementation of the Gauteng Audit Services quality assurance programme to ensure consistent compliance with current international standards for the professional practice of internal auditing of the Institute of Internal Auditors (IIA);
- Monitor the implementation of business unit specific policies and procedures, and internal audit methodologies, in line with best practices; and
- Strengthen the effective and efficient use of the TeamMate audit software.

**Output 6: Performance monitoring and evaluation**

The GDF will continue to work closely with the Gauteng Planning Commission to harmonise the planning and reporting activities of departments.

The GDF will add value to this process by ensuring that there are common platforms to facilitate ease of reporting within GPG. Government information technology systems (including networks, platforms, applications and data) must 'talk' to each other, allowing for automatic sharing and exchange of data, information and systems. The GDF will drive the reduction of complexity by standardising and integrating where appropriate.

## 4. REVENUE AND FINANCING

### 4.1 Summary of receipts

TABLE 1: SUMMARY OF RECEIPTS: FINANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Equitable share	1 094 466	1 287 042	1 265 790	1 270 136	1 294 839	1 349 913	1 322 700	975 670	1 021 538
<b>Total receipts</b>	<b>1 094 466</b>	<b>1 287 042</b>	<b>1 265 790</b>	<b>1 270 136</b>	<b>1 294 839</b>	<b>1 349 913</b>	<b>1 322 700</b>	<b>975 670</b>	<b>1 021 538</b>

Departmental receipts consist of equitable share as a form of transfers from national government. The department's equitable share decreased from R1 billion in 2008/09 to R975 million in 2013/14, the significant decrease is due to the period end of the GoL contract in 2012/13 financial year.

### 4.2 Departmental receipts

TABLE 2.: DEPARTMENTAL RECEIPTS: FINANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licenses									
Motor vehicle licenses									
Sales of goods and services other than capital assets	752	786	936	806	1 050	1 059	990	1 000	1 010
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land									
Sales of capital assets			62						
Transactions in financial assets and liabilities	5 459	1 955	4 561	535	1 000	1 004	750	800	850
<b>Total departmental receipts</b>	<b>6 211</b>	<b>2 741</b>	<b>5 559</b>	<b>1 341</b>	<b>2 050</b>	<b>2 063</b>	<b>1 740</b>	<b>1 800</b>	<b>1 860</b>

Departmental receipts consist of equitable share as well as transfers from national government. Other sources of revenue comprise gym membership fees and fees charged on parking facilities. There are no significant year-on-year fluctuations with regard to the Department's total revenue, as the equitable share comprises the main source of revenue.

## 5. PAYMENT SUMMARY

### 5.1 Key assumptions

the 2012 MTEF budget is informed by the GDF's Strategic Plan, Annual Performance Plan, the provincial outcomes and the GPG programme of action (POA). The provision for annual salary adjustments is as follows:

- 2012/13 – 6.5 per cent
- 2013/14 – 6.5 per cent
- 2014/15 – 6.5 per cent

Provision has also been made for notch progression and performance bonuses.

## 5.2 Programme Summary

**TABLE 3: SUMMARY OF PAYMENTS AND ESTIMATES: FINANCE**

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
1. Administration	137 988	222 494	149 775	192 043	162 666	154 016	210 431	210 518	201 629
2. Gauteng Audit Service	37 992	45 778	42 992	50 682	48 727	44 969	53 238	55 186	57 853
3. Technology Support Service	729 116	837 307	894 876	844 628	890 563	974 118	871 578	513 757	556 732
4. Procurement Service	91 865	87 185	81 591	91 689	98 443	92 627	94 752	99 158	103 766
5. Human Resource Service	97 505	94 278	96 556	91 094	94 440	84 183	92 701	97 051	101 558
<b>Total payments and estimates</b>	<b>1 094 466</b>	<b>1 287 042</b>	<b>1 265 790</b>	<b>1 270 136</b>	<b>1 294 839</b>	<b>1 349 913</b>	<b>1 322 700</b>	<b>975 670</b>	<b>1 021 538</b>

## 5.3 Summary of economic classification

**TABLE 4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: FINANCE**

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
<b>Current payments</b>	<b>1 070 741</b>	<b>1 226 853</b>	<b>1 235 438</b>	<b>1 233 485</b>	<b>1 290 290</b>	<b>1 345 299</b>	<b>1 322 630</b>	<b>975 660</b>	<b>1 021 527</b>
Compensation of employees	303 003	346 372	361 947	445 658	439 379	414 793	424 005	452 388	481 753
Goods and services	767 738	880 481	873 491	787 827	850 911	930 503	898 625	523 272	539 774
Interest and rent on land						3			
Transfers and subsidies to:	311	229	864		247	311			
Provinces and municipalities									
Departmental agencies and accounts									
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	311	229	864		247	311			
<b>Payments for capital assets</b>	<b>23 414</b>	<b>59 960</b>	<b>913</b>	<b>36 651</b>	<b>4 290</b>	<b>4 290</b>	<b>70</b>	<b>10</b>	<b>11</b>
Buildings and other fixed structures	37								
Machinery and equipment	23 217	59 960	838		4 290	4 290	70	10	11
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	160		75	36 651					
<b>Payments for financial assets</b>			<b>28 575</b>		<b>13</b>	<b>13</b>			
<b>Total economic classification</b>	<b>1 094 466</b>	<b>1 287 042</b>	<b>1 265 790</b>	<b>1 270 136</b>	<b>1 294 839</b>	<b>1 349 913</b>	<b>1 322 700</b>	<b>975 670</b>	<b>1 021 538</b>

The Department's budget increases steadily between the 2008/09 and 2009/10 financial year. The increase during the 2009/10 financial year was mainly related to the provincial earmarked allocation for the enhancement of provincial information security systems, the annual escalations in the funding for the Gauteng-On-Line (GOL) and the Bana Pele schools projects.

In the 2010/11 financial year, the original appropriation decreased to R1.253 million, reflecting the top slicing that was the GDF's contribution towards the provincial cost cutting initiative to cover accruals. During the 2010/11 financial year, R7.1 million was suspended to the Gauteng Department of Education (GDE) for the Employee Wellness programme, through contracting services by ICAS to offer 24 hour counselling services to GDE employees.

Compensation has steadily increased for in the period under review, reflecting the higher than expected salary adjustments. Compensation shows a significant increase particularly between the 2010/11 and 2011/12 financial year. This is due to the provision for annual salary adjustments, the recruitment of an additional 70 contact centre agents, the provision for filling critical vacant posts and the provision for notch progression and annual performance bonuses. The average increase in compensation over the 2012 MTEF amounts to an annual escalation of 6.5 percent. The net impact on the GDF's personnel costs will, however, emerge once the migration of functions back to GPG departments has been finalized; the anticipated effect is an overall decrease in personnel and related costs.

Goods and services increased between the 2008/09 and 2009/10 financial years. This increase reflects the additional R70 million funding for the enhancement of provincial information security systems, and annual cost increases in the GoL and Bana Pele projects. Goods and services decrease during the 2010/11 financial year, which reflects the net effect of the province wide top-slicing in 2010/11 in all GPG departments, as part of the cost-cutting measures and the funding of the accruals.

Goods and services show a decrease during the 2013/14 financial year, from R899 million in 2012/13 to R523 million, before increasing to R540 million in 2014/15. The change in both the absolute and relative allocations over the MTEF are a reflection of growth assumptions and inflation projections, as no new projects or initiatives are planned over the period. Furthermore, this reflects both the GDF's current financial position and the fiscal consolidation measures necessary to prevent the situation from turning into a financial challenge. A significant part of the goods and services allocation in 2012/13, amounting to more than 50 percent annually, is dedicated to the GoL project which means that the Department has to make do with the balance to address its organisational and provincial priorities. With regards to the GoL project reaching the endpoint in 2012/13 financial year, the overall GDF allocation shows a corresponding decrease in the 2013/14 financial year and the outer year of the period under review. Over and above provisions for departmental operational costs, such as utilities, building maintenance and other administrative costs, the bulk of the GDF allocation is dedicated to maintenance and upkeep of the provincial information technology infrastructure.

## 6. PROGRAMME DESCRIPTION

### PROGRAMME 1: ADMINISTRATION

#### Programme description

To provide well-functioning, coordinated programmes and activities in order to ensure that the Department delivers on its role and mandate.

**TABLE 5: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
1. Office of the HOD	53 058	39 237	30 361	4 552	15 536	24 812	4 682	4 808	5 048
2. Forensic Services	12 239	11 420	10 229	11 424	12 650	12 722	9 931	10 409	10 911
3. Risk Management	1 058	1 816					2 497	2 621	2 751
4. Office of the CFO	18 132	87 676	27 033	45 466	45 327	45 615	103 896	90 760	71 978
5. Corporate Services	53 501	82 345	82 152	130 601	89 153	70 867	89 425	101 920	110 941
<b>Total payments and estimates</b>	<b>137 988</b>	<b>222 494</b>	<b>149 775</b>	<b>192 043</b>	<b>162 666</b>	<b>154 016</b>	<b>210 431</b>	<b>210 518</b>	<b>201 629</b>

**TABLE 6: SUMMARY OF ECONOMIC CLASSIFICATION: ADMINISTRATION**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
<b>Current payments</b>	<b>135 210</b>	<b>163 754</b>	<b>141 554</b>	<b>192 043</b>	<b>158 318</b>	<b>149 649</b>	<b>210 361</b>	<b>210 508</b>	<b>201 618</b>
Compensation of employees	51 001	72 983	76 546	88 200	89 551	73 202	91 189	103 900	116 796
Goods and services	84 209	90 771	65 008	103 843	68 767	76 447	119 172	106 608	84 822
Interest and rent on land									
<b>Transfers and subsidies to:</b>		<b>33</b>	<b>300</b>		<b>59</b>	<b>77</b>			
Provinces and municipalities									
Departmental agencies and accounts									
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households		33	300		59	77			
<b>Payments for capital assets</b>	<b>2 778</b>	<b>58 707</b>			<b>4 290</b>	<b>4 290</b>	<b>70</b>	<b>10</b>	<b>11</b>
Buildings and other fixed structures									
Machinery and equipment	2 778	58 707			4 290	4 290	70	10	11
Heritage Assets									
Specialised military assets									
Biological assets									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets			7 921						
<b>Total economic classification</b>	<b>137 988</b>	<b>222 494</b>	<b>149 775</b>	<b>192 043</b>	<b>162 666</b>	<b>154 016</b>	<b>210 431</b>	<b>210 518</b>	<b>201 629</b>

The budget for Administration grows from R137 million in 2008/09 to R201 million in 2014/15. It increased from R137 million in 2008/09 to R222 million in 2009/10. The main factors contributing to this increase were GPG Contact Centre operating expenses, and the cost of turning the Gauteng Shared Services Centre into an agency. The agencification process the Gauteng Shared Services Centre was discontinued in the 2010/11 financial year.

The compensation budget shows a substantial increase from the 2010/11 financial year onwards as provision is made under the Human Capital Management sub-programme for annual notch progressions and other personnel related cost, such as performance bonuses. The absolute and relative changes in compensation under the Administration programme are in line with the growth assumptions and inflation projections over the MTEF.

Goods and services increased from R84 million in 2008/09 to R90 million in 2009/10. The growth relates to the GPG Contact Centre's operating expenses, and expenditure incurred in the process of agencification of the GSSC. The estimated expenditure on goods and services under this programme shows a slight declining trend during the 2011/12 financial year. Over the MTEF, the estimated expenditure on goods and services declines from an estimated R119 million in 2012/13 to R85 million in 2014/15. The main cost drivers under Administration relate to utilities, external audit, lease payments, property payments, travel and subsistence claims.

Little provision is made for capital payments over the MTEF; provision has only been made for the upkeep of certain equipment that needs to be replaced. Purchase of capital equipment has been replaced by the leasing of equipment. Benefit cost analysis will determine the appropriate course of action in the future allocation of budgets for capital assets.

## SERVICE DELIVERY MEASURES

Sub-programme/Performance measures	Estimated Annual Targets		
	2012/13	2013/14	2014/15
<b>FORENSIC SERVICES</b>			
Investigation completed as per agreed engagement terms with the client	All investigation completed as per agreed engagement terms with the client	All investigation completed as per agreed engagement terms with the client	All investigation completed as per agreed engagement terms with the client
Number of fraud detection reviews conducted	11 fraud detection reviews conducted	11 fraud detection reviews conducted	11 fraud detection reviews conducted
Number of fraud risk assessments conducted	11 fraud detection reviews conducted	11 fraud detection reviews conducted	11 fraud detection reviews conducted
Number of GPG Fraud Prevention Plans updated annually	11 GPG Fraud Prevention Plans updated annually	11 GPG Fraud Prevention Plans updated annually	11 GPG Fraud Prevention Plans updated annually
Number of fraud awareness campaigns conducted	50 fraud awareness campaigns conducted	50 fraud awareness campaigns conducted	50 fraud awareness campaigns conducted

## PROGRAMME 2: GAUTENG AUDIT SERVICES

### Programme description

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

The services are:

- Risk and Compliance Audit;
- Computer Audit;
- Performance Audit; and
- Audit Centre of Excellence.

### **Programme objectives**

To conduct internal audits throughout GPG departments in line with Audit Committee-approved risk based internal audits plans; and make improvement recommendations;

To convene Information Technology risk assessment workshops in targeted areas of GPG departments;

To provide ad-hoc advisory services on new IT systems in GPG departments; and

To perform internal quality assurance reviews to ensure compliance with international internal auditing standards.

### **Risk and Compliance Audit**

- Evaluates the internal controls systems, governance and risk management processes for adequacy, efficiency and effectiveness, and develop recommendations for enhancing and improving processes;
- Provides recommendations for improving controls, processes and procedures, to enhance risk management and governance; and
- Carries out any other special or urgent ad-hoc audit requests.

### **Computer Audit**

- Provide a wide range of services relating to the governance of IT systems and assets, referred to as governance, risk and compliance. Services provided are:
- Risk assessment of the IT environment in order to assist departments to identify, monitor and control IT risks;
- Review the IT environment and related processes, policies and procedures in order to formulate an opinion on the environmental controls on which the business applications are based;
- Review and analysis of the business application systems currently in use in order to ensure that system controls are effective and that business objectives for which the applications are being used for are realised.
- Various data analysis tests on business applications in order to ensure data integrity, completeness and validity;
- Expert advice on computerised controls when new business applications are developed, and project governance considerations when new projects are rolled out; and
- Information security related services covering physical and logical controls in order to ensure that systems and networks provide confidentiality, integrity and availability of data.

### **Performance Audit**

- Reviews the processes and control measures implemented to assess whether the use of resources is economical, effective and efficient;
- Benchmarks performance against best practices;
- Analyses the functional performance of projects and programmes;
- Evaluates whether value for money has been achieved; and
- Conducts performance information reviews.

### **Audit Centre of Excellence**

- Implements internal quality assurance programme, focusing on ensuring consistent compliance with the International Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors (IIA);
- Develops business unit specific policies and procedures and updates internal audit methodologies in line with best practices;
- Manages the business unit training programme;
- Strengthens the effective and efficient use of the Team Mate audit software;
- Manages the internal audit tracking system to monitor implementation of internal audit and Auditor General recommendations by departmental management; and
- Manages monthly and quarterly internal audit plan reporting to Heads of Department and Audit Committees.

TABLE 7: SUMMARY OF PAYMENTS AND ESTIMATES: GAUTENG AUDIT SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
1. GAS Programme Support	4 041	6 484	2 969	2 891	2 315	1 530	3 926	3 515	3 690
2. Risk and Compliance Audit 2. Services: Cluster 1,2,3	12 325	13 477	15 137	17 914	17 774	16 660	18 421	19 303	20 229
3. Risk and Compliance Audit Services: Cluster 4,5	7 612	10 589	10 081	11 973	11 727	11 275	12 832	13 439	14 090
4. Performance and Computer Audit	14 014	15 228	11 425	13 415	12 893	11 523	13 322	13 970	14 651
5. Audit Centre of Excellence			3 380	4 489	4 018	3 981	4 737	4 959	5 193
<b>Total payments and estimates</b>	<b>37 992</b>	<b>45 778</b>	<b>42 992</b>	<b>50 682</b>	<b>48 727</b>	<b>44 969</b>	<b>53 238</b>	<b>55 186</b>	<b>57 853</b>

TABLE 8: SUMMARY OF ECONOMIC CLASSIFICATION: GAUTENG AUDIT SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
<b>Current payments</b>	<b>37 454</b>	<b>45 473</b>	<b>42 990</b>	<b>50 682</b>	<b>48 727</b>	<b>44 969</b>	<b>53 238</b>	<b>55 186</b>	<b>57 853</b>
Compensation of employees	27 389	37 612	39 920	49 082	47 127	44 328	50 671	53 097	55 660
Goods and services	10 065	7 861	3 070	1 600	1 600	641	2 567	2 089	2 193
Interest and rent on land									
<b>Transfers and subsidies to:</b>		<b>1</b>	<b>2</b>						
Provinces and municipalities									
Departmental agencies and accounts									
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households		1	2						
<b>Payments for capital assets</b>	<b>538</b>	<b>304</b>							
Buildings and other fixed structures									
Machinery and equipment	538	304							
Heritage Assets									
Specialised military assets									
Biological assets									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets									
<b>Total economic classification</b>	<b>37 992</b>	<b>45 778</b>	<b>42 992</b>	<b>50 682</b>	<b>48 727</b>	<b>44 969</b>	<b>53 238</b>	<b>55 186</b>	<b>57 853</b>

The Gauteng Audit Services (GAS) budget increases from R38 million in the 2008/09 financial year to R58 million in the 2014/15 financial year. More than 90 per cent of the GAS budget is for compensation of employees due to the scarce skills in the audit industry in general, priority has been given to ensuring that the programme has adequate capacity to carry out its provincial mandate. Whilst the programme has historically relied on external audit services, the decision to stop using consultants resulted in shifting funds from goods and services to compensation of employees in order to capacitate the programme sufficiently.

The GAS compensation of employee's budget increased from R27 million in the 2008/09 financial year to R56 million in the 2014/15 financial year. The trend is consistent with the urgent need to fully capacitate the programme by filling vacant posts. Although the programme remains with unfilled posts, they are being gradually filled and there is a corresponding increase in the compensation of employee's budget.

Goods and services under this programme consist mainly of provision for specialised audits which may not be available internally or in sufficient numbers, making it necessary to employ consultants to assist with these audits. The goods and services budget decreased from R10 million in the 2008/09 financial year to R2 million in the 2014/15 financial year, an 80 per cent decrease over the seven year period under review. This pattern is in keeping with the departmental decision to move away from the use of consultants and with the priority given to building sufficient internal capacity to carry out the programme audit functions in the province.

### SERVICE DELIVERY MEASURES

Sub-programme/Performance measures	Estimated Annual Targets		
	2012/13	2013/14	2014/15
Risk and Compliance Audit 1 and 2			
Number of planned risk audits	39 audits	38 audits	38 audits
Risk and Compliance Audit 3,4 and 5			
Number of planned risk audits	57 audits	56 audits	56 audits
Performance Audit			
Number of planned performance audits	26 audits	13 audits	13 audits
Computer Audit			
Number of planned computer audits	26 audits	24 audits	24 audits
Centre of Excellence			
Number of planned quality assurance reviews	16 internal quality reviews completed	15 internal quality reviews completed	15 internal quality reviews completed

### PROGRAMME 3: TECHNOLOGY SUPPORT SERVICES

#### Programme description

To provide strategic leadership and guidance in resource mobilisation, management and operational support that maximises service delivery through the effective and efficient use of Information Communication Technology resources in the Gauteng Province.

#### Programme objectives

To provide excellent service delivery, the Technology Support Services (TSS) strategy aims to achieve the following:

- A modern, reliable and secured infrastructure: Information Communication Technology is critical to the ability of GPG to meet the needs of citizens, businesses, government departments and non-profit organisations for

- improved public service and service delivery organs;
- Optimised utilisation of ICT resources: the GDF promotes the acquisition, management and use of IT in order to improve:
- direct or indirect service delivery to the public, including but not limited to equal access by the public to services delivered by the department;
- productivity of the Department; and
- cost-efficiency of the Department.
- Innovative, integrated and interoperable systems: government IT systems (including networks, platforms, applications and data) which correspond with each other, allowing for automatic sharing and exchange of electronic messages and documents, collaborative applications, distributed data processing and report generation, seamless transaction services, 'whole-of government' search and queries, integrated Information Technology systems management etc;
- Bridging the digital divide: the use of IT as a tool for service delivery by the public service and not acquired for its own sake. Introduction of broadband services that will provide citizens with affordable access to government services; and
- Strategic partnerships: partnering with the private sector to deliver innovative and cost-effective government services. The GDF Right-Tasking Model project is intended to determine the most suitable way to source each of the capability clusters within GDF, with maximum cost savings and benefits.
- To deliver ICT services to the GPG, TSS performs the following core functions:
- Project management of ICT related projects;
- Renders effective and efficient applications development for GPG departments;
- Provides support for the SAP ERP system for GPG;
- Controls the movement of documents and records between the Shared Service Centre and GPG departments;
- Establishes the strategic direction for TSS and aligns this to the GDF business strategy;
- Ensures that information security governance and compliance is maintained across GPG;
- Manages the ICT infrastructure and operations;
- Supports ICT systems of the GPG;
- Provides support services to Contact Centre Operations, including the Premier's Hotline;
- Provides a central point for co-ordination of incremental and continuous improvement; and
- Manages e-Government programmes.

**TABLE 9: SUMMARY OF PAYMENTS AND ESTIMATES : TECHNOLOGY SUPPORT SERVICE**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
1. TSS Programme Support	5 632	4 837	3 764	1 847	1 707	1 919	1 957	2 054	2 155
2. Programmes and Applications	152 914	154 905	157 427	118 600	90 891	139 423	70 860	74 833	78 539
3. Planning and Operations	139 897	229 327	166 982	189 769	232 456	270 662	245 545	345 116	376 697
4.E-Government	430 673	448 238	566 703	534 412	565 509	562 114	553 216	91 754	99 341
<b>Total payments and estimates</b>	<b>729 116</b>	<b>837 307</b>	<b>894 876</b>	<b>844 628</b>	<b>890 563</b>	<b>974 118</b>	<b>871 578</b>	<b>513 757</b>	<b>556 732</b>

**TABLE 10: SUMMARY OF ECONOMIC CLASSIFICATION: TECHNOLOGY SUPPORT SERVICE**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
<b>Current payments</b>	<b>710 905</b>	<b>836 491</b>	<b>873 370</b>	<b>807 977</b>	<b>890 563</b>	<b>974 118</b>	<b>871 578</b>	<b>513 757</b>	<b>556 732</b>
Compensation of employees	75 417	73 864	88 196	128 483	118 894	129 639	97 223	101 930	106 871
Goods and services	635 488	762 627	785 174	679 494	771 669	844 479	774 355	411 827	449 861
Interest and rent on land									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
<b>Transfers and subsidies to:</b>	<b>57</b>	<b>7</b>	<b>176</b>						
Provinces and municipalities									
Departmental agencies and accounts									
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	57	7	176						
<b>Payments for capital assets</b>	<b>18 154</b>	<b>809</b>	<b>913</b>	<b>36 651</b>					
Buildings and other fixed structures									
Machinery and equipment	18 026	809	838						
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	128		75	36 651					
<b>Payments for financial assets</b>			<b>20 417</b>						
<b>Total economic classification</b>	<b>729 116</b>	<b>837 307</b>	<b>894 876</b>	<b>844 628</b>	<b>890 563</b>	<b>974 118</b>	<b>871 578</b>	<b>513 757</b>	<b>556 732</b>

The TSS budget decreases from R729 million in the 2008/09 financial year to R557 million in the 2014/15 financial year, a 24 per cent decrease in the seven year period under review. This is as a result of reaching the end-point for the Gauteng OnLine (GOL) project in the 2012/13 financial year.

Compensation steadily increases over the seven year period under review, starting at R75 million in the 2008/09 financial year and ending at an estimated R107 million in the 2014/15 financial year, a 42 per cent increase in aggregate compensation over the period. Factors contributing to this significant increase include the reorganization of the GDF after the split with Gauteng Treasury. The reorganization resulted in the Centre of Innovation and the Customer Interaction Management sub-units being transferred to the TSS programme. There was a spike in the compensation budget during the 2010/11 financial year as a result of the reconfiguration of the former GDF that included the Gauteng Treasury operating structure. Excluding the impact of the reorganization referred to above, the increase in the programme's compensation budget over the MTEF consists mainly of provisions for annual salary adjustments. The annual changes in compensation are consistent with the projected increases over the MTEF period.

The budget for goods and services decreases from R635 million in the 2008/09 financial year to R450 million in the 2014/15 financial year. In 2012/13, more than 90 percent of the goods and services budget is allocated to the three main cost drivers under the TSS programme: GoL, computer services, and licence support and maintenance. The aim of this expenditure on technology support services is to maintain and support the GPG information technology infrastructure. This pattern is consistent with, and reflective of, the priority that the GDF gives to critical operational costs. Beyond the 2012/13 financial year, the budget for goods and services

decreases from R774 million to R450 million in 2014/15 as a result of the endpoint of the GoL project during the 2012/13 financial year.

#### SERVICE DELIVERY MEASURES

Sub-programme/ Performance measures	Estimated Annual Targets		
	2012/13	2013/14	2014/15
% infrastructure availability	95%	97%	98%
% of systems migrated to the fully managed Data Centre.	80%	100%	-
% of WAN availability	Bronze Sites 2 496hrs (94%) per month	Bronze Sites 2496hrs (94%) per month	Bronze Sites 2496hrs (94%) per month
	Silver Sites 2 568hrs (96%) per month	Silver Sites 2568hrs (96%) per month	Silver Sites 2568hrs (96%) per month
	Gold Core 8 592hrs (99%) per month	Gold Core 8592hrs (99%) per month	Gold Core 8592hrs (99%) per month
Number of departments migrated to the Single Domain	8		
Increase the number of source systems to be monitored by SOC	4 systems	4 systems	4 systems
Number of systems monitored for end-user experience	1	3	3
Number of ERP module implementations	5	3	3
Number of e-service applications	6	5	1
% completion of the mobile portal	10%	50%	100%
Number of enterprise services implemented	6	2	1
Number of GPG-entities with automated scanning facilities	21	11	
% completion of the Integrated Master Systems Plan (IMSP)	60%	100%	
Number of departments where Open Source devices are deployed	1	5	6
% reduction of server rooms within GPG	1%	10%	15%
% reduction of duplicate applications within GPG	1%	10%	15%
% Increase of the first line contact centre resolution	50%	60%	70%
% of services accessible from the provincial contact centre	80%	90%	100%
% of case management facility rolled out to provincial entities	90%	95%	100%
Number of ISO 9001 Best Practices implemented across GDF	1	1	1
% completed innovation projects	4	6	7
% Knowledge Management institutionalised	1 CoP	1 CoP	1 CoP
	1 KIM Seminar	1 KIM Seminar	1 KIM Seminar
	10 users trained	10 users trained	10 users trained
	Full access and provision to information resources	Full access and provision to information resources	Full access and provision to information resources
Number of Gauteng Online Schools deployed	636	-	-
Number of school computer laboratories managed	2200	2200	2200
% reduction in operational cost	1%	2%	3%
Number of months to reduce time to market of ICT services	< 5 months	< 4 months	< 3 months

TABLE 11: SUMMARY OF PAYMENTS AND ESTIMATES: PROCUREMENT SERVICES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimate		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
1. PS Programme Support	10 561	6 581	2 699	1 760	7 635	8 254	3 117	3 277	3 439
2. Transversal Services	35 044	36 369	43 240	43 081	44 303	40 872	45 926	48 032	50 243
3. Procurement Sourcing and Support Services: Cluster 2	46 260	44 235	35 652	46 848	46 505	43 501	45 709	47 849	50 084
<b>Total payments and estimates</b>	<b>91 865</b>	<b>87 185</b>	<b>81 591</b>	<b>91 689</b>	<b>98 443</b>	<b>92 627</b>	<b>94 752</b>	<b>99 158</b>	<b>103 766</b>

TABLE 12: SUMMARY OF ECONOMIC CLASSIFICATION: PROCUREMENT SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Current payments	91 246	87 081	81 463	91 689	98 306	92 491	94 752	99 158	103 766
Compensation of employees	70 385	79 005	80 607	90 239	92 222	86 350	93 221	97 521	102 035
Goods and services	20 861	8 076	856	1 450	6 084	6 141	1 531	1 637	1 731
Interest and rent on land									
Transfers and subsidies to:	74	72	128		137	136			
Provinces and municipalities									
Departmental agencies and accounts									
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	74	72	128		137	136			
Payments for capital assets	545	32							
Buildings and other fixed structures									
Machinery and equipment	545	32							
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	91 865	87 185	81 591	91 689	98 443	92 627	94 752	99 158	103 766

The Procurement Services budget increased from R92 million in the 2008/09 financial year to R104 million in the 2014/15 financial year, a 13 per cent increase over the seven year period. The increase in the aggregate estimated expenditure for the programme is as a result of the transfer of the Accounts Payable sub-unit to Procurement Services Unit.

Aggregate compensation of employees increases over the seven year period under review, from R70 million in 2008/09 to an estimated R102 million in 2014/15, a 45 per cent increase in aggregate compensation of employees over the period. Compensation of employees represents the biggest spending item under the Procurement Service's programme. With most of the automation initiatives in prior years having been finalized, compensation of employees accounts for more than 90 percent of actual and projected expenditure in the

programme.

The budget for goods and services decreases from R21 million in 2008/09 to just under R2 million in 2014/15. This decline is a reflection of the completion of the automation of processes, which in part explains the R21 million spent in 2008/09 on consulting services during the peak of the process automation drive. The estimated expenditure on goods and services, except for the 2008/09 financial year, is mainly for critical operating overheads in the Programme.

## SERVICE DELIVERY MEASURES

Sub-programme/Performance Measures	Estimated Annual Targets		
	2012/13	2013/14	2014/15
Compliance with SLA in respect of GPG Transversal Term Agreements.	98% Average 87 days	98% Average 85 days	98% Average 80 days
Manage and maintain an electronic database of GPG contracts.	98% of contracts loaded on the system	98% of contracts loaded on the system	98% of contracts loaded on the system
Process invoices within 4 working days from receipt of invoices by GDF	98% of invoices processed within 4 working days	98% of invoices processed within 4 working days	98% of invoices processed within 4 working days
Submit payment proposal to Departmental CFOs as per the system deadline	98% of payment proposal submitted to the Departmental CFOs	98% of payment proposal submitted to the Departmental CFOs	98% of payment proposal submitted to the Departmental CFOs
Conduct training to GPG Procurement officials on SCM processes and the SAP/SRM systems	900 officials trained on procurement processes and systems	600 officials trained on procurement processes and systems	600 officials trained on procurement processes and systems
Ensure that adverts for all GPG tenders are submitted within 5 working days before the next publication of the Tender Bulletin	98 % of all tender adverts are published in the Tender Bulletin within time frame	98 % of all tender adverts are published in the Tender Bulletin within time frame	98 % of all tender adverts are published in the Tender Bulletin within time frame
Create Material / Service Master requests within 1 day	98% of items catalogued within time frame	98% of items catalogued within time frame	98% of items catalogued within time frame
Conduct Procure to Pay market related analysis, research and studies	95%	95%	95%
	95%	95%	95%
Produce and distribute monthly B-BBEE GPG spend and other ad hoc reports	5 days	5 days	5 days
Provide financial risk analysis to ensure that GPG departments are not exposed to unfair price escalations	2 days	2 days	2 days
Register Procure to Pay vendors on the GPG database within SLA	4 days	3 days	3 days
Register Individuals on the GPG Database within SLA	4 days	3 days	3 days

## PROGRAMME 5: HUMAN RESOURCE SERVICES

### Programme description

The aim is to build capability and improve the quality of service and client experience in the provision of Human Resource Services. This is executed through transforming the human resource management environment and improving efficiency through the automation of transactional services.

Human Resource Services (HRS) is also impacted by the Migration of Functions project. This programme will focus solely on transforming the HR environment.

### Programme objectives

To deliver human resource services to the GPG, the programme has set itself to achieve the following:

- Human Resource advisory services;
- Co-ordinating the GPG Employee Health and Wellness Programme;
- GPG wide organisational development and change management;
- Human Resource Information Management Systems (HRIMS);
- GPG wide payroll and tax deductions;
- Administration of termination of services in the GPG, including pension withdrawals; and
- Roll out Human Resource modernisation and automation projects.

TABLE 13: SUMMARY OF PAYMENTS AND ESTIMATES: HUMAN RESOURCE SERVICE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
1. HRS Programme Support	3 728	3 539	2 353	2 144	1 830	2 144	1 904	1 997	2 095
2. HR Advisory Services	38 149	36 749	44 516	36 183	36 618	30 767	32 312	33 850	35 464
3. HR Transactional Services	55 628	53 990	49 687	52 767	55 992	51 272	58 485	61 204	63 999
<b>Total payments and estimates</b>	<b>97 505</b>	<b>94 278</b>	<b>96 556</b>	<b>91 094</b>	<b>94 440</b>	<b>84 183</b>	<b>92 701</b>	<b>97 051</b>	<b>101 558</b>

TABLE 14: SUMMARY OF ECONOMIC CLASSIFICATION: HUMAN RESOURCE SERVICE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
<b>Current payments</b>	<b>95 926</b>	<b>94 054</b>	<b>96 061</b>	<b>91 094</b>	<b>94 376</b>	<b>84 072</b>	<b>92 701</b>	<b>97 051</b>	<b>101 558</b>
Compensation of employees	78 811	82 908	76 678	89 654	91 585	81 274	91 701	95 940	100 391
Goods and services	17 115	11 146	19 383	1 440	2 791	2 795	1 000	1 111	1 167
Interest and rent on land						3			
<b>Transfers and subsidies to:</b>	<b>180</b>	<b>116</b>	<b>258</b>		<b>51</b>	<b>98</b>			
Provinces and municipalities									
Departmental agencies and accounts									
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	180	116	258		51	98			
<b>Payments for capital assets</b>	<b>1 399</b>	<b>108</b>							
Buildings and other fixed structures	37								
Machinery and equipment	1 330	108							
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	32								
<b>Payments for financial assets</b>			<b>237</b>		<b>13</b>	<b>13</b>			

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Total economic classification	97 505	94 278	96 556	91 094	94 440	84 183	92 701	97 051	101 558

The HR Services Division budget increases from R97 million in the 2008/09 financial year to R102 million in the 2014/15 financial year, a 5 per cent increase in aggregate expenditure over the seven year period under review. The increase in the aggregate estimated expenditure for the programme is mainly in the compensation of employees, which increases from R79 million in 2008/09 to R100 million 2014/15, a 26 per cent increase in over the period under review. A key contributing factor, over and above the regular annual salary adjustments, is the transfer of the Payroll Services unit to the Human Resources Service from Finance Services. Consistent with the focus in the Department on ensuring sufficient internal capacity to execute our mandate, compensation of employees constitutes the biggest spending item in the programme, accounting for more than 90 percent of overall spend under HRS.

The budget for goods and services decreases from R17 million in 2008/09 financial year to R1 million in 2014/15 financial year. As with other programmes in which the process automation has completed, there has been a corresponding decrease in expenditure on consulting services, resulting in a significant drop in estimated expenditure on goods and services. The decrease in expenditure on goods and services is also a reflection of reprioritization given to critical operating requirements, with an emphasis on doing more with less. The estimated expenditure under goods and services comprises mainly HRS's main operating overheads.

**SERVICE DELIVERY MEASURES**

Sub programme/Performance measures	Estimated Annual Targets		
	2012/13	2013/14	2014/15
% roll out of the enhanced and integrated E-recruitment model	100% roll out of the enhanced and integrated E-recruitment model	100% maintenance of the enhanced and integrated E-recruitment model	100% maintenance of the enhanced and integrated E-recruitment model
% roll out of automated HR21 and HR24 to GPG departments on ESS	25% (2) roll out of automated HR21 and HR24 to GPG Departments on SAP ESS	50% (4) roll out of automated HR21 and HR24 to GPG Departments on SAP ESS	Monitor and improve functionality
Number of people accessing Maponya Mall Centre	6000 people accessing Maponya Mall	7000 people accessing Maponya Mall	8000 people accessing Maponya Mall

**7. OTHER PROGRAMME INFORMATION****7.1 Personnel numbers and cost****TABLE 15: PERSONNEL NUMBERS AND COSTS: FINANCE**

Personnel numbers	As at 31 March 2009	As at 31 March 2010	As at 31 March 2011	As at 31 March 2012	As at 31 March 2013	As at 31 March 2014	As at 31 March 2014
1. Administration	349	179	103	103	294	309	324
2. Gauteng Audit Service	155	124	120	128	129	135	142
3. Technology Support Service	345	312	283	294	437	459	482
4. Procurement Service	384	338	314	353	215	226	237
5. Human Resource Service	443	352	306	340	370	389	408
<b>Total provincial personnel numbers</b>	<b>1 676</b>	<b>1 305</b>	<b>1 126</b>	<b>1218</b>	<b>1 445</b>	<b>1 518</b>	<b>1 593</b>
Total provincial personnel cost (R thousand)	303 003	346 372	361 947	445 658	424 005	452 388	481 753
Unit cost (R thousand)	181	265	321	380	293	298	302

Total personnel numbers and related costs stabilise over the MTEF, subject to the conclusion of the migration of functions to GPG departments. The changes in personnel cost are consistent with the overall growth assumptions in relation to the compensation of employees.

The Human Resource component of the Department maintains a corresponding pattern through the period under review, in both personnel numbers and cost, taking into consideration that the Department will be split into two fully-capacitated departments. This has an impact on the total number of employees in the unit. An allowance is made for increases in employee numbers and cost over the period to make provision for growth and projected compensation of employee's adjustments in line with the cost of living.

The Finance component also maintains a corresponding pattern between personnel number and cost. The decrease from R38 million at the beginning of the 2010/11 financial year to R22 million in 2011/12 is as a result of the allocation of the initial allocation of the Improvement in Condition of Services (ICS) to the office of the CFO, which was shifted during the adjustment process.

**Table 16: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS: FINANCE**

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2008/09	2009/10	2010/11				2011/12		2012/13
Total for department									
Personnel numbers (head count)	1 676	1 305	1 126	1218	1218	1218	1 445	1 518	1 593
Personnel cost (R thousands)	303 003	346 372	361 947	445 658	439 379	414 793	424 005	452 388	481 753
Human resources component									
Personnel numbers (head count)							37	39	41
Personnel cost (R thousands)							16 230	17 024	18 251

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Head count as % of total for department							3%	3%	3%
Personnel cost as % of total for department							4%	4%	4%
<b>Finance component</b>									
Personnel numbers (head count)	45	55	59	59	59	59	52	55	58
Personnel cost (R thousands)	9 720	12 273	14 105	14 105	14 105	14 105	23 871	25 314	26 868
Head count as % of total for department	3%	4%	5%	5%	5%	5%	4%	4%	4%
Personnel cost as % of total for department	3%	4%	4%	4%	4%	4%	6%	6%	6%
<b>Full time workers</b>									
Personnel numbers (head count)	1 676	1 305	1 126	1218	1218	1218	1 445	1 518	1 593
Personnel cost (R thousands)	303 003	346 372	361 947	445 658	439 379	414 793	424 005	452 388	481 753
Head count as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
Personnel cost as % of total for department	100%	100%	100%	100%	100%	100%	100%	100%	100%
<b>Part-time workers</b>									
Personnel numbers (head count)									
Personnel cost (R thousands)									
Head count as % of total for department									
Personnel cost as % of total for department									
<b>Contract workers</b>									
Personnel numbers (head count)									
Personnel cost (R thousands)									
Head count as % of total for department									
Personnel cost as % of total for department									

## 7.2 Training

**TABLE 17: PAYMENTS ON TRAINING: FINANCE**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2008/09	2009/10	2010/11				2012/13	2013/14	2014/15
1. Administration of which	3 268	1 766	390	2 049	1 761	1 761	2 071	2 168	2 271
Subsistence and travel									
Payments on tuition	3 268	1 766	390	2 049	1 761	1 761	2 071	2 168	2 271
2. Gauteng Audit Service of which	336	92							
Subsistence and travel									
Payments on tuition	336	92							
3. Technology Support Service of which	3 590	3 040	29						
Subsistence and travel									
Payments on tuition	3 590	3 040	29						
4. Human Resource Service of which	878	298							
Subsistence and travel									
Payments on tuition	878	298							
<b>Total payments on training</b>	<b>8 072</b>	<b>5 196</b>	<b>419</b>	<b>2 049</b>	<b>1 761</b>	<b>1 761</b>	<b>2 071</b>	<b>2 168</b>	<b>2 271</b>

The above tables reflect the Department's commitment on training and development of employees. The focus remains on the development of females, and the Department intends to continue implementing focussed leadership development programmes. Specific focus will be on induction programmes for all employees, following various change processes within the Department.

Internship programmes continue particularly in the core areas of the Department such as auditing and finance, municipal finance and ICT, as well as learnership programmes aimed at lower level employees. The Department will continue to fund bursaries, especially to enable employees to achieve first-time tertiary qualifications. The bursary programme assists in bridging the skills gap, specifically in management development and core skills areas.

## RECONCILIATION OF PROGRAMME STRUCTURE

**TABLE 15: RECONCILIATION OF STRUCTURAL CHANGES: FINANCE**

2011/12		2012/13	
Programmes for 2011/12		Programmes for 2012/13	
Programmes	Sub-programme	Programmes	Sub-programme
Administration	Office of the MEC Office of the HOD Head: Shared Services Head: Treasury Services Internal Finance Services Corporate Services Strategy Management and Enterprise Integration Forensic Services Document and Records Management	Programme 1: Administration	Office of the HOD  Office of the CFO Corporate Services  Forensic Services  Risk Management

2011/12		2012/13	
Programmes for 2011/12		Programmes for 2012/13	
Programmes	Sub-programme	Programmes	Sub-programme
Provincial Treasury	Head: Treasury Services Sustainable Resource Management SRM Programme Support Budget Management Fiscal and Economic analysis Public Finance Public and Private Partnerships Financial Governance FG Programme Support Norms and Standards Local Government Financial Services Risk Management Financial Business Systems Provincial Accounting Services PAS Programme Support Financial Assets and Liabilities Accounting Services Accounts Receivable Statutory Deductions Management	Provincial Treasury (new department w.e.f. 1 April 2012)	
Gauteng Audit Services	GAS Programme Support Risk and Compliance Audit Services: Clusters 1, 2, 3 Risk and Compliance Audit Services: Clusters 4, 5 Computer Audit Audit Centre of Excellence	Programme 2: Gauteng Audit Services	GAS Programme Support Risk and Compliance Audit Services: Clusters 1, 2, 3 Risk and Compliance Audit Services: Clusters 4, 5 Performance and Computer Audit Services Audit Centre of Excellence
Hire-to-Retire Services	HTR Programme Support HR Transactional Services HR Advisory Services	Programme 5: Human Resource Services	HR Advisory Services HR Transactional Services Employee Debt Management
Procure-to-Pay Services	PTP Programme Support Sourcing and Support Services Cluster 1 Sourcing and Support Services Cluster 2 Accounts Payable	Programme 4: Procurement Services	Transversal Sourcing and Support Vendor Management and Procurement System Support
Technology Support Services	TSS Programme Support Programmes and Applications Planning and Operations E-Gov	Programme 3: Technology Support Services (TSS)	TSS Programme Support Programmes and Applications Planning and Operations E-Government

## 8. CROSS CUTTING ISSUES

Cross Cutting Issue	Programme and sub-programme	Indicator/ Measure	Target	Output	MTEF BUDGET		
					2012/13	2013/14	2014/15
Women	Employment Equity	Appointment of women in senior management	50%	50% women representation at SMS	50%	50%	50%
	Skills Development and Capacity Building Programmes	60% of beneficiaries of education and training programmes should be women in all levels	60%	60% of beneficiaries of education and training programmes should be women in all levels	60%	60%	60%
	Economic Empowerment	Active participation of women in procurement processes	30%	30% of GPG tenders awarded to women owned businesses	30% of the procurement budget	30%	30%

Cross Cutting Issue	Programme and sub-programme	Indicator/ Measure	Target	Output	MTEF BUDGET		
					2012/13	2013/14	2014/15
Youth	Skills Development and Capacity Building Programmes	4% of beneficiaries of education and training programmes should be youth	4% of beneficiaries of education and training programmes should be youth	4% of beneficiaries of education and training programmes should be youth	4%	4%	4%
	Economic Empowerment	Promotion of youth owned businesses	10%	10%	10% of the procurement budget	10%	10%
PwDs	2% of employees should be PwDs	2% of work force should be PwDs across all levels	2% of work force should be PwDs across all levels	2% of work force should be PwDs across all levels	2%	2%	2%
	PwDs should benefit from bursaries and training programmes	2% of beneficiaries of education and training programmes should be PwDs	2% of beneficiaries of education and training programmes should be PwDs	2% of beneficiaries of education and training programmes should be PwDs	2%	2%	2%
	Promotion of PwD owned businesses	5% participation of PwDs in procurement process	5%	5% of tenders awarded to companies owned by PwDs	5% of the procurement budget	5%	5%

## **ANNEXURE TO ESTIMATES OF PROVINCIAL REVENUE AND SEXPENDITURE**

TABLE 18: SPECIFICATION OF RECEIPTS: FINANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licenses									
Motor vehicle licenses									
<b>Sales of goods and services other than capital assets</b>	<b>752</b>	<b>786</b>	<b>936</b>	<b>806</b>	<b>1 050</b>	<b>1 059</b>	<b>990</b>	<b>1 000</b>	<b>1 010</b>
Sale of goods and services produced by department (excluding capital assets)									
Sales by market establishments	745	782	804	805	851	860	970	975	985
Administrative fees									
Other sales	7	4	132	1	199	199	20	25	25
Of which									
Market Estab: Rental Dwellings	13	7	1						
Commission	104	147	181	180	192	192	225	230	230
Sports and Facilities : Gym Fees	49	53	55	55	69	69	140	140	145
Market Estab: Rental Park	579	575	567	570	590	599	605	605	610
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
Transfers received from:									
Other governmental units									
Universities									
Foreign governments									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions									
Fines, penalties and forfeits									
<b>Interest, dividends and rent on land</b>									
Interest									
Dividends									
Rent on land									

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
<b>Sales of capital assets</b>			<b>62</b>						
Land and sub-soil assets									
Other capital assets			62						
Transactions in financial assets and liabilities	5 459	1 955	4 561	535	1 000	1 004	750	800	850
<b>Total departmental receipts</b>	<b>6 211</b>	<b>2 741</b>	<b>5 559</b>	<b>1 341</b>	<b>2 050</b>	<b>2 063</b>	<b>1 740</b>	<b>1 800</b>	<b>1 860</b>

TABLE 19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
<b>Current payments</b>	<b>135 210</b>	<b>163 754</b>	<b>141 554</b>	<b>192 043</b>	<b>158 318</b>	<b>149 649</b>	<b>210 361</b>	<b>210 508</b>	<b>201 618</b>
Compensation of employees	51 001	72 983	76 546	88 200	89 551	73 202	91 189	103 900	116 796
Salaries and wages	45 503	64 990	67 923	79 011	80 190	65 599	82 667	94 974	107 440
Social contributions	5 498	7 993	8 623	9 189	9 361	7 603	8 522	8 926	9 356
Goods and services of which	84 209	90 771	65 008	103 843	68 767	76 447	119 172	106 608	84 822
Administrative fees			2 490		1 522	314	2 370	2 500	2 625
Advertising	4 592	388	4 226	700	572	527	500	529	557
Assets <R5000	259		8		( 1)				
Audit cost: External	2 270	6 405	4 579	4 013	4 363	5 717	7 000	7 385	7 754
Bursaries (employees)	220		892	2 100	2 100	2 100	2 071	2 168	2 271
Catering: Departmental activities	1 096	121	169	700	699	656	1 000	1 000	1 000
Communication	6 524	8 711	3 156	42 847	12 579	11 319	12 000	12 676	13 323
Computer services	34	3 715	26		119	118			
Cons/prof: business & advisory services	25 274	21 017	28 375		1 814	2 523	53	56	59
Cons/prof: Infrastructure & planning		15 877							
Cons/prof: Laboratory services									
Cons/prof: Legal cost	7 370		648	1 050	12 872	22 554	1 580	1 670	1 753
Contractors	3 225	1 978	1 325		303	305	59 887	44 400	23 336
Agency & support/ outsourced services	2 238	2 145	69		63	63			
Entertainment	1 221					22			
Fleet Services (F/SER)			7		35	25			
Housing									
Inventory: Food and food supplies	114	36	22		86	88			
Inventory: Fuel, oil and gas	63	52	9			1	10	11	12
Inventory: Learn & teacher support material									

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Inventory: Materials and supplies	366	93	23		70	71	50	53	55
Inventory: Medical supplies			1						
Inventory: Medicine									
Medsas inventory interface									
Inventory: Military stores									
Inventory: Other consumables	18	28	277	245	113	223	650	662	670
Inventory: Stationery and printing	1 934	1 549	825	1 614	1 638	2 061	1 555	1 655	1 753
Lease payments	1 985	4 267	5 746	18 961	11 090	11 041	7 450	7 634	4 158
Rental and Hiring					1	2	30	32	33
Property payments	8 554	13 295	7 267	1 120	6 600	6 596	6 750	7 120	7 475
Transport provided dept activity									
Travel and subsistence	10 078	6 890	4 195	3 850	8 143	6 148	6 265	6 730	7 175
Training & development	3 268	1 766	390	2 049	1 761	1 761	2 071	2 168	2 271
Operating payments	730	1 856	44	22 910	532	482	2 380	2 382	2 489
Venues and facilities	2 776	582	239	1 684	1 692	1 730	5 500	5 777	6 053
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies to:</b>		<b>33</b>	<b>300</b>		<b>59</b>	<b>77</b>			
Provinces and municipalities									
Non-profit institutions									
Households		33	300		59	77			
Social benefits		33	300		59	77			
Other transfers to households									
<b>Payments for capital assets</b>	<b>2 778</b>	<b>58 707</b>			<b>4 290</b>	<b>4 290</b>	<b>70</b>	<b>10</b>	<b>11</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	2 778	58 707			4 290	4 290	70	10	11
Transport equipment									
Other machinery and equipment	2 778	58 707			4 290	4 290	70	10	11
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>			<b>7 921</b>						

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
<b>Total economic classification</b>	<b>137 988</b>	<b>222 494</b>	<b>149 775</b>	<b>192 043</b>	<b>162 666</b>	<b>154 016</b>	<b>210 431</b>	<b>210 518</b>	<b>201 629</b>

TABLE 20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: GAUTENG AUDIT SERVICE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2008/09	2009/10	2010/11	2011/12			2012/13	2013/2014	2014/15
<b>Current payments</b>	<b>37 454</b>	<b>45 473</b>	<b>42 990</b>	<b>50 682</b>	<b>48 727</b>	<b>44 969</b>	<b>53 238</b>	<b>55 186</b>	<b>57 853</b>
Compensation of employees	27 389	37 612	39 920	49 082	47 127	44 328	50 671	53 097	55 660
Salaries and wages	24 651	33 850	35 446	44 174	42 274	39 540	45 351	47 521	49 816
Social contributions	2 738	3 762	4 474	4 908	4 853	4 788	5 320	5 576	5 844
Goods and services	10 065	7 861	3 070	1 600	1 600	641	2 567	2 089	2 193
of which									
Administrative fees									
Advertising	305	70	58						
Assets <R5000	1								
Audit cost: External									
Bursaries (employees)	136	248							
Catering: Departmental activities	37	1							
Communication	644	233							
Computer services		332	719						
Cons/prof:business & advisory services	6 472	4 060	2 092	1 600	1 583	625	2 483	2 000	2 100
Cons/prof: Infrastructre & planning									
Cons/prof: Laboratory services									
Cons/prof: Legal cost									
Contractors	21								
Agency & support/ outsourced services	99	555							
Entertainment	2								
Fleet Services (F/SER)									
Housing									
Inventory: Food and food supplies	20	4							
Inventory: Military stores									
Inventory: Other consumables	105	74							
Inventory: Stationery and printing	197	76	44						
Lease payments	71	1	1						
Rental and Hiring									
Property payments									
Transport provided dept activity									
Travel and subsistence	1 194	554	71		7	6			
Training & development	336	92							
Operating payments	376	1 522	70		10	10	84	89	93

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Venues and facilities	49	39	15						
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies to:</b>		<b>1</b>	<b>2</b>						
Provinces and municipalities									
Provinces2									
Provincial Revenue Funds									
Provincial agencies and funds									
Households		1	2						
Social benefits		1	2						
Other transfers to households									
<b>Payments for capital assets</b>	<b>538</b>	<b>304</b>							
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	538	304							
Transport equipment									
Other machinery and equipment	538	304							
Payments for financial assets									
<b>Total economic classification</b>	<b>37 992</b>	<b>45 778</b>	<b>42 992</b>	<b>50 682</b>	<b>48 727</b>	<b>44 969</b>	<b>53 238</b>	<b>55 186</b>	<b>57 853</b>

TABLE 20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: TECHNOLOGY SUPPORT SERVICE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2008/09	2009/10	2010/11	2011/12			2012/13	2013/2014	2014/15
<b>Current payments</b>	<b>710 905</b>	<b>836 491</b>	<b>873 370</b>	<b>807 977</b>	<b>890 563</b>	<b>974 118</b>	<b>871 578</b>	<b>513 757</b>	<b>556 732</b>
Compensation of employees	75 417	73 864	88 196	128 483	118 894	129 639	97 223	101 930	106 871
Salaries and wages	67 874	66 794	78 361	115 691	106 173	116 380	87 014	91 227	95 650
Social contributions	7 543	7 070	9 835	12 792	12 721	13 259	10 209	10 703	11 221
Goods and services of which	635 488	762 627	785 174	679 494	771 669	844 479	774 355	411 827	449 861
Administrative fees	1 218	1 214	11 464						
Advertising	522	8 171	220						
Assets <R5000	1 960	187	30		56	56			
Audit cost: External		33							
Bursaries (employees)	316	1 447							
Catering: Departmental activities	125	119							

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Communication	5 764	25 083	28 374		60	60	60	63	66
Computer services	180 598	113 587	99 776	96 750	128 004	186 228	120 863	128 760	135 228
Cons/prof:business & advisory services	416 614	606 013	622 183	580 979	625 832	653 197	581 080	121 517	130 595
Cons/prof: Infrastructure & planning									
Cons/prof: Laboratory services									
Cons/prof: Legal cost									
Contractors	4 752	1 522	19 081	1 580	15 884	2 904	34 469	121 143	141 569
Agency & support/ outsourced services	103	109							
Entertainment	5								
Fleet Services (F/SER)			12						
Housing									
Inventory: Food and food supplies	73	2							
Inventory: Fuel, oil and gas									
Inventory:Learn & teacher support material									
Inventory: Materials and supplies	11	32			16	16			
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Military stores									
Inventory: Other consumables	135	18							
Inventory: Stationery and printing	1 286	198	132				20	20	20
Lease payments	2 363	492	1 228				35 535	37 867	39 801
Rental and Hiring									
Property payments	751		307		148	148			
Transport provided dept activity	17								
Travel and subsistence	3 681	854	604		52	52			
Training & development	3 590	3 040	29						
Operating payments	11 514	447	1 734	185	1 616	1 817	2 328	2 457	2 582
Venues and facilities	90	59			1	1			
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies to:</b>	<b>57</b>	<b>7</b>	<b>176</b>						
Provinces and municipalities									
Households	57	7	176						
Social benefits	57	7	176						
Other transfers to households									

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
<b>Payments for capital assets</b>	<b>18 154</b>	<b>809</b>	<b>913</b>	<b>36 651</b>					
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	18 026	809	838						
Transport equipment									
Other machinery and equipment	18 026	809	838						
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	128		75	36 651					
<b>Payments for financial assets</b>			<b>20 417</b>						
<b>Total economic classification</b>	<b>729 116</b>	<b>837 307</b>	<b>894 876</b>	<b>844 628</b>	<b>890 563</b>	<b>974 118</b>	<b>871 578</b>	<b>513 757</b>	<b>556 732</b>

TABLE 21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROCUREMENT SERVICES

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2008/09	2009/10	2010/11	2011/12			2012/13	2013/2014	2014/15
<b>Current payments</b>	<b>91 246</b>	<b>87 081</b>	<b>81 463</b>	<b>91 689</b>	<b>98 306</b>	<b>92 491</b>	<b>94 752</b>	<b>99 158</b>	<b>103 766</b>
Compensation of employees	70 385	79 005	80 607	90 239	92 222	86 350	93 221	97 521	102 035
Salaries and wages	63 347	71 105	68 753	81 215	80 186	77 715	83 433	87 282	91 320
Social contributions	7 038	7 900	11 854	9 024	12 036	8 635	9 788	10 239	10 715
Goods and services of which	20 861	8 076	856	1 450	6 084	6 141	1 531	1 637	1 731
Administrative fees				1 450					
Advertising	670	1 997	240		245	240	225	250	263
Assets <R5000	65	4							
Audit cost: External									
Bursaries (employees)	209	130							
Catering: Departmental activities	65	23	16						
Communication	2 430	178							
Computer services	31								
Cons/prof: business & advisory services	9 625	2 184			5 834	5 834	1 053	1 111	1 167
Cons/prof: Infrastructure & planning									
Cons/prof: Laboratory services									
Cons/prof: Legal cost									
Contractors	78	28	128		5	62			
Agency & support/outsourced services	1 060	1 108							

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Entertainment									
Fleet Services (F/SER)									
Housing									
Inventory: Food and food supplies	53	5							
Inventory: Fuel, oil and gas									
Inventory: Learn & teacher support material									
Inventory: Materials and supplies		2	1						
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Military stores	8								
Inventory: Other consumables	602	21							
Inventory: Stationery and printing	960	828	133						
Lease payments	49	890	87						
Rental and Hiring									
Property payments									
Transport provided dept activity									
Travel and subsistence	3 383	376	4						
Training & development	878	298							
Operating payments			247			5	253	276	301
Venues and facilities	695	4							
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies to:</b>	<b>74</b>	<b>72</b>	<b>128</b>		<b>137</b>	<b>136</b>			
Provinces and municipalities									
Provinces2									
Non-profit institutions									
Households	74	72	128		137	136			
Social benefits	74	72	128		137	136			
Other transfers to households									
<b>Payments for capital assets</b>	<b>545</b>	<b>32</b>							
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	545	32							
Transport equipment									

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Other machinery and equipment	545	32							
Payments for financial assets									
<b>Total economic classification</b>	<b>91 865</b>	<b>87 185</b>	<b>81 591</b>	<b>91 689</b>	<b>98 443</b>	<b>92 627</b>	<b>94 752</b>	<b>99 158</b>	<b>103 766</b>

TABLE 22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HUMAN RESOURCE SERVICE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2008/09	2009/10	2010/11	2011/12			2012/13	2013/2014	2014/15
<b>Current payments</b>	<b>95 926</b>	<b>94 054</b>	<b>96 061</b>	<b>91 094</b>	<b>94 376</b>	<b>84 072</b>	<b>92 701</b>	<b>97 051</b>	<b>101 558</b>
Compensation of employees	78 811	82 908	76 678	89 654	91 585	81 274	91 701	95 940	100 391
Salaries and wages	70 932	74 617	68 627	80 241	81 968	72 740	82 072	85 866	89 850
Social contributions	7 879	8 291	8 051	9 413	9 617	8 534	9 629	10 074	10 541
Goods and services	17 115	11 146	19 383	1 440	2 791	2 795	1 000	1 111	1 167
of which									
Administrative fees	1 699	3							
Advertising	3 653	45		390	11		800	900	945
Assets <R5000	164	39			9	9			
Audit cost: External		49							
Bursaries (employees)	213	69	16						
Catering: Departmental activities	32								
Communication	1 519	286			300	300			
Computer services	35	66	114		689	689			
Cons/prof:business & advisory services	4 121			1 050	50	50	200	211	222
Cons/prof: Infrastructure & planning	318								
Cons/prof: Legal cost	9	13							
Contractors	86	8 532	17 371		1 457	1 456			
Agency & support/ outsourced services	786	65	995						
Entertainment	40	6	4						
Inventory: Food and food supplies	36	12							
Inventory: Materials and supplies		4	3						
Inventory: Other consumables	6	114							
Inventory: Stationery and printing	880	398	166						
Lease payments	197	288	258			( 1)			
Travel and subsistence	2 247	583	456		275	292			
Training & development	569	407							
Operating payments		23							
Venues and facilities	505	144							
Interest and rent on land						3			
Interest						3			

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
<b>Transfers and subsidies to:</b>	<b>180</b>	<b>116</b>	<b>258</b>		<b>51</b>	<b>98</b>			
Provinces and municipalities									
Households	180	116	258		51	98			
Social benefits	180	116	258		51	98			
Other transfers to households									
<b>Payments for capital assets</b>	<b>1 399</b>	<b>108</b>							
Buildings and other fixed structures	37								
Buildings									
Other fixed structures	37								
Machinery and equipment	1 330	108							
Transport equipment									
Other machinery and equipment	1 330	108							
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets	32								
<b>Payments for financial assets</b>			<b>237</b>		<b>13</b>	<b>13</b>			
<b>Total economic classification</b>	<b>97 505</b>	<b>94 278</b>	<b>96 556</b>	<b>91 094</b>	<b>94 440</b>	<b>84 183</b>	<b>92 701</b>	<b>97 051</b>	<b>101 558</b>