

Vote 07
Provincial Treasury

Department of Provincial Treasury	Vote 07
To be appropriated by Vote in 2021/22	R 509 299 000
Direct Charge	Not Applicable
Responsible MEC	MEC for Provincial Treasury
Administering Department	Department of Provincial Treasury
Accounting Officer	Superintendent General for Provincial Treasury

1. Overview

Vision

We will be the ultimate financial management authority and adviser on fiscal matters to the Bokone Bophirima Provincial and Local Administration in pursuit of transparency, good financial management and accountability to all our stakeholders.

Mission

To provide leadership in the management of public resources for efficient, effective and economic service delivery through a well-coordinated support to Provincial Departments, Public Entities and Municipalities.

Values

The following values, which are derived from the constitution, underpin activities of the Provincial Treasury: -

- Fairness
- Equity
- Accessibility
- Transparency
- Accountability
- Participation
- Professionalism

Strategic Objectives

Strategic policy direction: Provincial Treasury will ensure a credible distribution of available funds between departments and public entities, taking into cognizance of the demands for social services and the need to stimulate economic development and growth.

The Department set the following Outcomes to achieve the above: -

- Skilled, capable and ethical workforce
- Improved integrated planning, budgeting and monitoring
- Improved financial Management in Departments, Public Entities and municipalities
- Fair, equitable, transparent, competitive and cost-effective Supply Chain Management System.

Core Functions

The core functions of the department include the following: -

- Co-ordination, monitoring and oversight of the Annual MTEF and Adjustments Budgets;
- Province-wide cash management and monitor asset management implementation in provincial departments;
- Provide support to municipalities;
- Provide oversight and support on provincial departments and public entities accounting and risk management;
- Provide a management structure for implementation of the North West Infrastructure Delivery Management System; and
- Monitoring of infrastructure spending of provincial departments.

Provincial financial management through:

- Financial Management capacity building;
- Budget monitoring and reporting;
- Internal Audit;
- Financial accounting;
- Management of liabilities;
- Financial systems support and maintenance;
- Asset management;
- Provision of advice and monitoring on procurement legislation, policies and procedures in provincial departments; and
- Provide oversight on implementation of the MFMA in the province.

Legislative mandate

The department is governed by the following legislation and policy directives:

- Public Finance Management Act, 1999 (Act No. 29 as amended)
- Municipal Financial Management Act 56 of 2003
- Treasury Regulations

- Division of Revenue Act
- Supply Chain Management Regulations (Post -Tender Board environment)
- The Constitution of South Africa, 1996
- The Public Service Act of 1994
- The Public Service Regulations of 2016
- The White Paper on the Transformation of the Public Service Delivery, (Batho Pele) 1997
- The E-Government: A Public Service IT Policy Framework
- The Promotion of Access to Information Act 2 of 2000
- The National Minimum Information Security Standard Policy of 1996
- The Skills Development Act of 1999
- The Basic Condition of Employment of 1997
- The Labour Relations Act of 1995; and
- The Health and Safety Act of 1993

1.1 Aligning departmental budgets to achieve government's prescribed outcomes

In contribution towards the attainment of the North West priorities the Provincial Treasury has identified the following priorities for the (next five years) 2021/22-2025/26 Strategic plan period to ensure that the North West Provincial Government achieve its goals:

National MTSF Priority 1: A Capable, Ethical and Developmental State.

Outcome: Functional and integrated government

Interventions:

- Allocate responsibilities, facilitate cooperation, ensure accountability for performance and ensure consequence management.

Outcome: Honest and capable state with professional and meritocratic public servants

Interventions:

- Conducting of budget assessment to ensure adoption of funded budget within municipalities
- Monitoring of Financial Recovery Plans in Municipalities to address financial crisis
- Monitoring Departments and Public Entities, on irregular, fruitless and wasteful expenditure
- Implementation of Work Skills Plan and monitoring of Financial Disclosure to ensure skilled, capable and ethical workforce

2. Review of the current financial year (2020/21)

This section provides a review of 2020/21 financial year, outlining the main achievements and progress made, as well as providing a brief discussion on challenges and new developments.

General

The Provincial Treasury achieved a clean audit for the 2019/20 financial year as reported by the Auditor-General and this marks the seventh consecutive year that the Provincial Treasury reached this milestone.

Due to the advent of the COVID-19 pandemic, the Department prepared and is in the process of implementing its COVID-19 response plan in line with the Department of Public Service Administration directives and National Treasury prescripts. Therefore, the department reprioritized funds from within its budget to deal with procurement of COVID-19 related Personal Protective Equipment (PPE).

Sustainable Resource Management

The COVID-19 pandemic had a serious impact on the 2020/21 Provincial Budget. As a result, a special adjustment was tabled on the 23rd July 2020 mainly to improve the capacity of our Health, Education and Social Services, implement measures aimed at providing financial support to businesses and entrepreneurs to cope with the adverse effect of the pandemic and providing our communities with an effective public awareness campaign on the health and hygiene protocols.

Subsequent to the declaration of the National Disaster, the Hon. President pronounced a response package of R500 billion to be partly funded through reprioritisation of the current financial year budget, where provinces were expected to contribute R30 billion. In line with equitable share formula, North West was expected to reprioritise R2.1 billion for COVID interventions, which was later reduced to R1.48 billion reprioritised within the province.

The 2020 budget was tabled with low economic growth against the high levels of historical spending, which led to rising budget deficits and an unsustainable debt burden. Consequently, government took a decision to stabilise the wage bill and change the composition of spending towards investment. This decision led to the reduction of the provincial equitable share by R1.720 billion specifically targeting compensation of employees during the tabling of the second adjustment budget in November 2020.

Despite the challenges that came with the implementation of the COVID-19 restrictions, the department managed to achieve the set targets through adapting the business operations to the new norm. Monthly and quarterly expenditure reports were compiled and presented to the North West Coordinating Committee (NWCC) and Executive Council highlighting spending challenges and recommendations for implementation. These reports included the performance of the budget and

service delivery achievements of the 12 provincial departments, the Provincial Legislature and Public Entities. Provincial expenditure reports were shared and presented to the Portfolio Committee and the Audit Committee.

The MTEC engagements were held from the 26 – 30 October 2020 in preparation for the 2021 MTEF budget and assess the spending patterns of departments, as well as the impact of the proposed budget cuts on service delivery.

The unit also participated in the Provincial Equitable Share (PES) review task teams and provided inputs to inform discussions on the Division of Revenue (DORA) and Provincial Equitable Share (PES), where both the structure and/or the components of the formula as well as the data informing PES updates, are being discussed.

Infrastructure Co-ordination: The COVID-19 regulations negatively impacted on the built environment which constrained the implementation and oversight of infrastructure programmes and projects. Nonetheless, the Provincial Treasury continued to support the provincial departments to sustainably implement the Infrastructure Delivery Management System (IDMS).

The Infrastructure Development Improvement Programme (IDIP) has been implemented at infrastructure departments, with the aim to “support Government’s strategy to improve socio-economic growth and development through improved infrastructure delivery”. The programme’s purpose is to “support the national and provincial partners to sustainably implement the Infrastructure Delivery Management System (IDMS) through regular monitoring, technical support and capacity building interventions. The IDIP implementation at municipalities is ongoing.

Through the support from National Treasury, departments were assisted to implement the new online Infrastructure Reporting Model, which is also used to extract the MTEF projects and allocations to the Table B5.

Provincial Revenue Enhancement - The COVID-19 regulations negatively impacted on the provincial revenue collection targets, which have a direct impact on the expenditure budget. Fiscal policy analysis unit conducted revenue management workshops for the provincial departments. In addition, the unit assisted departments to review unrealistic revenue targets. Through the provincial revenue forum, the benchmarking and best practices were shared with departments to ensure that the current revenue sources are enhanced and collection thereto maximized, whilst continuously identifying new sources of revenue. Furthermore, the unit participated in the National Revenue Workgroup where best practices are shared amongst all nine provinces. The support provided to the Department of Public Works and Roads led to the review of the tariffs for the rental stock.

Economic Analysis: The macro-economic analysis unit produced three reports during the course of the financial year. These reports are:

- Provincial Economic Review and Outlook (PERO) which mainly focuses on the economic factors in the province and is mainly used as a guiding framework for resource allocation in the province
- Provincial Socio-Economic Review and Outlook (SERO) which mainly focuses on the socio-economic factors in the province and is mainly used in the budget book as a guiding framework for resource allocation in the province; and
- A report of municipal socioeconomic analysis which provides analysis of municipal socioeconomic performance by district area
- The unit also produced monthly and quarterly economic updates covering economic information in South Africa, Africa and the rest of the world.

Municipal Finance Management (MFM): The Department held extensive engagements with relevant stakeholders to identify and engage with municipalities in financial crisis. To this end the Provincial EXCO approved invocation of mandatory intervention in line with section 139 of the Constitution read together with sec 139 of the MFMA where applicable. The Provincial Treasury provided section 154 of the Constitution to municipalities in the Northwest Province on the following focus areas:

- Budget Management
- mSCOA GRAP aligned financial management and reporting
- Contract Management
- Internal Control
- Assets Management
- Financial Management (UIF&W) to Council oversight structure (MPAC and Audit Committees).
- Support Mamusa LM and Bojanala District Municipality with Human resource capacity and Financial recovery plan

In addition to the above the Department entered in to a memorandum of understanding with LG SETA and National Treasury wherein the two partners will be implementing Learnership programmes towards NQF level 4, 5 and 6.

Provincial Supply Chain Management (SCM): On the 5th August 2020 at the meeting of Standing and Select Committees on Finance, the National Treasury briefed the committee on the procurement of PPE during the COVID-19 pandemic and highlighted some of the shortcomings in the transparency of PPE procurement information. A similar briefing was done for MECs of Finance on the 6th August 2020. Consensus was reached that institutions must revert to normal procurement procedures for all goods, services and works (including procurement of PPE items and cloth masks).

National Treasury issued Instruction SCM Note 11 of 2020/21: Procurement in response to the National State of Disaster regarding COVID-19 response and Repeal of Instruction Note 5 of 2020/21.

The department will continue to monitor COVID-19 related expenditure by provincial departments and entities in line with National Treasury Instruction SCM Note 11 of 2020/21 (SCM Note 11), and to ensure transparency in the procurement outcome of PPE and its related services, the department publish COVID-19 expenditure monthly on National Treasury website starting from September 2020. The department through its Provincial Internal Audit Unit have incorporated audit of COVID-19 expenditure in their annual audit plan and this process will continue until National State of Disaster lapses or terminated or SCM Note 11 is withdrawn.

Over and above two (2) National Treasury Instruction Notes disseminated to provincial departments and their entities during the year. Three (3) Provincial SCM Circulars were issued to provincial departments with the objective of developing uniform standards, combatting SCM abuse and preventing occurrence of irregular expenditure, being moratorium on appointment of project management unit (PMU); facilitation and arrangement of provincial transversal contracts and deviations from normal bidding processes.

The programme will continue with North West Provincial SCM Reforms 5-year Implementation Plan, which began in 2016/17 financial year with the support of National Treasury. The overall objective of the project is to assist the North West Provincial Treasury (NWPT) in supporting the implementation of effective SCM practices in the North West Provincial Departments and Public Entities, through the implementation of improvement initiatives focusing on the implementation of effective SCM practices and the development of a cadre for SCM in the North West Province: -

- Capacity Development Model: the programme finalised the learning needs assessment for all SCM Practitioners in Departments, Entities and Municipalities with the objective of developing SCM Technical Competency dictionary that outlines the processes required when procuring, identify learning gaps and developing Education & Training Development (ETD) Solutions to close gap, at individual, SCM unit and provincial institutions levels. Education & Training Development (ETD) Solutions will inform the Costing of Training Plan; SCM recruitment strategy; Cross Departmental Skills transfer; Workplace Skills Plan; Roadmap towards SCM Professionalization.
- Thirty-five (35) SCM Practitioners from different Provincial Departments and Public Entities were registered for both Practitioner and Advanced Practitioner Awards Programme with Chartered Institute for Procurement and Supply (CIPS). This will lead to SCM professionalization and MCIPS international designation. The programme will take a maximum period of eighteen months to complete, expecting first five (5) MCIPS designated SCM Practitioners in 2020/21 financial year.
- To date we have registered 129 Heads of SCM and Deputy Directors from Departments, Entities and Municipalities and continue to maintain the membership subscription with the SCM Professional body.

The Central Supplier Database (CSD) drive to register suppliers per region, with specific focus on developing areas of our province, continued throughout the year to expand the pool of suppliers within the province. As part of the Outreach Programme in Townships and Villages, several SMME workshops were conducted regarding CSD, E-Portal and payment of suppliers within 30 days. The Provincial SCM offices also served as a walk-in centre for suppliers to register on CSD. There was a challenge with the CSD especially in relation to suppliers' on-line bank accounts verification and National Treasury has managed to resolve it and keep it to the minimal.

The unit also continued to monitor and report on payments to service providers within 30 days as per Treasury Regulation 8.2.3.

Asset Management: Support which includes verification of movable assets and update of the WALKER asset register has been provided to departments affected by the transfer of functions. An accounting officer's guide on achieving clean audit on capital assets including capital work in progress has been developed. Chief financial officer's guide on accounting for immovable assets has been developed. There has been an improvement in the audits of Department of Public works and the Department of Health as they received clean audits on assets from Qualifications in the previous financial year. A clean audit project plan 2020/2021 on capital assets has been developed and implementation of the project plan is ongoing.

Financial Governance

Audit outcomes for 2019/20 - The audit of the Annual Financial Statements for the year ended 31 March 2020 was finalised on 01 October 2020. The audit outcomes of Departments, Provincial Legislature and Public entities were as follows:

- Departments – one (1) received a clean audit (unqualified with no findings), eight (8) were unqualified, three (3) qualified and one (1) disclaimer.
- Entities – Three (3) were unqualified, five (5) qualified, seven (7) disclaimers and four (4) are outstanding.

Implementation of Post Audit Action Plans - The office of the Accountant General is now in the fifth year of the implementation of the electronic monitoring system (PAAP) for monitoring audit action plans to ensure that audit issues raised by the Auditor General in the previous year are addressed in order to avoid repeat findings. Departments and Entities are now accustomed to its utilization.

- The overall progress for previous year for Departments were 57 per cent and Entities at 37 per cent. All outstanding items that were not addressed are carried forward to the new financial year.
- Entities have severe capacity challenges and lack of skills within CFO sections to fast track updating of PAAP.

- In most of departments and entities there are no dedicated officials who update PAAP, some CFO's leave it to junior officials to update.
- A workshop was held on 16 September 2020 to deliberate on the PAAP and how is going to be categorised going forward.
- Provincial Treasury and CFO's in the September CFO forum's resolved that in view of the short time left before year end a COVID-19 adjusted PAAP (shortened version) should be prepared focusing only on Qualification areas, matters of emphasis and emerging risks to ensure that it will be achievable in the time left before year end which is effectively about four (4) months.
- Five (5) Departments (Office of the Premier, Health, Arts Culture Sports and Recreation, Provincial Treasury and Social Development) have been loaded on the SharePoint system;
- Five (5) Departments (Community Safety and Transport Management, Economic Development Environment Conservation and Tourism, Education and Public works and Roads) have been referred back for refinement;
- The audit for the Department of Cooperative Governance and Traditional Affairs, and Human Settlement) were finalised late their PAAP will be finalised a bit later;
- Department of Community Safety & Transport Management audit has been finalised late and PAAP is reviewed and finalised to be loaded in the system;
- Five (5) Entities (NW Gambling Board, NW Parks Board, NW Tourism Board, NW Housing Corporation, and Mmabana Arts Culture Sports Foundation) are in the process of being finalised;
- The audits of NWDC group and NTI group have not been finalised, hence the PAAP preparation will be delayed;
- Departments responsible for Public Entities do not give them adequate support in the development and implementation of sound Audit Action plans and leave them to Treasury to offer support;
- Public Entities still have more serious challenges of capacity and lack of governance structures like audit committees and risk management that are not in place.

The advent of COVID-19 has prevented the compliance team to go to Departments. Most work is done virtually and over the phone to minimize exposure of staff. However, the normal operations of reviews of Interim Financial Statements are done in-house and portfolios of evidence are ongoing to ensure quarterly actions committed to be taken to address previous year findings are implemented. This will ensure that Departments and Entities take corrective actions before year end.

Financial Technical Management Support Programme – Financial Governance Programme provides the following support to Departments and Entities.

- Assistance with PAAP reviews and bilateral meetings to ensure that sound audit action plans are developed and monitored;
- Provision of on-site compliance reviews is done virtually with Departments and Entities to ensure that corrective action is done on time;

- Stringent monitoring of audit action plans coupled with review of Interim Financial Statements (IFS) to ensure that prior year audit findings are considered, which enables reporting to Heads of Departments, Chief Executive Officers and EA's to act where there is non-compliance;
- Strengthening internal controls by responding to paying attention to Internal Audit Reports in times to clear issues on time;
- **Irregular Expenditure Project** - Provincial Treasury finalised the appointment of a panel of expert investigators to assist Departments with complicated Irregular cases.
 - Phase 1 of the project commenced with holding a virtual meeting with the Investigators and another one with Chief Financial Officers to deliberate on the modalities of the implementation of the Project.
 - The Roll out started in September with Eight (8) Departments which submitted their cases to Provincial Treasury to submit to the investigators for scoping. Three (3) Departments (Public Works, Health and Education) did not submit as there were not ready. The project is in progress.
- Extension of Provincial Risk management to Public Entities.
- **Tribal and Trust** – The process of finalising an Accounting framework and format for draft Annual Financial Statements is being driven by National Treasury and there is no progress to date.

The team has been engaged with stream lining the implementation of the new requirement which was announced by the Payments Association of South Africa (PASA) that from 01 May 2020 all banks and specifically Standard Bank in particular which hosts the “D” account has put a reduction on the limit permitted on cheque payments from R500 000 to R50 000.

This ruling meant that all payments for salaries and service providers made by all Tribal Councils had to comply. Several virtual meetings were held with our counter parts at the Department of CoGTA and as well as key officials from the Districts to assist them in putting mechanisms in place that will comply with the requirements of the ruling.

A new spreadsheet was designed and workshopped to all key officials in the 10 sub-districts to assist with new submissions for online payments to the bank. The process is rigorous as some regional offices have not grasped the new system and there is a lot of manual verifications and re-calculations that have to be done before submission to the bank must be made.

From 01 November 2020 all banks will not be accepting cheques which means that all payments from Traditional councils have to be processed on-line. All stakeholders inclusive of Dikgosi had to be briefed on this change. The teams from Provincial Treasury, CoGTA and traditional Councils were workshopped on the new system in order to be ready to implement the new system.

Financial systems – The financial administration systems are operating well. The only challenge is that they are running on old infrastructure which poses a risk in the event of a major breakdown. The

Office of the Premier has been presented with all ICT challenges around infrastructure for assistance while awaiting the implementation of the new information technology system (IFMS) by National Treasury. **Financial Systems Training** - which used to be offered via contact classes has now to be conducted virtually due to the advent of COVID-19.

Provincial Risk Management - The activities of the Provincial Risk management are progressing well. Quarterly forums are held, and reviews are conducted to monitor effective implementation. Letters are written to Heads of Departments and Entities to take corrective steps where necessary. The unit held Provincial Risk Management Forums and extended it to the Municipalities for peer to peer learning and information sharing with the aim of improving Risk Management in the province.

Provincial Internal Audit - During the year under review the Internal Audit issued various advisories and assurance reports to departments, on internal control, risk management and governance, including compliance to laws and regulations, interim financial statements, reporting on pre-determined objectives, effectiveness of operations and the annual update of a comprehensive audit file guideline that would ensure combined assurance and substantiation of annual financial statement.

All draft annual financial statements and annual reports (including the report on pre-determined objectives) were reviewed timely and feedback reports provided to departments, except for the Department of Humans Settlements where the late finalization of the draft financial statements and annual report precluded such reviews. Subsequent to the handover of audit reports to department's evaluations of post audit action plans were performed and departments advised accordingly. Further audit work on the implementation of post audit action plans was performed.

In order to strengthen Provincial Supply Chain initiatives as well as providing support to Section 100 initiatives, Provincial Internal Audit audited submitted bids with a value of above R10 million after evaluation/adjudication but before award to ensure that all relevant SCM Legislation has been complied with before bids are awarded. This was augmented by a checklist that was issued to all departments on prevalent supply chain management risks and the assessment and implementation of preventative controls to mitigate risk.

Provincial Internal Audit performed assurance engagements on the compliance of COVID-19 related expenditure with legal requirements. This was an ongoing audit as expenditure was recorded, reconciled and incurred. Further initiatives include the rollout of a combined assurance framework including key summaries of areas of risk in financial and operational reporting and compliance that has to be mitigated.

The management of a route verification exercise performed at the Department of Community Safety and Transport Management.

The Cluster Audit Committees continued to meet with departments throughout the year and reviewed documentation submitted, emphasizing on the urgency to implement both internal audit and AG action plans, and subsequently issued reports to HoD's and annual reporting certificates. The Cluster Audit Committee has also actively engaged to address reconfiguration risks at the Department of Human Settlements.

3. Outlook for the coming financial year (2021/22)

This section provides an outlook of the department's activities for the coming year, focuses on new policy priorities, significant events and challenges.

Administration

Implementation of the COVID-19 response plan will continue and the Department will enhance its measures to combat the spread of COVID-19 pandemic.

There is a need to establish a Forensic Investigation unit to curb possible fraud, corruption and maladministration and a lack of consequence management in the province. This unit will provide investigative capability and impact the effective investigation of the allegations, the implementation of consequence management and the recommendation of corrective actions to prevent re-occurrence. An effective and functioning Forensic Investigation unit (FIU) would also act as a deterrence measure against fraud, corruption and maladministration.

Sustainable Resource Management

Provincial Treasury will assess that the provincial budgets focuses more on investments, contain consumption expenditure and improve allocation efficiencies. Furthermore, the provincial treasury will collaborate with other departments to identify and assess non-core assets for disposal.

Budget Management and Public Finance: The functions of the unit are largely driven and governed by various legislative requirements e.g. Public Finance Management Act (PFMA), Treasury Regulations and the Division of Revenue Act. As such, the work of the unit often remains largely unchanged from the previous year in terms of the processes that need to be followed and undertaken.

Accordingly, the Provincial Treasury will continue monitoring the spending of provincial departments and public entities through the various reporting mechanisms, including the monthly IYM (In Year Monitoring) and IRM (Infrastructure Reporting Model) and strive to ensure that provincial spending remains within the budget and to oversee the implementation of cost-cutting measures on non-core items such as catering, provincial events, etc.

Economic Analysis: The unit seeks to provide economic analysis in order to inform efficient resource allocation in the province by prioritizing investments. The unit will continue to produce

economic analysis reports for the province and the four district municipal areas. In addition, the unit will provide the necessary support to provincial departments by providing them with economic data for their own use. In the case of municipalities, the unit will engage on the economic analysis reports for the respective municipalities.

Fiscal Policy: The unit will provide the necessary support and guidance to provincial departments to meet their revenue targets for 2021/22, review their revenue strategies to increase departmental own revenue, align their strategies to the Provincial Revenue Enhancement Strategy as well as minimizing revenue collection costs. In addition, the department will assist provincial departments to review their revenue tariffs to be cost reflective, wherever it is practically possible. Ensure effective and efficient cashflow management within the provincial departments to prevent bank accounts being overdrawn.

Municipal Financial Management (MFM): The municipal intervention will focus on supporting municipalities to resolve their financial crisis as outlined in chapter 13 of the MFMA. The following key municipal finance functional area will be the main focus: -

- Conduct the status quo analysis to determine the reasons and the extent of the financial crisis.
- Support municipalities to prepare an appropriate recovery plan for the municipality; to recommend appropriate changes to the municipality's budget and revenue-raising measures that will give effect to the recovery plan
- Support municipalities to compile financial recovery plans to

Capacity Building: Conduct capacity building initiatives within the capacity building frame work adopted which entails On Job Training (Handholding) - Individual Capacity Building, Capacity gap filling and Organisational Capacity Building. The focus will be on the following functional areas:
Revenue protection

- mSCOA/GRAP aligned financial Reporting
- Risk and Audit
- Budget Management
- Contract Management
- Unauthorised, Irregular, Fruitless and Wasteful Expenditure

Provincial Supply Chain Management: In the current global economic climate, many governments across the world are forced to do more with less. The need to reduce costs, improve efficiencies and compliance are forcing organizations including public institutions to find better ways of doing things.

Procurement is one area where government can improve efficiencies and ensure they derive value for money from their spent. Digitization of procurement is a powerful engine for innovation, inspiration and efficiency.

The procure-to-pay solution will be developed in response to the Supply Chain Management reforms programme initiated by the Office of the Chief Procurement Officer (OCPO) at National Treasury. This was because of a cabinet resolution that instructed the OCPO to accelerate Supply Chain Management (SCM) reforms by modernizing the function through: -

- Finalising the legal framework aligned to the proposed reforms (Procurement Bill);
- Simplifying, standardising and automating procurement activities across all spheres of government; and
- Modernising SCM technology and up-scaling the use thereof.

The Provincial Supply Chain Management will issue SCM complaints guidelines to the Departments, its sole purpose being to: -

- Reporting, investigation, determination and treatment of SCM system abuse, -disputes, -objections, -complaints or –queries;

Capacity Development Model: Education and Training Development (ETD) Solutions developed from learning needs assessment conducted to close the learning gaps of SCM practitioners in the provincial departments. This project was supposed to start in 2020/2021 financial year for the period of three-years, due COVID-19 pandemic it was suspended pending availability of funding.

The professionalization and capacity building of SCM (people, process and systems) will continue through accredited SCM training sessions aimed at strengthening SCM compliance in the Province.

Supplier development is also earmarked for outreach programmes to be conducted in communities with to capacitating the supplier(s) with the government procurement processes and expanding the supplier(s) database. The office will continue its support to register suppliers on the CSD and encourage on-line self-service. The unit will continue to monitor and report on compliance with 30-day payments in line with National Treasury Instruction Note.

The Unit together with Office of the Chief Procurement Officer will embark on the implementation of Strategic Procurement Framework issued in April 2017 to enable participants to gain insights into and in-depth understanding of its practical implementation. To this end the department will be completing the Provincial Strategic Procurement Framework in 2019/20 financial year followed by the Supplier Indaba to present business opportunities available in Government spending.

Asset Management: Extensive monitoring of the post audit action plans for departments will be performed in pursuit of sustaining the current clean audits and registering improvements in the qualified department. Extensive support on the performance of asset management activities in public entities will be performed in an attempt to improve the audit outcomes related to property, plant and

equipment and the overall management of assets. Capacity will be built on public entities with specific focus to the standards of GRAP used for property, plant and equipment reporting.

Financial Governance: The aim of this programme is to facilitate the implementation of financial management in Provincial Departments and Public Entities, to ensure improved audit outcomes and manage the transition from modified cash to GRAP accounting in line with PFMA.

As such, the following are additional activities/focus areas planned for 2021/22: -

- Conduct quarterly accounting updates on Modified Cash Standard (MCS) for Departments and GRAP updates for Public Entities;
- Improve asset management by intensifying training on Asset management for Departments and Public Entities implementing the immovable asset guide in both Departments and Public Entities;
- Facilitate the clearance of prior year unauthorised expenditure through the Legislature process;
- Facilitate the roll out of the new National Treasury Instruction Note and framework on irregular expenditure in Departments and Public Entities;
- Offer support to Departments and Public Entities to improve the quality of reporting on Performance Information with emphasis on accuracy, reliability and usefulness of the information reported in the Portfolio of Evidence. (POE's);
- Regular meetings with Chief Financial Officers to check progress per Department and Public Entity with respect to the Audit Action Plan;
- All CFO's to submit completed audit action plans to Office of the Provincial Accountant General and Provincial Internal Audit for review of the adequacy thereof;
- Provincial Internal Audit to design and provide concept compliance checklists and a compliance framework model to all participants in the workshop for implementation to improve audit outcomes, to assist departments and to monitor compliance with laws and regulations on a timely and continuous basis;
- Provincial Internal Audit to provide scheduled independent assurance reviews on the action plan implementation process as well as the effectiveness of action plans implemented;
- The following four (4) departments and North West Provincial Legislature (NWPL) were identified for clean audit project
 - Provincial Treasury
 - Social Development
 - Economic Development, Environment, Conservation and Tourism
 - Arts, Culture, Sports and Recreation
 - North West Provincial legislature
- Special project plan was rolled out to these departments for achieving clean audit;
- Close monitoring and extra support will be provided to these departments;

- Special reporting requirements are also introduced for these departments.

Provincial Internal Audit: The aim of this sub-programme is to provide independent, objective assurance and advisory services to departments that add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. As such, the following are additional activities/focus areas planned for 2021/22: -

- Provincial Internal Audit to provide scheduled independent assurance reviews on the action plan implementation process as well as the effectiveness of action plans implemented;
- The implementation of Provincial Treasury Instructions; and
- The enhancement of risk, ethic and compliance management including progress on the implementation of combined assurance.

The province is faced with massive socio-economic challenges including high unemployment across all districts which culminates into than half of the population poverty in all districts, as well as income inequality. Annual unemployment rate is around 31 per cent, which is significantly higher than the frictional unemployment rate of 4 per cent. Provincial population is growing faster than economic growth, suggesting declining per capita income. This culminates into more than half of the provincial population living in poverty and highly dependent on government and other forms of support for daily survival opportunities.

The outbreak of the corona virus, which forced the government to introduce strict lockdown regulations has exacerbated the socio-economic challenges. Provincial own revenue as well as equitable share on nationally collected revenue have drastically declined. Many businesses may not recover from the negative effects of the corona virus. The province has therefore no other option than to develop and implement appropriate economic turnaround strategy.

The Provincial Treasury provides economic analysis on departmental plans to ensure that resources allocation address the above mentioned socio-economic challenges through equitable, effective, economical and efficient utilization of resources across all four districts. The Provincial Treasury, will provide inputs to motivate for service delivery infrastructure investment within rural areas to mitigate against rural/urban migration "push and pull factors".

The Provincial Treasury stands ready to provide technical support on the implementation of the economic recovery plan outlined by the President and particularly on job creation. This will be demonstrated by the increased recruitment of unemployed person to participate in the provincial expanded public works programmes, enhancing the competitiveness of unemployed youth in the job market by encouraging departments to intensify internship training opportunities.

4. Reprioritisation

Administration: An amount of R117 thousand was shifted from Assets and Liabilities Programme to Enterprise Risk Management for Ethics assessment and Risk Management Committee sitting fees and other operational services for new officials within the programme. An amount of R3.5 million was shifted from within Administration programme to Employee Wellness Programme for COVID-19 related PPE.

Sustainable Resource Management

A total amount of R14.019 million was shifted from goods and services of which R10.6 million was shifted to Compensation of Employees on the amendments made to the Organizational Structure in relation to CD: MFMA and CD: PSCM, R450 thousand is to relieve budget pressures on MFMA lease building and Municipal rates for the districts offices and R3 million was transferred to Financial Governance for the appointment of Contractors in PFMA Support Programme to assist with capacity challenges at Provincial Departments and Public Entities to improve audit outcome.

Asset and Liabilities Management: Funds amounting to R2,5 million in order to affiliate members to be enrolled for CIPS Practitioner Corporate Award Programme as the professional body for Supply Chain Management in the province. A shift of R3.463 million from Goods and Services of which R1.346 million to Administration to fund critical vacant posts in Financial Management Services, R117 thousand to Enterprise Risk Management for Ethics assessment and Risk Management Committee sitting fees and R2 million was shifted to Financial Governance for Public Finance Management (PFM) to assist Provincial Departments and Public Entities with an improved audit outcome.

Financial Governance: An amount of R117 thousand was shifted within the Programme over the MTEF period to be re-allocated on training and development for Modified Cash Standards & Generally Recognised Accounting Practice workshops (MCS). The shifting of R3 million was transferred from Sustainable Resource Management under goods and services for the appointment of Contractors in PFMA Support Programme to assist with capacity challenges at Provincial Departments and Public Entities to improve audit outcome and R2 million from Assets and Liabilities Management under goods and services to assist Provincial Departments and Public Entities with an improved audit outcome.

Future plans of the department

Provincial Treasury has planned for the following in the next coming financial years to strengthen their mandated support to departments, public entities and municipalities:

- Dedicated support to all Departments and Public Entities to improve audit outcomes;

- Continued Internal Audit support through the internal audit annual plans;
- Conduct capacity building programmes for all SCM officials in Provincial Government;
- Maintain appropriate systems & controls for safeguarding of assets;
- Monitoring and oversight provided to Municipalities, inclusive of training Municipal officials to ensure full compliance to Municipal Standard Charts of Account and other MFMA reforms through a regional organisational structure model;
- Improve asset management by intensifying training on Asset management for Departments and Public Entities implementing the immovable asset guide in both Departments and Public Entities;
- Regular meetings with Chief Financial Officers to check progress per Department and Public Entity with respect to the Audit Action Plan;
- Empower Service Providers by holding district indabas training them on SCM issues particularly tendering processes, local content and subcontracting.

5. Procurement

The major procurement plans for 2021/22 relate to the following: -

- An amount of R28.8 million is set aside for Municipal Financial Management Support Programme inclusive of capacity building, Development of Financial Controls, mSCOA implementation, asset management, GRAP Annual Financial Statements (AFS) & audit support and Municipal Financial Recovery Interventions;
- An amount of R2.5 million is set aside to affiliate members to be enrolled for CIPS Practitioner Corporate Award Programme as the professional body for Supply Chain Management in the province;
- The Financial Governance PFMA support programme has set aside an amount of R4.7 million to assist Departments with implementation of National Treasury Instruction Note 2 of 2019/20: Irregular Expenditure framework in order to reduce the Provincial Irregular Expenditure.

6. Receipts and financing

6.1 Summary of receipts

Table 7.1 below shows the sources of funding over the seven-year period 2017/18 to 2023/24.

Table 7.1 : Summary of receipts

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Equitable share	335 653	344 197	356 542	407 499	267 418	267 418	341 299	370 354	372 529
Conditional grants	-	-	-	-	-	-	-	-	-
Departmental receipts	222 586	249 557	223 112	150 000	150 000	150 000	168 000	176 400	185 000
Total receipts	558 239	593 754	579 654	557 499	417 418	417 418	509 299	546 754	557 529

The main sources of funding for the department is Equitable Share and Own Revenue. The departmental equitable share increased by 3 per cent in 2019/20, then declines by 25 per cent in 2020/21, then increased by 28 per cent in 2021/22, 8 per cent in 2023/24 and 1 per cent in the final year. The Equitable Share allocation for 2021/22 constitute is 64 per cent of the total departmental allocation, while own revenue is 36 per cent.

6.2 Departmental receipts collection

Table 7.2 below provides details of the revenue collection by this department from 2017/18 to 2023/24.

Table 7.2 : Summary of departmental receipts collection

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sales of goods and services other than capital assets	197	172	762	201	201	201	211	221	231
Transfers received	1 420	3 651	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	220 247	245 436	222 350	149 799	149 799	149 799	167 789	176 179	184 769
Sales of capital assets	7	10	-	-	-	-	-	-	-
Transactions in financial assets and liabilities	715	288	-	-	-	-	-	-	-
Total departmental receipts	222 586	249 557	223 112	150 000	150 000	150 000	168 000	176 400	185 000

The department factored a growth in 2017/18, 2018/19 as per reasons reflected below which affected the decline in 2019/20. Own revenue grows with 12 per cent in 2021/22, 5 per cent in 2022/23 and 5 per cent in 2023/24.

The sources of own revenue for the department are the following: -

Sale of Goods and Services other than capital assets: The revenue is mainly raised through fees charged by the department for tender documents issued. The projected collection shows a steady increase over the MTEF.

Interest, dividends and rent on land: The revenue collected from this source was as a result of the substantial cash surpluses on the Pay Master General account (PMG) resulting from under spending in the previous financial years. The increase in 2016/17 is attributable on interest receivable because of under spending levels by Provincial Departments. The uncertainty element inherent to this item makes it difficult to forecast future collections.

Sales of capital assets: The collection in 2017/18 and 2018/19 is attributed to sales of redundant assets which were auctioned during the year.

6.3 Donor Funding

None

7. Payment summary

7.1 Key Assumptions

The budget for the 2021/22 MTEF is based on the department's Strategic Plan and APP which are reflective of the service delivery requirements and improvements of the department. Some of the main assumptions underpinning the MTEF budget are as follows: -

- Inflation projections (CPI) as published in the 2021 Medium Term Budget Policy Statement are 4.1 per cent in 2021/22, 4.4 per cent in 2022/23 and 4.5 per cent in 2023/24;

Provision for improvement in conditions of service (ICS) is Cost of living adjustments are as follows: -

- The revised projections for the personnel budget inflation are 0 per cent in 2021/22, 2022/23 and 2023/24 financial year;
- Pay progression across the public service is 1.5 per cent per cent per annum; and
- Funds are allocated to support all 4 programmes in the Provincial Treasury to achieve their goals as stipulated in the Strategic Plan and 2021-2022 Draft Annual Performance Plan.

7.2 Programme summary

Tables 7.3 and 7.4 below contain information by programme and economic classification for the department over the seven-year period from 2017/18 to 2023/24.

Table 7.3 : Summary of payments and estimates by programme: Provincial Planning And Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
1. Administration	141 735	149 773	149 341	158 966	129 501	129 501	163 265	168 975	172 539
2. Sustainable Resource Management	117 749	104 447	141 044	147 648	111 237	111 237	127 052	148 247	150 220
3. Asset And Liabilities Management	43 090	48 193	47 139	66 351	41 555	41 555	56 468	57 913	58 724
4. Financial Governance	161 211	176 605	155 643	184 534	135 125	135 125	162 514	171 619	176 046
Total payments and estimates	463 785	479 018	493 167	557 499	417 418	417 418	509 299	546 754	557 529

The department is comprised of four programmes, namely, Administration, Sustainable Resource Management, Asset and Liabilities Management, and Financial Governance. The department does not conform to the generic sub-programme structure for the sector, due to the inclusion of Municipal Finance in Programme 2. However, discussions are underway on the review of Provincial Treasuries Generic Structures.

The departmental spending over the past financial years was R463.8 million in 2017/18, R479 million in 2018/19 and R493 in 2019/20. The Departmental baseline was decreased by R75.7 million in 2020/21 and increased by R92 million in 2021/22 and R47.8 million and R10 million in the two outer years.

Programmes:

Programme 1 Administration: The programme registered a decrease of 3 per cent in 2019/20 financial year. A decrease of 13 per cent in 2020/21 and increase by 26 per cent in 2021/22 and 5.5 per cent in the two outer years, which includes the departmental bursary to officials, learnership programme, legal fees, fleet services, external audit fees property payments and Training and Development.

Programme 2 Sustainable Resource Management: Budget allocation for 2020/2021 decreased with R36 million. In aggregate the programme budget increases with R60 million in 2021/2022 and R24 million for the two outer years, which include MFMA Municipal Financial Management Support Programme and Municipal Intervention.

Programme 3 Assets and Liabilities: Inclusive in the Programme in 2020/21 is R2.5 million for Lease of Building; R3.5 million for CIPS System and R574 thousand for Asset Management Software. Embedded within the departmental procurement strategies, the Unit earmarked on outreach programmes to be conducted in communities with a view to capacitating the Supplier(s) with Government Procurement Processes. A budget of R2 million is set aside for Advertising and R3 million is for Traveling and Subsistence for outreach to speed up registration process of Suppliers on CSD system with R1.8 million for Training and Development for the Provincial officials. There is an increase of 7.5 per cent in 2021/22 and a decrease of 1.2 per cent over the MTEF period.

Programme 4: Financial Governance: The overall programme budget increases with R27 million in 2021/22 and R14 million over the MTEF period. Inclusive in the Programme is R3.9 million for Audit Committee; R4 million for Provincial PFMA Clean Audit; R13 million for Provincial Telephone; R4 million for Training and Development; R3 million for Provincial Forensic Audit, R5.3 million for Lease of Building and R4.2 million for Audit Fees.

7.3 Summary of economic classification

Table 7.4 : Summary of provincial payments and estimates by economic classification: Provincial Planning And Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Current payments	459 757	473 671	488 458	550 393	410 115	410 115	501 082	538 155	548 562
Compensation of employees	268 116	296 079	311 711	388 324	302 179	302 179	320 000	321 274	323 517
Goods and services	191 641	177 591	176 747	162 069	107 936	107 936	181 082	216 881	225 045
Interest and rent on land	-	1	-	-	-	-	-	-	-
Transfers and subsidies to:	695	1 700	1 420	694	1 511	1 511	733	769	802
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	130	170	-	-	-	-	-	-
Households	695	1 570	1 250	694	1 511	1 511	733	769	802
Payments for capital assets	3 333	3 429	3 277	6 412	5 792	5 792	7 484	7 830	8 165
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	3 333	3 429	3 277	6 412	5 792	5 792	7 484	7 830	8 165
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	218	12	-	-	-	-	-	-
Total economic classification	463 785	479 018	493 167	557 499	417 418	417 418	509 299	546 754	557 529

Economic Classifications:

Compensation of Employees: On aggregate, Compensation of Employees registered a significant growth from 2017/18 to 2019/20 due to filling of posts in line with the new organisational structure and thereafter a gradual increase to Compensation of Employees is anticipated in line with annual salary adjustments. The Department decided to fill its revised organisational structure from 2017/18, and in 2018/19. The new Organisational Structure was approved and implemented with effect from the 1st of August 2018. Subsequent to that, the Inter Ministerial Task Team (IMTT) through the implementation of Section 100 of the constitution in the North West Province recommended to review of the structure of both Chief Directorate: MFM and Provincial Supply Chain Management (PSCM) and was approved on the 23 November 2019. Human Resource section is busy with the filling of vacant critical posts and was advertised in Q3 hence the increase over the MTEF.

Goods and Services: Records a decline in 2017/18 to 2019/20 that was reduced from Compensation of Employees is to cater for MFMA experts or HR Capacity challenges. There is a further decline in 2020/21 with an increase of R74 million in 2021/22 and R44 million in the outer two years.

Inclusive in Goods and Services is an amount of R33 million for Municipal Financial Management Support Programme (MFMA) and MFM Intervention in 2021/22, as well as an allocation of R106 million in the two outer years. The allocation further makes provision for the Provincial Telephone Account amount of R19 million in 2021/22 and R52.3 million over the two outer years of MTEF period. The PFMA Interventions is allocated R5.4 million in the current year and R12 million throughout the MTEF period.

Transfers and Subsidies: A decrease in 2017/18 and 2018/19 is recorded because of the centralisation of bursaries budget to the Office of the Premier from Provincial Departments. The department makes provision for payment of social benefits to employees who have exited the system, however budget estimates are very difficult to forecast.

Capital Assets: The increase of R1.6 million in 2021/22 is for the replacement of office equipment, as well as for filling of the revised organisational structure.

7.4 Infrastructure payments

7.4.1 Departmental infrastructure payments

None

7.4.2 Maintenance

None

7.4.3 Non-infrastructure items

None

7.5 Departmental Public-Private Partnership (PPP) projects

None

7.6 Transfers

7.6.1 Transfers to Public Entities

None

7.6.2 Transfers to other Entities

None

7.6.3 Transfers to Local Government

None

8. Receipts and Retentions

Not applicable to this department.

9. Programme description

The expenditure and budgeted estimates for each programme are summarized in terms of sub-programmes and economic classification. Details are given in the Annexure tables for Vote 7: Provincial Treasury.

Programme 1: Administration

Description and Outputs

This programme provides human resource support, strategic management, communication and departmental financial management services. Communication focuses on projecting the corporate image of the Department to internal and external stakeholders. The Minimum Information Security Services (MISS) focuses on issues of departmental security as defined in the Provincial Security Strategy. Special programmes focus mainly on youth, women, disability and gender related matters.

Departmental financial management services support the entire department by focusing on budgeting, financial accounting, asset management, transport and logistics, salary administration and supply chain management related activities.

Administration consists of the following Sub-programmes:

- Office of the MEC;
- Management Services (HOD), Communication, Minimum Information Security Standards (MISS);
- Corporate Services incorporating Human Resource Services and Training; and
- Departmental Financial Management (CFO).

Tables 7.5 and 7.6 below provide a summary of payments and budget estimates pertaining to Programme 1: Administration over the seven-year period from 2017/18 to 2023/24.

Table 7.5 : Summary of payments and estimates by sub-programme: Programme 1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
1. Office Of The Mec	8 894	9 831	9 025	11 141	7 864	7 864	8 650	8 880	9 051
2. Management Services	9 956	6 917	8 303	9 326	8 104	8 104	30 005	30 119	31 149
3. Corporate Services	76 352	82 607	80 081	84 467	68 505	68 505	74 584	74 213	75 589
4. Financial Management (Office Of The Cfo)	46 533	50 418	51 932	54 032	45 028	45 028	50 026	55 763	56 750
Total payments and estimates	141 735	149 773	149 341	158 966	129 501	129 501	163 265	168 975	172 539

Table 7.6 : Summary of payments and estimates by economic classification: Programme 1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23
Current payments	140 338	147 518	147 636	156 534	125 109	125 109	160 398	165 988	169 432
Compensation of employees	90 507	99 114	105 222	115 955	101 629	101 629	101 153	101 536	102 172
Goods and services	49 831	48 403	42 414	40 579	23 480	23 480	59 245	64 452	67 260
Interest and rent on land	-	1	-	-	-	-	-	-	-
Transfers and subsidies to:	295	451	697	194	854	854	205	215	224
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	130	120	-	-	-	-	-	-
Households	295	321	577	194	854	854	205	215	224
Payments for capital assets	1 102	1 609	1 008	2 238	3 538	3 538	2 662	2 772	2 883
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 102	1 609	1 008	2 238	3 538	3 538	2 662	2 772	2 883
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	195	-	-	-	-	-	-	-
Total economic classification	141 735	149 773	149 341	158 966	129 501	129 501	163 265	168 975	172 539

Budget Growth Trends

The budget for programme increases with R34 million from R129 million to R163 million in 2021/2022 and it grows to R173 million in 2023/2024 financial year.

Spending over seven-year period ending in 2023/24 started picking up by R8 million in 2018/19, decline by R432 thousands in 2019/20, a further decline of R19.8 million in 2020/21, and then a sharp increase of R33.8 million in 2021/22 and R9.3 million in the two outer years.

The sub-programmes which show a fluctuating trend over the seven-year period are: -

Office of the MEC: The MTEF period increases by R786 thousand in 2021/22 and then increased by R786 thousand in 2021/22 and R401 thousand in the two outer years, respectively.

Management Services: The increase in budget is primarily due to the R20 million set aside for Forensic Investigation Unit.

Corporate Services: A decrease is evident of R2.2 million in 2019/20. There is sharp decrease of R9 million in 2020/21, an increase of R3.5 million in 2021/22 and R1.7 million in the two outer years.

Financial Management (CFO's office): There is an increase of R1.5 million in 2019/20, and a decline of R9 million in 2020/21 financial year and there is an increase of R11.7 million over the MTEF.

Economic Classification

Compensation of Employees: There is an increase of R8.6 million from 2017/18 to 2018/19, a further increase of R6.1 million in 2019/20 and a decline of R14 million in 2020/21. There is an

increase of R1.1 million over the MTEF as the programme anticipates filling the vacant posts. The slow growth in Programme is due the National wage bill cut.

Goods and Services: Registers a decline of R4.2 million in 2019/20 due to the cost containment policy and further declines with R17.9 million in 2020/21 due to the impact of COVID-19 Pandemic. An increase of R36 million is recorded for 2021/22 and the total budget of R67.3 million is set aside for 2023/24.

Transfers and Subsidies: The increase of R256 thousand in 2019/20 is due to leave gratuities for retired officials, resignations and death. The 2021/22 budget and over the MTEF records a decrease due to centralisation of external bursary funding to the office of the Premier.

Capital Assets: There is an increase of R507 thousand 2017/18, then a decline was registered in 2018/19 for transfers to Department of Community Safety and Transport for the purchase of Pool Vehicles and a specialised vehicle for Communication Unit. The allocation then increases over the MTEF.

Service Delivery Measures

Table 7.7 : Service delivery measures - Programme 1: Administration

Programme performance measures	Estimated performance	Medium-term estimates		
	2020/21	2021/22	2022/23	2023/24
% of compliance to Financial Disclosure on designated groups	1	1	1	1
Number of officials trained in line with Work Skills Plan	30	70	80	80
Annual report without material findings	1	1	1	1

Programme 2: Sustainable Resource Management

Description and Outputs

The programme’s aim is to provide professional advice and support on provincial economic analysis, fiscal policy and the management of annual budget process, implementation of the provincial budgets as well as monitoring and control the North West provincial expenditures.

Fiscal Policy focuses on provincial revenue collection and maximization of existing revenue resources. It is also responsible for the provincial cash management and assist with the running of the departmental fraud, corruption and wasteful practices awareness campaign.

Economic Analysis sub-unit ensures the evaluation of the provincial economic and social imperatives within the provincial macro-economic context.

The Sustainable Resource Programme consists of the following sub-programmes: -

- Programme Support Deputy Director-General (SRM);

- Budget Management incorporating the Budget Office, Resource Management and Public Finance, which focuses on monitoring of infrastructure;
- Economic Analysis; and
- Fiscal Policy.

Tables 7.8 and 7.9 below provide a summary of payments and budget estimates pertaining to Programme 2: Sustainable Resource Management over the seven-year period from 2017/18 to 2023/24.

Table 7.8 : Summary of payments and estimates by sub-programme: Programme 2: Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
1. Programme Support	–	–	325	3 091	1 151	1 151	2 937	2 988	3 037
2. Economic Analysis	4 351	5 979	6 373	7 023	6 273	6 273	6 807	6 926	7 040
3. Fiscal Policy	4 841	7 281	8 285	9 626	8 456	8 456	8 700	8 766	8 830
4. Budget Management	17 059	23 630	22 133	25 901	20 253	20 253	25 187	25 464	25 735
5. Public Finance	16 897	17 248	18 173	28 204	18 807	18 807	19 079	19 239	19 395
6. Municipal Finance	74 601	50 309	85 755	73 803	56 297	56 297	64 342	84 864	86 183
Total payments and es	117 749	104 447	141 044	147 648	111 237	111 237	127 052	148 247	150 220

Table 7.9 : Summary of payments and estimates by economic classification: Programme 2: Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Current payments	116 499	103 533	139 839	146 259	110 100	110 100	125 588	146 711	148 613
Compensation of employees	61 629	66 681	68 949	105 508	66 163	66 163	82 350	82 706	83 645
Goods and services	54 870	36 852	70 890	40 751	43 937	43 937	43 238	64 005	64 968
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies to:	378	415	289	–	20	20	–	–	–
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	50	–	–	–	–	–	–
Households	378	415	239	–	20	20	–	–	–
Payments for capital assets	872	499	916	1 389	1 117	1 117	1 464	1 536	1 607
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	872	499	916	1 389	1 117	1 117	1 464	1 536	1 607
Heritage Assets	–	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–
Software and other intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	–	–	–	–	–	–	–
Total economic classification	117 749	104 447	141 044	147 648	111 237	111 237	127 052	148 247	150 220

Budget Growth Trend

The projections for all sub-programmes shows a decline in 2017/18 and 2018/19. A budget increase of R36.6 million is realized in 2019/20 and then decreases by R29.8 million in 2020/21 while 2021/22 records a significant growth for Infrastructure Capacitation and MFMA Interventions.

Economic Classification

Compensation of Employees: The increase of R5 million in 2017/18 and 2018/19 was due to the filling of vacant posts for MFM experts and MFM HR Capacity. The programme continues to realise

an increase in 2019/20 of R2.3 million to fund retired experts, unemployed graduates and MFMA reforms. The programme shows a decrease of budget in 2020/21 due the impact of COVID-19 Pandemic and growth of R17.5 million over the MTEF that make a provision for filling of vacant funded posts especially in MFM unit and Infrastructure Capacitation (R5 million) to improve the capacity challenges.

Goods and Services: The Programme registers a further decrease of R18 million in 2018/19 due to the reduction in consultants' fees to comply with cost containment policy. The increase of R34 million in 2019/20 is to address budgetary pressures relating to the Municipal Financial Management Improvement Programme (MFMIP) capacity challenges. There is a significant decline of R27 million in 2020/21. There is a decrease of R699 thousand in 2021/22 and an increase of R21.7 million over the MTEF. These amounts include R28.8 million set aside for Municipal Financial Management Support Programme inclusive of capacity building, MSCOA implementation, contract management, asset management, Annual Financial Statements (AFS) preparation and audit support. This budget is inclusive of R10.3 million earmarked for Municipal Financial Management Interventions.

Transfers and Subsidies: The item does not record any budget over the MTEF due to the nature of uncertainty. In the 2020/21 financial year the budget decreased by R269 thousand.

Capital Assets: The decline in 2017/18 and 2018/19 was due to the delay in filling of vacant posts. The budget further increases in 2019/20 and over the MTEF which is anticipated for the filling of posts.

Service Delivery Measures

Table 7.10 : Service delivery measures - Programme 2: Sustainable Resource Management

Programme performance measures	Estimated performance	Medium-term estimates		
	2020/21	2021/22	2022/23	2023/24
Tabled Appropriation Bill	1	1	1	1
Quarterly Financial assessments on provincial spending	4	4	4	4
Number of municipal capacity building interventions conducted	4	4	4	4

Programme 3: Asset and Liabilities Management

Description and Outputs

This programme's aim is to provide policy direction on the following:

- Effective asset management in the Province;
- Implementation and monitoring of Supply Chain Management (SCM) in the Province;
- Implementation and management of the Electronic Tendering System (ETS) in the Province.

The programme is entrusted with the development and monitoring of the SCM instructions and guidelines to ensure effective supply chain management in the Province as well as facilitation of the

formation and linkages with PPP projects. A key priority of this programme is to ensure roll out of the electronic tendering and quotation system to all Provincial Departments to improve the overall quality of SCM processes. To the latter, the programme should create an enabling environment for HDI, black, SMME businesses in the province to have equitable access to government's procurement system.

Asset and Liabilities Management programme consists of the following sub-programmes:

- Programme Support: Senior Manager - Provincial Supply Chain;
- Asset Management; and
- Supporting and Interlinked Financial Systems.

Tables 7.11 and 7.12 below provide a summary of payments and budget estimates pertaining to Programme 3: Asset and Liabilities Management over the seven-year period from 2017/18 to 2023/24

Table 7.11 : Summary of payments and estimates by sub-programme: Programme 3: Asset And Liabilities Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
1. Programme Support	2 133	17 881	13 570	20 185	8 033	8 033	18 377	19 524	20 083
2. Asset Management	10 826	10 576	10 243	11 848	9 290	9 290	11 569	11 734	11 893
3. Support And Interlinked Financial System	30 131	19 736	23 326	34 318	24 232	24 232	26 522	26 655	26 748
Total payments and estimates	43 090	48 193	47 139	66 351	41 555	41 555	56 468	57 913	58 724

Table 7.12 : Summary of payments and estimates by economic classification: Programme 3: Asset And Liabilities Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Current payments	42 692	47 744	46 495	65 069	40 573	40 573	54 905	56 273	57 011
Compensation of employees	26 868	30 073	34 102	44 258	34 343	34 343	35 790	35 933	36 076
Goods and services	15 824	17 671	12 393	20 811	6 230	6 230	19 115	20 340	20 935
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	214	84	191	191	191	202	212	221
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	214	84	191	191	191	202	212	221
Payments for capital assets	398	212	548	1 091	791	791	1 361	1 428	1 492
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	398	212	548	1 091	791	791	1 361	1 428	1 492
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	23	12	-	-	-	-	-	-
Total economic classification	43 090	48 193	47 139	66 351	41 555	41 555	56 468	57 913	58 724

Budget Growth Trend

The programme is realized an increase in 2018/19 outcome and a decrease in 2019/20. The decrease of R24.8 million in 2020/21 is due to the impact of COVID-19 Pandemic and the significant increase of R14.9 million is to address payments relating to the R2.5 million for Lease of Building,

R2.5 million for CIPS SCM Capacity Building Programme and R574 thousand for Asset Management Software Licenses.

Embedded within the departmental procurement strategies, the Unit earmarked on outreach programmes to be conducted in communities with a view to capacitating the supplier(s) with the government procurement processes and the budget of R2 million set aside for advertising and R3 million is for traveling and subsistence for outreach to speed up registration process of suppliers on CSD system and R4.3 million for training and development for the provincial officials.

Economic Classification

Compensation of Employees: There is steady growth within the programme and R2 million respectively in 2021/22 and 2022/23 to fund the revised proposed organisational structure.

Goods and Services: An increase of R1.8 million in 2018/19 was due to the implementation of the Provincial Invoice Tracking System. A decline of R5.2 million is registered in 2019/20. The budget of R20.8 million for 2020/21 has been decreased with R14.6 million. The budget allocation for the 2021/22 financial year increases with R12.9 million.

Capital Assets: The substantial budget outcome registered in 2019/20 relates to the purchase of desktops and laptops. In 2020/21, the allocation is at R800 thousand, R1.4 million in 2021/22 and 2022/23, respectively.

Service Delivery Measures

Table 7.13 : Service delivery measures - Programme 3: Asset And Liabilities Management

Programme performance measures	Estimated performance	Medium-term estimates		
	2020/21	2021/22	2022/23	2023/24
Number of Departments and Public Entities supported to improve audit outcomes on SCM	5	6	7	7
Number of Departments and Public Entities supported to improve audit outcomes on asset management	5	6	7	7

Programme 4: Financial Governance

Description and Outputs

The aim of this programme is to facilitate the implementation of financial management in Provincial Departments and Public Entities to ensure improved audit outcomes and manage the transition from modified cash to GRAP accounting in line with PFMA.

The Internal Audit focuses on provision of transversal internal audit services to provincial departments except the Department of Education. Norms and Standards focuses on development of financial policies, building financial management capacity, support departments on transversal Risk Management, Asset management, administration of Walker and Telephone Management Systems, and management of face-value documentation for the entire Province.

The financial governance programme consists of the following sub-programmes: -

- Programme Support Accountant General;
- Provincial Internal Audit;
- Accounting Services incorporating Provincial Accounting and Tribal and Trust Unit; and
- Norms and Standards.

Tables 7.14 and 7.15 below provide a summary of payments and budget estimates pertaining to Programme 4: Financial Governance over the seven-year period from 2017/18 to 2023/24.

Table 7.14 : Summary of payments and estimates by sub-programme: Programme 4: Financial Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
1. Programme Support	8 442	22 286	6 374	8 117	3 340	3 340	8 343	8 653	8 945
2. Accounting Services	84 469	83 028	72 551	82 167	55 093	55 093	67 347	75 892	78 769
3. Norms And Standards	2 334	1 406	2 306	4 880	3 990	3 990	9 681	9 735	9 917
4. Risk Management	3 810	4 127	4 608	5 377	4 388	4 388	5 203	5 273	5 341
5. Provincial Internal Audit	62 156	65 758	69 804	83 993	68 314	68 314	71 940	72 066	73 074
Total payments and estim	161 211	176 605	155 643	184 534	135 125	135 125	162 514	171 619	176 046

Table 7.15 : Summary of payments and estimates by economic classification: Programme 4: Financial Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Current payments	160 228	174 876	154 488	182 531	134 333	134 333	160 191	169 183	173 506
Compensation of employees	89 112	100 211	103 438	122 603	100 044	100 044	100 707	101 099	101 624
Goods and services	71 116	74 665	51 050	59 928	34 289	34 289	59 484	68 084	71 882
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	22	620	350	309	446	446	326	342	357
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	22	620	350	309	446	446	326	342	357
Payments for capital assets	961	1 109	805	1 694	346	346	1 997	2 094	2 183
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	961	1 109	805	1 694	346	346	1 997	2 094	2 183
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	161 211	176 605	155 643	184 534	135 125	135 125	162 514	171 619	176 046

Budget Growth Trend

The 2020/21 budget allocation has been decreased from R184.5 million to R135.1 million. The 2021/22 budget allocation has been increased with R27.4 million and further increases with R9.1 million and R4.4 million for the two outer years.

Accounting Services:

The budget registered a decline of R1.4 million in 2018/19 and a further decline of R10.5 million in 2019/20 is due to the reduction in consultant fees. The budget allocation for 2020/21 amounts to

R82.2 million and has been decreased to R55.1 million due to the impact of COVID-19 Pandemic. The programme indicates increase of R23.6 million over the MTEF which includes funding for PFMA Interventions.

Provincial internal Audit: The increase in the budget relates mainly to filling of vacancies in Internal Audit in line with their plans for increased audit coverage. There is an increase throughout the MTEF to alleviate the capacity challenges within the sub-programme, including R5.3 million for the lease of building, R2.9 million for audit committee and Forensic audit of R2.5 million.

Norms and Standards: This sub-programme is intending to capacitate itself through filling of vacant positions, to service the Provincial Departments. The substantial budget outcome is R2.3 million in 2017/18, R1.4 million in 2018/19 and 2019/20 the budget is R2.3 million and R4.8 million in 2020/21. The sub-programme budgeted in aggregate R29.3 million over the MTEF to fill the vacant posts.

Provincial Risk Management: Currently the sub-programme structure is filled by the Director, Secretary, Deputy Director and two Assistant Directors and the programme envisaged to operate at its optimal capacity from 2019/20 to assist departments in areas of risk management as well as to coordinate risk committees of the departments. There is a steady increase throughout the MTEF period and inclusive in the Unit is a budget of R548 thousand for an Annual Provincial Risk Dialogue.

Economic Classification

Compensation of Employees: The budget allocation declined from R122.6 million to R100 million in 2020/21 and there is a steady growth over the MTEF. The programme has earmarked for the filling of vacant posts especially in Internal Audit and Contractors for PFMA Support Programme to assist with capacity challenges to the Provincial Departments and Public Entities to improve audit outcomes.

Goods and Services: The budget allocation registered an increase of R8.9 million in 2020/21, mainly due to the reduction in consultant's fees and substantial savings experienced on the provincial telephone costs. Growth over the MTEF is mainly attributed by communications, audit costs and consultancy services. The growth within the goods and services is for the capacitation of Provincial Departments and Public entities as they always have new reforms with different Accounting Frameworks.

Capital Assets: The increase over the MTEF period is for the replacement of office equipment and furniture for the new officials.

Service Delivery Measures

Table 7.16 : Service delivery measures - Programme 4: Financial Governance

Programme performance measures	Estimated performance	Medium-term estimates		
	2020/21	2021/22	2022/23	2023/24
Number of capacity Building Interventions for Departments and Public Entities	9	9	10	11
Number of Identified departments and entities for focused interventions on clean audits	5	6	6	6
Number of departmental post audit action plans assessed.	11	11	11	11
Number of departmental risk management systems assessed	11	11	11	11

9.4 Other programme information

9.4.1 Personnel numbers and costs

Table 7.17 illustrate the personnel numbers and estimates pertaining to the department.

Table 7.17 : Summary of departmental personnel numbers and costs by component

R thousands	Actual				Revised estimate				Medium-term expenditure estimate				Average annual growth over MTEF				
	2017/18		2018/19		2019/20		2020/21		2021/22		2022/23		2023/24		2020/21 - 2023/24		% Costs of Total
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Filled posts	Additional posts	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel growth rate	Costs growth rate	
Total	670	268 116	619	296 079	651	311 711	532	39	571	302 179	656	320 000	656	321 274	4.7%	2.3%	100.0%
Programme																	
1. Administration	258	90 597	254	99 114	257	105 222	240	-	240	101 629	258	101 053	258	101 914	2.4%	0.1%	32.2%
2. Sustainable Resource Management	137	61 629	122	66 681	117	68 949	90	-	90	66 163	135	81 358	135	81 682	13.5%	7.8%	24.4%
3. Asset And Liabilities Management	59	26 868	55	30 073	65	34 102	23	39	62	34 343	68	35 252	68	35 393	3.1%	1.1%	11.1%
4. Financial Governance	216	89 112	188	100 211	212	103 438	179	-	179	100 044	195	102 337	195	102 745	2.9%	1.0%	32.3%
Direct charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	670	268 116	619	296 079	651	311 711	532	39	571	302 179	656	320 000	656	321 274	4.7%	2.3%	100.0%
Employee dispensation classification																	
Public Service Act appointees not covered by OSDs	577	263 673	528	275 329	538	304 932	498	39	537	290 678	522	308 220	522	309 447	-0.9%	2.3%	96.3%
Public Service Act appointees still to be covered by OSDs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Professional Nurses, Staff Nurses and Nursing Assistants	1	535	1	712	1	636	1	-	1	665	1	604	1	606	-	-2.9%	0.2%
Legal Professionals	1	698	1	934	2	954	-	-	-	763	1	763	1	766	-	0.3%	0.2%
Social Services Professions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Engineering Professions and related occupations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Medical and related professionals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Therapeutic, Diagnostic and other related Allied Health Professionals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Educators and related professionals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others such as interns, EPWP, learnerships, etc	91	3 210	89	19 104	110	5 189	89	-	89	10 073	87	10 413	87	10 455	-0.8%	1.4%	3.3%
Total	670	268 116	619	296 079	651	311 711	588	39	627	302 179	611	320 000	611	321 274	-0.9%	2.3%	100.0%

1. Personnel numbers includes all filled posts together with those posts additional to the approved establishment

The consultative processes have been finalized and the organizational structure has recently been approved by the DPSCA and approved by the MEC for implementation. The Organizational Structure was approved and implemented with effect from the 1st August 2018. Subsequent to that, the Inter Ministerial Task Team (IMTT) through the implementation of Section 100 of the constitution in the North West Province recommended to review of the structure of both Chief Directorate: MFM and Provincial Supply Chain Management (PSCM) and was approved on the 23 November 2019. Human Resource section is currently busy with a process of filling vacant posts on the approved Organisational structure. The filling of vacant posts process is continuing, and the Department's Compensation of Employees is improving.

To realise the Department's objectives, the organisational structure has undergone a review with significant changes being made under Provincial SCM and Municipal Finance Support unit. The Department is currently busy with the filling of the vacant funded posts and most of the promotions were internal. The delay in filling of vacant posts is due to the impact of the COVID-19 Pandemic.

9.4.2 Training

Tables 7.18 illustrate the training costs and estimates pertaining to the department.

Table 7.18 : Information on training: Provincial Planning And Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Number of staff	670	619	651	571	571	571	656	656	656
Number of personnel trained	356	651	161	653	627	627	653	655	657
of which									
Male	187	289	75	289	276	276	289	290	291
Female	169	362	86	364	351	351	364	365	366
Number of training opportunities	714	714	669	653	627	627	653	655	657
of which									
Tertiary	40	35	36	36	36	36	36	36	36
Workshops	-	-	-	-	-	-	-	-	-
Seminars	-	-	-	-	-	-	-	-	-
Other	674	679	633	617	591	591	617	619	621
Number of bursaries offered	51	35	42	40	40	40	40	40	40
Number of interns appointed	73	60	69	70	70	70	80	80	80
Number of learnerships appointed	33	20	38	20	20	20	20	20	20
Number of days spent on training	-	-	-	-	-	-	-	-	-
Payments on training by programme									
1. Administration	1 474	1 632	1 580	1 318	1 224	1 224	1 231	1 236	1 245
2. Sustainable Resource Management	651	1 141	720	774	596	596	681	684	691
3. Asset And Liabilities Management	349	627	400	527	338	338	354	355	358
4. Financial Governance	1 118	1 780	1 304	1 486	1 067	1 067	934	938	942
Total payments on training	3 592	5 180	4 004	4 105	3 225	3 225	3 200	3 213	3 236

Training needs of the Department are in line with Workplace Skills Programme, which has been developed from targeted learning programmes for levels 1 to 14 that was submitted to Department of Labour for approval. There is an upward trend in the number of employees sent for training in line with the filling of vacancies.

There is no movement in the number of Interns and Learnerships anticipated in the MTEF period, due to increased permanent staff members which has a bearing on logistical and budget constraints in the Department i.e. office accommodation, furniture and tools of trade.

Internal Bursaries

Funding for internal staff was sourced from Departmental Training and Development budget which amounted to R541 thousand in 2017/18. There is an increase to R612 thousand in 2018/19, an increase of R916 thousand in 2019/20 and R982 thousand in the current year. There is an overall amount of R2.2 million over the MTEF period. The shortfall will be catered for by the funds that the Department receive every year from FASSET for training purposes.

9.4.3 Reconciliation of structural changes

Table 7.19 : Reconciliation of structural changes: Provincial Planning And Treasury

2020/21		2021/22	
Programmes	R'000	Programmes	R'000
		1. Administration	163 265
		1. Office Of The Mec	8 650
		2. Management Services	30 005
		3. Corporate Services	74 584
		4. Financial Management (Office Of The Cfo)	50 026
		2. Sustainable Resource Management	127 052
		1. Programme Support	2 937
		2. Economic Analysis	6 807
		3. Fiscal Policy	8 700
		4. Budget Management	25 187
		5. Public Finance	19 079
		6. Municipal Finance	64 342
		3. Asset And Liabilities Management	56 468
		1. Programme Support	18 377
		2. Asset Management	11 569
		3. Support And Interlinked Financial System	26 522
		4. Financial Governance	162 514
		1. Programme Support	8 343
		2. Accounting Services	67 347
		3. Norms And Standards	9 681
		4. Risk Management	5 203
		5. Provincial Internal Audit	71 940
	-		509 299

Annexure to the
Estimates of Provincial Revenue and Expenditure

Table B.1: Specification of receipts: Provincial Planning And Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sales of goods and services other than capital assets	197	172	762	201	201	201	211	221	231
Sale of goods and services produced by department (excluding capital assets)	197	172	762	201	201	201	211	221	231
Sales by market establishments	-	-	-	-	-	-	-	-	-
Administrative fees	197	172	177	200	200	200	210	220	230
Other sales	-	-	585	1	1	1	1	1	1
Of which									
Health patient fees	-	-	-	1	1	1	1	1	1
Other (Specify)	1 420	3 651	-	-	-	-	-	-	-
Other (Specify)	-	-	585	-	-	-	-	-	-
Other (Specify)	-	-	-	-	-	-	-	-	-
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	-	-	-	-	-	-	-
Transfers received from:	1 420	3 651	-	-	-	-	-	-	-
Other governmental units	1 420	3 651	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	220 247	245 436	222 350	149 799	149 799	149 799	167 789	176 179	184 769
Interest	220 098	245 275	222 350	149 799	149 799	149 799	167 789	176 179	184 769
Dividends	149	161	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sales of capital assets	7	10	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	7	10	-	-	-	-	-	-	-
Transactions in financial assets and liabilities	715	288	-	-	-	-	-	-	-
Total departmental receipts	222 586	249 557	223 112	150 000	150 000	150 000	168 000	176 400	185 000

Table B.2: Payments and estimates by economic classification: Provincial Planning And Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Current payments	459 757	473 671	488 458	550 393	410 115	410 115	501 082	538 155	548 562
Compensation of employees	268 116	296 079	311 711	388 324	302 179	302 179	320 000	321 274	323 517
Salaries and wages	235 085	259 448	272 740	331 115	262 236	262 236	269 915	274 041	274 710
Social contributions	33 031	36 631	38 971	57 209	39 943	39 943	50 085	47 233	48 807
Goods and services	191 641	177 591	176 747	162 069	107 936	107 936	181 082	216 881	225 045
Administrative fees	3 028	2 704	2 373	3 086	1 244	1 244	3 256	3 412	3 562
Advertising	9 852	4 551	2 453	4 228	2 307	2 307	4 891	5 291	5 523
Minor assets	506	119	275	1 512	1 322	1 322	1 643	1 720	1 800
Audit cost: External	10 829	28 984	9 634	8 119	6 719	6 719	25 343	24 756	25 845
Bursaries: Employees	541	916	740	646	526	526	982	1 029	1 074
Catering: Departmental activities	3 131	3 409	3 037	2 851	748	748	3 733	4 058	4 239
Communication (G&S)	21 400	23 974	23 295	24 867	13 352	13 352	19 367	26 998	28 990
Computer services	13 935	6 397	6 773	10 922	5 705	5 705	7 074	7 224	7 541
Consultants and professional services: Business and advisory services	61 417	38 843	62 291	37 298	47 259	47 259	39 492	59 973	60 435
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	372	372	-	-	-
Legal services	282	375	577	543	-	-	637	668	697
Contractors	587	678	758	1 293	294	294	1 064	1 129	1 179
Agency and support / outsourced services	-	8	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	3 997	3 724	3 655	4 593	1 837	1 837	3 500	3 733	3 897
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	2 234	3 177	2 208	2 546	3 084	3 084	6 514	6 653	6 944
Consumable: Stationery, printing and office supplies	10 573	12 912	11 726	11 182	5 062	5 062	12 297	12 892	13 463
Operating leases	8 374	7 854	9 514	9 374	8 929	8 929	10 190	10 714	11 185
Property payments	5 982	3 971	3 255	2 557	2 964	2 964	2 326	5 457	5 698
Transport provided: Departmental activity	295	376	157	404	-	-	426	447	466
Travel and subsistence	17 049	14 454	18 483	14 808	2 560	2 560	15 260	16 219	16 944
Training and development	11 537	13 952	10 833	13 741	1 981	1 981	14 513	15 557	16 214
Operating payments	2 133	1 714	1 147	1 734	947	947	2 329	2 417	2 520
Venues and facilities	3 773	4 464	3 559	5 727	661	661	6 205	6 492	6 785
Rental and hiring	186	35	4	38	63	63	40	42	44
Interest and rent on land	-	1	-	-	-	-	-	-	-
Interest	-	1	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	695	1 700	1 420	694	1 511	1 511	733	769	802
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	130	170	-	-	-	-	-	-
Households	695	1 570	1 250	694	1 511	1 511	733	769	802
Social benefits	526	1 570	1 250	694	1 511	1 511	733	769	802
Other transfers to households	169	-	-	-	-	-	-	-	-
Payments for capital assets	3 333	3 429	3 277	6 412	5 792	5 792	7 484	7 830	8 165
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	3 333	3 429	3 277	6 412	5 792	5 792	7 484	7 830	8 165
Transport equipment	-	-	-	-	690	690	-	-	-
Other machinery and equipment	3 333	3 429	3 277	6 412	5 102	5 102	7 484	7 830	8 165
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	218	12	-	-	-	-	-	-
Total economic classification	463 785	479 018	493 167	557 499	417 418	417 418	509 299	546 754	557 529

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Current payments	140 338	147 518	147 636	156 534	125 109	125 109	160 398	165 988	169 432
Compensation of employees	90 507	99 114	105 222	115 955	101 629	101 629	101 153	101 536	102 172
Salaries and wages	78 956	86 283	91 656	101 164	88 193	88 193	89 645	92 012	92 740
Social contributions	11 551	12 831	13 566	14 791	13 436	13 436	11 508	9 524	9 432
Goods and services	49 831	48 403	42 414	40 579	23 480	23 480	59 245	64 452	67 260
Administrative fees	518	5	-	-	10	10	-	-	-
Advertising	8 455	2 380	1 526	2 336	1 705	1 705	2 864	3 122	3 259
Minor assets	126	75	189	529	560	560	657	684	715
Audit cost: External	7 205	10 775	7 513	4 151	4 151	4 151	18 657	18 869	19 699
Bursaries: Employees	541	916	740	646	526	526	982	1 029	1 074
Catering: Departmental activities	930	1 066	603	1 054	261	261	1 833	2 061	2 153
Communication (G&S)	940	847	886	926	942	942	1 027	1 074	1 121
Computer services	1 689	1 797	2 137	2 133	2 093	2 093	2 150	2 253	2 352
Consultants and professional services: Business and advisory services	401	321	979	457	1 343	1 343	1 495	1 545	1 613
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	372	372	-	-	-
Legal services	282	375	577	543	-	-	637	668	697
Contractors	573	678	753	1 250	271	271	1 018	1 081	1 129
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	3 997	3 724	3 655	4 593	1 837	1 837	3 500	3 733	3 897
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 769	2 799	1 799	1 545	2 413	2 413	5 417	5 504	5 746
Consumable: Stationery, printing and office supplies	3 246	4 197	2 850	3 423	1 149	1 149	3 575	3 751	3 916
Operating leases	608	1 434	1 333	1 347	1 027	1 027	1 422	1 490	1 556
Property payments	5 043	2 976	2 074	1 753	2 098	2 098	1 377	4 467	4 664
Transport provided: Departmental activity	224	322	157	404	-	-	426	447	466
Travel and subsistence	5 787	5 376	6 914	4 900	903	903	4 246	4 493	4 689
Training and development	4 454	5 189	5 519	5 205	835	835	4 359	4 417	4 581
Operating payments	1 660	1 507	518	1 043	643	643	1 100	1 153	1 200
Venues and facilities	1 197	1 609	1 688	2 303	278	278	2 463	2 569	2 689
Rental and hiring	186	35	4	38	63	63	40	42	44
Interest and rent on land	-	1	-	-	-	-	-	-	-
Interest	-	1	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	295	451	697	194	854	854	205	215	224
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	130	120	-	-	-	-	-	-
Households	295	321	577	194	854	854	205	215	224
Social benefits	126	321	577	194	854	854	205	215	224
Other transfers to households	169	-	-	-	-	-	-	-	-
Payments for capital assets	1 102	1 609	1 008	2 238	3 538	3 538	2 662	2 772	2 883
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 102	1 609	1 008	2 238	3 538	3 538	2 662	2 772	2 883
Transport equipment	-	-	-	-	690	690	-	-	-
Other machinery and equipment	1 102	1 609	1 008	2 238	2 848	2 848	2 662	2 772	2 883
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	195	-	-	-	-	-	-	-
Total economic classification	141 735	149 773	149 341	158 966	129 501	129 501	163 265	168 975	172 539

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Current payments	116 499	103 533	139 839	146 259	110 100	110 100	125 588	146 711	148 613
Compensation of employees	61 629	66 681	68 949	105 508	66 163	66 163	82 350	82 706	83 645
Salaries and wages	54 394	58 643	60 477	85 794	56 947	56 947	65 756	66 705	66 933
Social contributions	7 235	8 038	8 472	19 714	9 216	9 216	16 594	16 001	16 712
Goods and services	54 870	36 852	70 890	40 751	43 937	43 937	43 238	64 005	64 968
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	410	410	-	-	-
Minor assets	199	6	25	557	470	470	537	565	592
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	536	573	1 024	570	330	330	605	634	663
Communication (G&S)	377	431	454	485	622	622	561	586	612
Computer services	332	331	493	350	465	465	369	387	404
Consultants and professional services: Business and advisory services	40 420	27 082	57 553	28 191	38 464	38 464	28 871	48 864	49 137
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	201	138	95	648	397	397	726	760	794
Consumable: Stationery, printing and office supplies	2 750	3 034	2 913	3 018	1 352	1 352	3 210	3 365	3 516
Operating leases	580	281	364	318	559	559	635	701	733
Property payments	-	-	-	-	-	-	100	100	105
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	5 662	4 030	5 458	4 680	681	681	5 106	5 405	5 654
Training and development	2 956	203	1 870	768	13	13	1 288	1 349	1 411
Operating payments	3	25	9	78	36	36	82	86	90
Venues and facilities	854	718	632	1 088	138	138	1 148	1 203	1 257
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	378	415	289	-	20	20	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	50	-	-	-	-	-	-
Households	378	415	239	-	20	20	-	-	-
Social benefits	378	415	239	-	20	20	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	872	499	916	1 389	1 117	1 117	1 464	1 536	1 607
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	872	499	916	1 389	1 117	1 117	1 464	1 536	1 607
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	872	499	916	1 389	1 117	1 117	1 464	1 536	1 607
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	117 749	104 447	141 044	147 648	111 237	111 237	127 052	148 247	150 220

Table B.2: Payments and estimates by economic classification: Programme 3: Asset And Liabilities Management

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Current payments	42 692	47 744	46 495	65 069	40 573	40 573	54 905	56 273	57 011
Compensation of employees	26 868	30 073	34 102	44 258	34 343	34 343	35 790	35 933	36 076
Salaries and wages	23 454	26 221	29 736	37 285	29 583	29 583	28 393	28 180	27 982
Social contributions	3 414	3 852	4 366	6 973	4 760	4 760	7 397	7 753	8 094
Goods and services	15 824	17 671	12 393	20 811	6 230	6 230	19 115	20 340	20 935
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	1 397	2 171	927	1 892	192	192	2 027	2 169	2 264
Minor assets	73	6	34	84	74	74	89	94	99
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	419	294	121	389	19	19	410	429	448
Communication (G&S)	221	261	270	378	278	278	399	418	437
Computer services	4 428	1 175	1 083	5 749	7	7	1 709	1 602	1 672
Consultants and professional services: Business and advisory services	278	728	280	456	1 000	1 000	1 481	1 504	1 270
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	36	26	48	116	62	62	122	128	134
Consumable: Stationery, printing and office supplies	1 295	1 420	1 958	1 400	974	974	1 477	1 548	1 616
Operating leases	2 479	1 790	2 224	2 449	2 133	2 133	2 584	2 708	2 827
Property payments	167	154	201	211	211	211	223	234	244
Transport provided: Departmental activity	30	21	-	-	-	-	-	-	-
Travel and subsistence	2 107	2 092	2 538	2 502	337	337	3 003	3 147	3 286
Training and development	2 376	6 843	2 352	4 035	539	539	4 338	5 046	5 268
Operating payments	120	136	36	519	199	199	548	574	599
Venues and facilities	398	554	321	631	205	205	705	739	771
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	214	84	191	191	191	202	212	221
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	214	84	191	191	191	202	212	221
Social benefits	-	214	84	191	191	191	202	212	221
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	398	212	548	1 091	791	791	1 361	1 428	1 492
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	398	212	548	1 091	791	791	1 361	1 428	1 492
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	398	212	548	1 091	791	791	1 361	1 428	1 492
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	23	12	-	-	-	-	-	-
Total economic classification	43 090	48 193	47 139	66 351	41 555	41 555	56 468	57 913	58 724

Table B.2: Payments and estimates by economic classification: Programme 4: Financial Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Current payments	160 228	174 876	154 488	182 531	134 333	134 333	160 191	169 183	173 506
Compensation of employees	89 112	100 211	103 438	122 603	100 044	100 044	100 707	101 099	101 624
Salaries and wages	78 281	88 301	90 871	106 872	87 513	87 513	86 121	87 144	87 055
Social contributions	10 831	11 910	12 567	15 731	12 531	12 531	14 586	13 955	14 569
Goods and services	71 116	74 665	51 050	59 928	34 289	34 289	59 484	68 084	71 882
Administrative fees	2 510	2 699	2 373	3 086	1 234	1 234	3 256	3 412	3 562
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	108	32	27	342	218	218	360	377	394
Audit cost: External	3 624	18 209	2 121	3 968	2 568	2 568	6 686	5 887	6 146
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	1 246	1 476	1 289	838	138	138	885	934	975
Communication (G&S)	19 862	22 435	21 685	23 078	11 510	11 510	17 380	24 920	26 820
Computer services	7 486	3 094	3 060	2 690	3 140	3 140	2 846	2 982	3 113
Consultants and professional services: Business and advisory services	20 318	10 712	3 479	8 194	6 452	6 452	7 645	8 060	8 415
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	14	-	5	43	23	23	46	48	50
Agency and support / outsourced services	-	8	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	228	214	266	237	212	212	249	261	270
Consumable: Stationery, printing and office supplies	3 282	4 261	4 005	3 341	1 587	1 587	4 035	4 228	4 415
Operating leases	4 707	4 349	5 593	5 260	5 210	5 210	5 549	5 815	6 069
Property payments	772	841	980	593	655	655	626	656	685
Transport provided: Departmental activity	41	33	-	-	-	-	-	-	-
Travel and subsistence	3 493	2 956	3 573	2 726	639	639	2 905	3 174	3 315
Training and development	1 751	1 717	1 092	3 733	594	594	4 528	4 745	4 954
Operating payments	350	46	584	94	69	69	599	604	631
Venues and facilities	1 324	1 583	918	1 705	40	40	1 889	1 981	2 068
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	22	620	350	309	446	446	326	342	357
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	22	620	350	309	446	446	326	342	357
Social benefits	22	620	350	309	446	446	326	342	357
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	961	1 109	805	1 694	346	346	1 997	2 094	2 183
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	961	1 109	805	1 694	346	346	1 997	2 094	2 183
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	961	1 109	805	1 694	346	346	1 997	2 094	2 183
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	161 211	176 605	155 643	184 534	135 125	135 125	162 514	171 619	176 046

