



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY

2021/22

ANNUAL PERFORMANCE PLAN

The heartland of southern Africa - development is about people



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY

Annual Performance Plan 2021/22

DATE OF TABLING

16 March 2021

EXECUTIVE AUTHORITY STATEMENT

Annual Performance Plans continue to guide the Department in its service delivery, particularly responding to government's priority outcomes, and holding the Departments accountable for its performance.

Our Annual Performance Plans will continue to contribute to an accepted level of standardization for a shared point of departure for intergovernmental planning and coordination. In this regard, our revised Annual Performance Plans will also ensure a continued alignment between Provincial Treasury and other department's plans.

These performance plans have been readjusted to adopt evidence-based management strategic approaches as a pillar of our administrative model. Thus ensuring that we are more logical, credible and palatable to the broader Provincial Administration which we are responsible for providing financial support

Under the current COVID-19 spending patterns, in the 2021/2022 accounting period, our plans will continue to ensure:

1. Clear reference to the relevant medium-term outcomes of the Department's plan, with a tightly structured budget programme;
2. Clear indicators pitched at the output level and meaningful for understanding the link to outcomes;
3. Commitment of reasonable resources to management information systems which will better substantiate our performance reports which are SMART;
4. Development of tangible strategic methodologies that will respond to challenges under COVID-19, while improving value for money in state contracts;
5. Innovation on key local budget reforms to improve implementation and reporting by provincial departments, entities, and municipalities in the context of the "new normal"; and
6. Support to the provincial government to realize the Presidential Priorities for 2021/22.

To this end, taking into account the rapid changes and uncharted territories presented by the COVID-19 pandemic, Limpopo Provincial Treasury will continue to oversee the implementation of the Public Finance Management Act and Municipal Finance

Limpopo Provincial Treasury: Annual Performance Plan 2021/22

Management Act in Provincial departments, public entities as well as municipalities and municipal entities respectively, with more diligence and distinction.

Our stern approach will therefore continue to support the Department to continue to be prudent in the utilization of resources without compromising government priorities and the monitoring of expenditure, especially of conditional grants and infrastructure in Municipalities, as well as the continued distributions of the 6th Administration's apex priorities during this reviewed planning cycle.

A handwritten signature in black ink, appearing to read 'SC Sekoati', is positioned above a solid horizontal line.

SC Sekoati (MPL)

Executive Authority

Limpopo Provincial Treasury

ACCOUNTING OFFICER STATEMENT

The Provincial Treasury is mandated in terms of s18 of the Public Finance Management Act (PFMA), Act 1 of 1999, as amended, and in terms of s5 of the Municipal Finance Management Act (MFMA), Act 56 of 2003, as amended, to fulfil its responsibilities in management of the provincial financial resources.

The department will strive towards ensuring that its vision of excellence in public resource management for sustainable socio – economic development is attained through strengthening good governance and sound public resource management in provincial and local government for sustainable service delivery.

During 2015/16 to 2019/20 financial years Provincial Treasury managed to allocate and monitor the appropriated provincial budget of all departments. The province is still faced with a high percentage of the provincial budget that is been spent on Compensation of Employees (COE), however the province has put in place measures to reduce the COE spend and has managed to stabilise the COE spending at 68% of the budget and will continue with the plans to further reduce the COE expenditure in this strategic plan term.

Provincial Treasury has provided focused support to Municipalities in the province and where a need has been identified, also seconded officials to Departments in an endeavour to improve financial management in our institutions. Provincial Treasury will continue with these efforts in order to further improve the audit outcomes during this term.


Provincial Treasury's organisational structure was reviewed and approved by the Department of Public Service and Administration in April 2018 and all our employees were successfully placed in the new structure. In 2020/21 and beyond the Department will strive to fill all key funded posts and endeavour to strengthen our support role to departments and municipalities in the province.

During 2020/21, Limpopo Treasury was successfully approved by the South African Institute of Chartered Accountants (SAICA) as an accredited training office for the purpose of training prospective Chartered Accountants (SA). In 2020/21 the Department

appointed 5 new trainees and will see 5 new prospective trainees on-boarded every year over the next two financial years commencing. This will enable Treasury to build and enhance professional capacity to proficiently execute the PFMA's Section 18 responsibilities in the medium term.

With the pronouncement by the Minister of Cooperative Government and Traditional Affairs having declared a National State Disaster in terms of Section 27(1) of the Disaster Management Act of 2002, due to the outbreak of the Corona Virus in the country, the Provincial Treasury is and will continue to implement sectoral regulatory frameworks. The business continuity plan was implemented during the lockdown at the various lockdown stages. The Provincial Treasury managed to continue rendering the required services and provide support to the essential service departments, our operations were able to continue with many employees working remotely. In 2021/22 there will be a need to enhance our mechanisms to strengthen our support to institutions utilizing various information communication tools, such as virtual platforms amongst others, without compromising the health and safety of officials.

The department remains committed to implementing the 2020/21 to 2025/26 Strategic Plan by ensuring that the limited provincial resources are distributed towards service delivery programmes in provincial departments which will improve the provincial economy and reduce unemployment as outlined in the 2019/2024 Medium Term Strategic Framework (MTSF), the National Development Plan (NDP) and the recently reviewed Limpopo Development Plan.



GC Pratt CA (SA)
Accounting Officer
Limpopo Provincial Treasury

OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of Limpopo Provincial Treasury under the guidance of the Honourable MEC SC Sekoati.
- Takes into account all relevant policies, legislations and other mandates for which Limpopo Provincial Treasury is responsible.
- Accurately reflects the Outcomes and Outputs which Limpopo Provincial Treasury will endeavour to achieve over 2021/22 financial year.

Ms L Ebrahim
Deputy Director General
Corporate Management Services



Mr M Phukuntsi
Deputy Director General
Sustainable Resource Management



Mr FP Mushwana
Deputy Director General
Asset Liabilities & Supply Chain Management



Mr MB Tema
Acting Deputy Director General
Financial Governance



Mr H Petrie
Chief Audit Executive



Mr HM Mawela
Chief Financial Officer



Mr MS Machevele
Director: Strategic Management



Mr GC Pratt CA (SA)
Accounting Officer



Approved by:

Hon. SC Sekoati (MPL)
Executive Authority



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LIST OF ACRONYMS

Acronym	Description
AC	- Audit Committee
AFS	- Annual Financial Statement
AG	- Auditor General
AGSA	- Auditor General South Africa
AMD	- Accounting Manual for Departments
AO	- Accounting Officer
APP	- Annual Performance Plan
AR	- Annual Report
BAS	- Basic Accounting System
BCP	- Business Continuity Plan
CA	- Chartered Accountant
CAPEX	- Capital Expenditure
CFO	- Chief Financial Officer
COGHSTA	- Co-Operative Governance, Human Settlement and Traditional Affairs
CRO	- Chief Risk Officer
DORA	- Division of Revenue Act
DPISA	- Department of Public Service and Administration
EE	- Employment Equity
EPRE	- Estimated Provincial Revenue and Expenditure
EXCO	- Executive Council
EXCOM	- Executive Management Committee
FMIS	- Financial Management Information Systems
GDP	- Gross Domestic Product
GIS	- Government Information Systems
GITO	- Government Information Technology Office
GRCC	- Government Risk Control and Compliance
GTAC	- Government Technical Advisory Council
HOD	- Head of Department

HR	-	Human Resource
HRM	-	Human Resource Management
IAT	-	Internal Audit Technician
IBM	-	International Business Machines
ICT	-	Information and Communication Technology
IDMS	-	Infrastructure Development Management System
IT	-	Information Technology
ITMC	-	Infrastructure Technical Management Committee
IYM	-	In Year Monitoring
LDP	-	Limpopo Development Plan
LIIMP	-	Limpopo Integrated Infrastructure Master Plan
LOGIS	-	Logistics Information System
LPT	-	Limpopo Provincial Treasury
MCS	-	Modified Cash Standards
MEC	-	Member of the Executive Council
MFIP	-	Municipal Finance Improvement Programme
MFMA	-	Municipal Finance Management Act
MIG	-	Municipal Infrastructure Grant
MM	-	Municipal Manager
MMC	-	Member of Mayoral Council
MMS	-	Middle Management Services
MPL	-	Member of Parliament
MTEF	-	Medium Term Expenditure Framework
N/A	-	Not Applicable
NDP	-	National Development Plan
NT	-	National Treasury
OTP	-	Office of the Premier
PERSAL	-	Personnel Salary
PESTEL	-	Political, Economic, Social, Technological, Environment and Legal
PRF	-	Provincial Revenue Fund
PTCF	-	Provincial Technical Committee on Finance
SA	-	South Africa
SALGA	-	South African Local Government Association
SCM	-	Supply Chain Management

SIAS	-	Shared Internal Audit Services
SITA	-	State Information Technology Agency
SLA	-	Service Level Agreement
SMART	-	Specific, Measurable, Achievable, Reliable and Timely
SMME	-	Small, Medium and Micro – Sized Enterprise
SMS	-	Senior Management Service
SP	-	Strategic Plan
SWOT	-	Strength, Weakness, Opportunities and Threats
UIF	-	Unauthorised Irregular and Fruitless Expenditure
WSP	-	Workplace Skills Plan

PART A: OUR MANDATE

Limpopo Provincial Treasury has been established in terms of section 17 of the **Public Finance Management Act 1** of 1999 (as amended by Act 29 of 1999). The functions and powers of the provincial treasury are provided in the Act under section 18 (1) and (2).

The organisation is directly responsible for implementing, managing or overseeing the following legislation and their relevant regulations:

- Public Finance Management Act of 1999 (as amended by Act 29 of 1999);
- Municipal Finance Management Act 56 of 2003;
- Annual Division of Revenue Act
- Appropriation Act
- Adjustments Appropriation Act
- Preferential Procurement Policy Framework Act

1. Constitutional Mandate

The Provincial Treasury is responsible for assisting the National Treasury in enforcing compliance with the measures established in terms of section 216 (1) of the Constitution.

2. Updates to the relevant legislative and Policy Mandates

The functions and powers of the provincial treasury as provided by the PFMA are as follows:

Section	Function and powers
18 (1)	A Provincial treasury must:
(a)	Prepare the provincial budget
(b)	Exercise control over the implementation of the provincial budget
(c)	Promote and enforce transparency and effective management in respect of revenue, expenditure, assets and liabilities of provincial departments and provincial public entities; and

(d)	Ensure its fiscal policies do not materially and unreasonably prejudice national economic policies.
18 (2)	A provincial treasury
(a)	Must issue provincial instructions not inconsistent with the Act;
(b)	Must enforce the PFMA and any prescribed national and provincial norms and standards, including any prescribed standards of generally recognized accounting practice and uniform classification systems, in provincial departments
(c)	Must comply with annual DORA and monitor and assess the implementation of that Act in public entities;
(d)	Must monitor and assess implementation in provincial public entities of national and provincial national norms and standards
(e)	May assist provincial departments and provincial public entities in building their capacity for efficient, effective and transparent financial management;
(f)	May investigate any system of financial management and internal control applied by a provincial department or public entity
(g)	Must intervene by taking appropriate steps to address a serious and persistent material breach of the PFMA by a provincial department or a provincial public entity, including withholding of funds.
(h)	Must promptly provide National Treasury with any information required in terms of the PFMA
(i)	May do anything further that is necessary to fulfil its responsibilities effectively

The Provincial Treasury is also mandate by section 5 of **the Municipal Finance Management Act** 56 of 2003 and the functions and powers are tabled below:

Section	Function and powers
5(3)	A provincial treasury must in accordance with a prescribed framework:
(c)	Assist the National Treasury in enforcing compliance with the measures established in terms of section 216(1) of the Constitution, including those established in terms of this Act.
5(4)	To the extent necessary to comply with subsection (3), a provincial Treasury

(a)	Must monitor:
	(i) compliance with the MFMA by municipalities and municipal entities in the province;
	(ii) the preparation by municipalities in the province of their budgets;
	(iii) the monthly outcome of those budgets; and
	(iv) the submission of reports by municipalities in the province as required in terms of this Act;
(b)	May assist municipalities in the province in the preparation of their budgets;
(c)	May exercise any powers and must perform any duties delegated to it by the National Treasury in terms of this Act; and
(d)	May take appropriate steps if a municipality or municipal entity in the province commits a breach of this Act.

Policy Mandates

The following broad policy mandates are key to the department in its endeavour to achieve its legislative mandate:

- National Development Plan
- Medium Term Strategic Framework (2019 – 2024)
- National Spatial Development Perspective
- National Industrial Policy Framework
- Broad Based Black Economic Empowerment
- Limpopo Development Plan 2020-2025

2. Updates to Institutional Policies and Strategies

The Limpopo Provincial Treasury will continue to oversee the implementation of the Public Finance Management Act and Municipal Finance Management Act in Provincial departments, public entities as well as municipalities and municipal entities.

3. Updates to relevant court rulings

None

PART B: OUR STRATEGIC FOCUS

1. UPDATED SITUATIONAL ANALYSIS

The Provincial Treasury embarked on a strategic planning exercise to review the strategic position and environment of the department where 2020 – 2025 Strategic Plan and 2019/20 Annual Performance Plan were reviewed. During the strategic planning exercise the department decided that there will be no changes to 2020-2025 Strategic Plan, however, changes were effected into the 1st Draft 2021/22 APP with inputs from all branches and the 1st Draft 2021/22 was approved by MEC in October 2020.

The 1st Draft 2021/22 was reviewed in February 2021 where all branches submitted their inputs as guided by Strategic Management through emails sent to all branches as there were no physical branch strategic planning sessions arranged to avoid the spread of COVID-19. The consolidated inputs from all branches on the review of the 1st Draft 2021/22 APP were presented in the Departmental Strategic Planning session that was arranged virtually on the 23rd of February 2021. The proposed 2021/22 APP was adopted by Senior Management and approved by MEC upon alignment to the final budget allocations.

2. EXTERNAL ENVIRONMENTAL ANALYSIS

Opportunities

PESTEL was utilized to identify opportunities that the department may capitalize on to maximise the departmental performance. Provincial Treasury transversal branches also identified an opportunity of sharing best practices across other provincial treasuries in the country. There is an opportunity on maximising the National Treasury GTAC support and MFIP to beef-up Provincial Treasury support to municipalities. Utilization of Enterprise Development Fund from banking institutions is an opportunity to develop SMMEs and grow the local economies. Advancing IT skills towards the 4th Industrial Revolution and Digital Transformation through ICT capacity building programmes

Threats

Identified threats may hinder the department from achieving the desired outputs and outcomes as set out in the Strategic Plan and Annual Performance Plan if they are not addressed. Shrinking revenue pose a serious threat on allocation of budget to national and provincial priorities and service delivery in the province and in the province it may have implications on potential growth of Compensation of Employees (COE) budget. Influx of foreign nationals pose a serious threat by putting severe pressure on limited resources. Litigations in Public Service also pose a serious threat where resources meant for services delivery are deviated to fund litigations and claims. Poor IT infrastructure networks in the province, coupled with the risk of IT systems being hacked are also a threat. COVID-19 pandemic pose health risk to employees and this could compromise service delivery.

An action plan to minimize the impact of identified threats and maximise the identified opportunities has been developed covering the medium term. Progress on implementation of these action plans and the opportunity registers serve quarterly in EXCOM meetings. The interventions to address SWOT outcomes in the action plan and the opportunity register will be monitored separately from the Strategic Plan and Annual Performance Plan as they are operational in nature.

Table 1: Stakeholder Analysis

Stakeholder	Reason for collaboration	Collaboration Description	Challenges	Proposed interventions
SITA.	Custodians of IT Service in Government as per SITA Act.	Implementation of new systems. Hosting of transversal systems. Maintenance of Transversal systems. IT technical Skills.	Non adherence to SLA's. Budgetary Constraints. Involvement of additional Stakeholders from SITA in the process.	Effect penalty clauses as per SLA. Lobby for additional funding during MTEF hearings. Increase FMIS capacity. Update own SLA to

Stakeholder	Reason for collaboration	Collaboration Description	Challenges	Proposed interventions
		IT Project Management Skills.		incorporate usage of third parties by SITA.
AGSA.	AGSA Conduct external audit to the department and generate a report on the outcomes of the audit.	In the process of conducting external AGSA collaborates with assurance providers such as Internal Audit and other transversal functions within Provincial Treasury.	Slow implementation of Combine Assurance.	Expedite implementation of Combined Assurance.
All Departments.	Effective Utilization of transversal systems.	Adherence to transversal user accounts management policies.	Non adherence to user accounts management policy. System Controllers are incorrectly placed as per generic structure of CFO's office.	Revoke ID's of non-complying System Controllers. Centralise the function of System Controllers in Limpopo Treasury.
All Departments and Public Entities.	Effective Budget Planning and implementation.	Compliance with budget guideline framework and performance reporting standards.	Poor implementation of infrastructure and procurement plans.	Capacity building and consequence management – issuing of noncompliance letters and financial performance analysis reports.
National Treasury	Custodians of PFMA and its prescripts.	Financial Reporting Frameworks Risk Management framework	Reporting Templates are not error free. AMD and MCS are not aligned	Automation of the reporting template.

Stakeholder	Reason for collaboration	Collaboration Description	Challenges	Proposed interventions
	Custodian of Transversal Systems.	Annual Reporting Framework Instruction Notes and Guidelines. Systems policies and Procedures. Transversal system support.	to the templates. Outdated Frameworks. None. Limited training capacity.	Alignment of templates to AMD and MCS. Regular review of the frameworks. None Capacitate Financial Training Capacity Building Directorate.
National Treasury.	Custodians of PFMA and its prescripts.	Budget planning and financial reporting frameworks. Treasury Instruction Notes and Guidelines.	Budget cuts and tight deadlines on budget submissions.	Strengthen measures to contain provincial costs, maximise own revenue; and capacitate Province to be proactive in budget planning.

Stakeholder	Reason for collaboration	Collaboration Description	Challenges	Proposed interventions
CoGHSTA.	CoGHSTA is responsible for Municipal Property Rates Act (MPRA), DoRA, Systems Act and other sections of the MFMA.	CoGHSTA is responsible for MPRA which affects revenue, DoRA on conditional grants, Systems Act on revenue by-laws and appointment of officials, MFMA on non-adoption of the budgets, reporting on UIF and annual financial statements.	Weak integration of work performed by both departments.	Strengthen governance structures.
Municipalities.	Improvement of municipal audit outcomes.	Compliance with Provincial Treasury budget planning; reporting standards; and financial management prescripts in line with MFMA, DoRA and other legislations.	Financially unsustainable municipalities.	Enhance capacity building strategies. Escalation of non-compliance to highest authority,

Performance Delivery Environment

Limpopo Provincial Treasury monitors and supports Provincial Departments, Public Entities, Municipalities and Municipal Entities on implementation of the PFMA and MFMA. The Provincial Institutions that are monitored and supported by Limpopo Provincial Treasury in line with the PFMA and MFMA are as follows:

Table 2: List of Public Institutions supported by Limpopo Provincial Treasury.

Provincial Departments	Public Entities	Municipalities (27)
Office of the Premier (OtP).	Limpopo Gambling Board (LGB).	Capricorn District Municipality
Education (DoE).	Limpopo Economic Development Agency (LEDA).	Molemole Local Municipality.
Agriculture and Rural Development (DARD).	Road Agency Limpopo (RAL).	Blouberg Local Municipality.
Provincial Treasury (LPT).	Gateway Airport Authority Limited (GAAL).	Lepelle Nkumpi Local Municipality.
Economic Development, Environment and Tourism (LEDET).	Limpopo Tourism Agency (LTA).	Polokwane Local Municipality (Not delegated).
Health (DoH).		Sekhukhune District Municipality
Transport and Community Safety (DTCS).		Elias Motsoaledi Local Municipality
Public Works, Roads and Infrastructure (DPW&I).		Ephraim Mogale Local Municipality
Co-operative Governance, Human Settlements & Traditional Affairs (CoGHSTA).		Makhuduthamaga Local Municipality
Social Development (DSD).		Fetakgomo Tubatse Local Municipality
Sport, Arts and Culture (DSAC).		Mopani District Municipality
		Maruleng Local Municipality
		Ba-Phalaborwa Local Municipality
		Tzaneen Local Municipality
		Giyani Local Municipality
		Letaba Local Municipality
		Vhembe District Municipality
		Makhado Local Municipality
		Musina Local Municipality
		Thulamela Local Municipality

Provincial Departments	Public Entities	Municipalities (27)
		Collins Chabane Municipality
		Waterberg District Municipality
		Mogalakwena Local Municipality
		Thabazimbi Local Municipality
		Lephalale Local Municipality
		Modimolle Mookgophong Local Municipality
		Bela-Bela Local Municipality

Fiscal Policy Analysis (Revenue)

Provincial own revenue collection remains vital in augmenting the Provincial Share of Revenue given the underperforming national revenue collection which results from weak economic growth and tax administration concerns. To this end, the Limpopo Provincial Revenue Enhancement and Retention Strategy has been introduced to ensure maximization and sustainability of provincial own revenue; and to provide incentives to departments and public entities that enhance and effectively manage their own revenue collection, and thereby continuously improving the management of own revenue. Quarterly Revenue Enhancement Bilateral Meetings are held to support Departments and Public Entities on the identification of revenue enhancement projects / new sources, and to monitor the implementation of such projects.

Over a five-year period, Provincial Own Revenue collected a total amount of R6.793 billion which reflect an average collection of R1.359 billion per annum. The revenue collection has since improved as compared to R586.5 million in 2011/12 and R844.4 million in 2013/14. The increased collection had contributed positively to the Provincial Revenue Fund and was utilised to augment the Provincial Share of Revenue to enhance service delivery in the Province. Departments of Transport; Health and LEDET are potential revenue generating departments through Revenue Enhancement Allocation. Provincial interest revenue is not a reliable source of revenue owing to its volatile nature. Also, DPWR&I remains a challenge in optimally collecting for house rentals fees from tenants. Provincial Treasury provides support to DPWR&I to ensure the development of

an effective Rental Collection Turnaround Strategy; and to enter into SLA's with implementing collection agencies (Departments) to enhance property rental collection.

Interventions over the medium term period

- Facilitate the implementation of the reviewed Provincial Revenue Enhancement and Retention Strategy with more emphasis on the identification and implementation of the Revenue Enhancement projects.

Macro-Economic Analysis

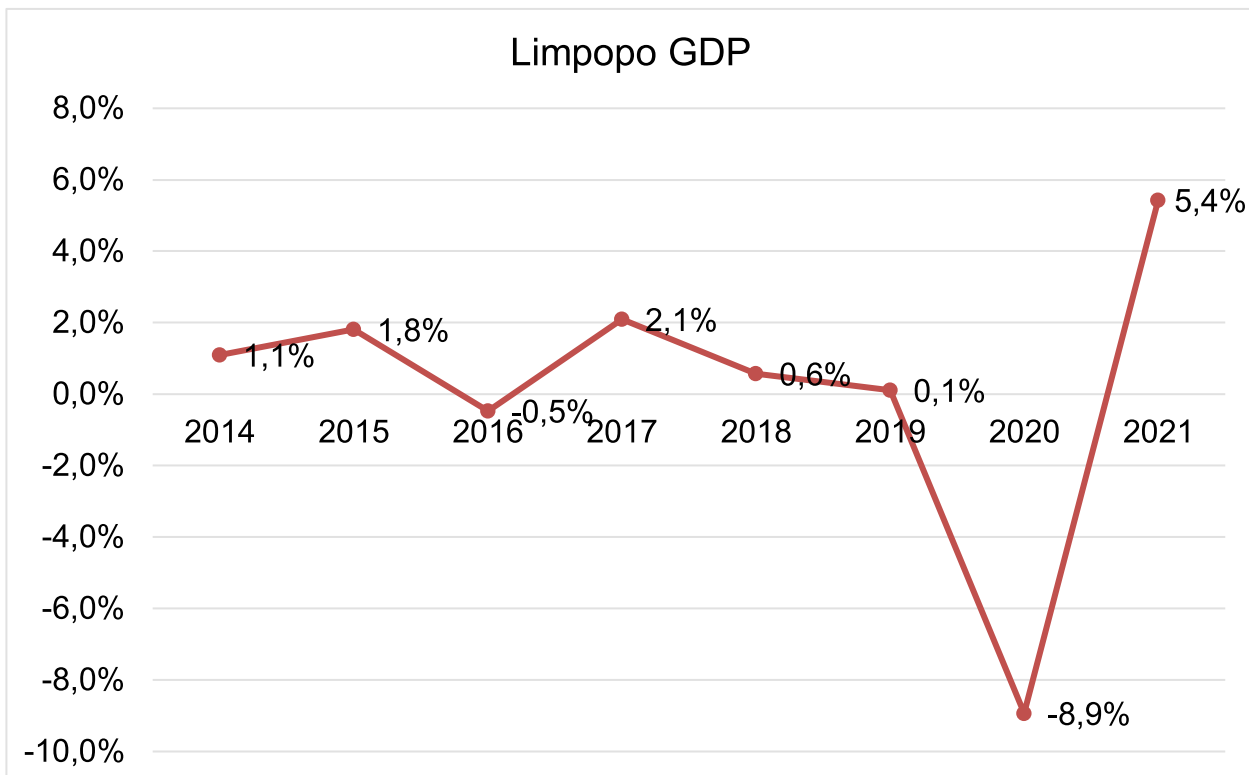
The role of the Macro-Economic Analysis unit is to perform research and provide economic intelligence to influence the budget allocation on Provincial Level. The difficult economic conditions on global, national and provincial levels are being analyzed. The quarterly economic bulletin highlights the most recent economic developments on a quarterly basis and also provide inputs on relevant economic topics of the day like the importance of the informal sector in addressing the challenge of unemployment and further highlights the importance of climate change. Other topics dealt with included inclusive growth and the role of rating agencies amongst others. The tight fiscal situation on national level is expected to continue with negative consequences for the provincial budget allocation.

Except for the documents produced as part of the APP the unit is also conducting research on other topics like explaining the expanded definition of unemployment and the evaluation of the extension services at the Department of Agriculture in Limpopo.

Limpopo Economy

The strategic plan is developed during an extremely difficult period with an expected contraction of national economy of nearly 8 percent. According to IHS Markit, Limpopo's economy grew by 0.1 percent in 2019 compared to 0.6 percent in 2018. The growth performance of the Province is still heavily dependent on the mining industry.

Figure 1: GDP Average Annual Growth (Constant 2010 Prices).



*2020 and 2021 is forecasted value by IHS Markit

IHS Markit Regional eXplorer version 1479.

The current economic situation is very much dependent on the outcome of the COVID-19 pandemic in the Limpopo Province and in South Africa. Currently indications are that a third COVID-19 wave may be experienced. The final economic outcome will depend on the availability and rollout of the vaccines in the Province. More than 30 million doses of vaccines have already been obtained that will be used during 2021 in South Africa.

The COVID crisis also impacted very negatively on employment in the Province. The unemployment rate according to the strict definition of Statistics SA increased to 26.3 percent and on the expanded definition to 46.9 percent. The increase in unemployment will also lead to higher poverty levels in the Province.

Provincial Budget Management

The department provides support to departments and public entities in order to ensure tabling of a credible budget, however; departments and public entities submit incomplete budget submissions and this hinders the credibility of the budget. First and second Draft budgets are analysed for credibility and feedback is given to departments to improve the final budget submissions. Provincial Equitable Shares decreases year on year against the increasing cost for goods and services (budget reduction versus expenditure growth). The self-sustainability of the two provincial Public Entities registered as Schedule 3D entities in terms of the PFMA is a challenge as these public entities remain reliant on Provincial Grants. Departments and entities are assisted to explore other revenue sources in order to be financially self-sustainable.

Interventions over the medium term period

- Prioritise allocation of budget to economic stimulating projects.

Public Finance Management

Section 18 of Public Finance Management Act (PFMA), Act 1 of 1999 entrust Provincial Treasury with the responsibility of monitoring and supports departments and entities to ensure that spending is in line with set targets. The Public Finance unit conducts quarterly bilateral meetings with Departments and Public Entities to determine areas of focus which requires close monitoring and support for institutions to improve service delivery. The directorate organises site visits together with the Infrastructure unit to monitor the economic use of financial resources. The ultimate aim is to achieve improved provincial budget planning and implementation; enhanced oversight on service delivery by the departments and public entities and improved communication and working relations with departments and public entities. On a monthly basis performance by Departments are being reported to National Treasury through In-year Monitoring (IYM) report and a detailed report for discussion during Head of Departments Forum and Executive Council meetings. These monitoring mechanism are aimed at enforcing accountability and responsibility to Accounting Officers to ascertain that the set targets are achieved.

Interventions over the medium term period

- Ensure effective expenditure reporting by both departments and public entities.
- Conduct quarterly detailed cash flow analysis for provincial departments and public entities.

Infrastructure Management and Public Private Partnerships (PPP)

The Provincial Treasury is the chair and coordinator of the Infrastructure Cluster Committee, assisted by the Department of Public Works, Roads and Infrastructure (DPWR&I); and secretariat support from Office of the Premier. All provincial departments with infrastructure budgets and projects are members of the Infrastructure Development Cluster, including Entities and Implementing Agencies. The Provincial Treasury also hosted the 2021 Infrastructure Planning and Readiness Workshop to agree on the deliverables for the infrastructure projects for the forthcoming financial years. On a monthly basis through the institutional arrangements forums and by also using the web based Infrastructure Reporting Model (IRM) assessments, we recommend improvement measures in order to improve infrastructure planning, delivery and spending. The performance of departments in terms of infrastructure plans, IRM and IYM alignment, and reporting is gradually improving. The Provincial Treasury designed the GTAC - Phase Two support programme to Local Government (LG) to optimise Municipal Infrastructure Grant (MIG) performance on selected municipalities, and this support will be ending in March 2021. The Provincial Treasury will sustain the GTAC support to the municipalities, namely Sekhukhune, Thulamela, Vhembe, Mopani, Polokwane, Capricorn and BaPhalaborwa to ensure that MIG is spent efficiently and effectively.

Interventions over the medium term period

- Coordinate the Operationalisation of the Infrastructure Strategic Planning Hub model which will sustain the infrastructure planning and implementation capacity beyond GTAC support.

- Continuous provision of requisite management and technical support to Municipalities in order to ensure that MIG is spent efficiently and effectively.

Provincial Asset Management

There province has recorded significant improvements in movable asset management processes and controls during 2019/20 and it is expected that no department will be qualified on movable assets at the end of the 2019/20 audit cycle, despite these improvement departments still have some areas that need attention to prevent a relapse in the improvements.

Asset Management assessment reports findings indicates that challenges leading to high rate of non – compliance in departments and public entities includes among other things; inability to complete verification in time, emerging R1.00 assets that are not fair-valued, disposal of assets in the system that are still in existence and lack of capacity (skills and personnel) in departments and public entities.

Identified Challenge	Intervention over the medium term period (What need to be done)	Nature or level of intervention (Whether strategic or operational)	Collaboration needed (If not needed, then leave None)
Inability to complete verification in time.	Development of Asset Verification Strategy.	Operational.	None.
Emerging R1.00 assets that are not fair-valued.	Strengthen Consequence Management.	Operational.	Audit Committee.
Disposal of assets in the system that are still in existence.	Asset reinstatement and continuous training.	Operational.	None.
Lack of capacity (skills and personnel) in departments and public entities.	Formal training.	Operational.	None.

Banking and Cash Management

Banking, Cash and Liabilities Management assessment findings indicates that challenges leading to varying compliance rates in departments includes among other things; growing level of claims against state, departments allowing debtors' books to grow with less effort to create, collect and prevent occurrence of debts, and ill-disciplined departments could easily overspend and overdraw accounts without following due processes. Departments are also growing tendencies of inefficiencies in payment processing resulting in high levels of recalls with potential risk of recovery and loss of public funds.

Identified Challenge	Intervention over the medium term period	Nature or level of intervention	Collaboration needed
Growing level of Claims Against the State.	Advising State Attorney through departmental Legal Services to establish departmental committees that are going to deal with claims against the state.	Operational.	None.
Departments allowing debtors' books to grow with less effort to create, collect and prevent occurrence of debts.	Advising State Attorney through departmental Legal Services to establish departmental committees (Loss Control Committees) that are going to deal with debts recovery.	Operational.	None.
Overspending and overdrawing of accounts.	Training on cash flow planning, regular monitoring and consequence management on negligence in the whole value chain.	Operational.	None.
High levels of payment recalls with potential risk	Training on payments processing, regular monitoring and consequence	Operational.	None.

Identified Challenge	Intervention over the medium term period	Nature or level of intervention	Collaboration needed
of recovery and loss of public funds.	management on negligence in the whole value chain.		

Provincial Supply Chain Management

Supply Chain Management audit outcome as reflected in AGSA 2018/19 Report indicated challenges relating to high rate of non – compliance to prescripts by departments and public entities, which includes among others; non adherence to Procurement Plans, inadequate Market Research, unwarranted deviations from normal SCM processes, inadequate Contract Management, poor records management, awards to suppliers in the service of the state, employees doing business with government without prior approvals, services rendered without official orders, general non-compliance to SCM Prescripts which resulted in Irregular Expenditure.

Identified Challenge	Intervention over the medium term period	Nature or level of intervention (Operational or strategic)	Collaboration needed
Non adherence to Procurement Plans,	Bi-annual bilateral with departments and public entities.	Operational	Expected commitment from departments and entities.
Inadequate Market Research.	Provide training departments and entities.	Operational	Expected commitment from departments and entities.
Unwarranted deviations from normal SCM processes.	Provide training departments and entities.	Operational	Expected commitment from departments and entities.
Inadequate Contract Management.	Facilitate the approval of the Contract management	Operational.	National Treasury to fast-track the approval of the framework.

Identified Challenge	Intervention over the medium term period	Nature or level of intervention (Operational or strategic)	Collaboration needed
	framework, train contract managers, monitor and evaluate performance.		
Poor records management.	Provide training on audit trail for procurement transactions.	Operational	Expected commitment from departments and entities.
Awards to suppliers in the service of the state, employees doing business with government without prior approvals.	Increase awareness, and monitor compliance Public Service Management Act.	Operational.	Auditor General SA to assist in accessing the system used to detect government employees doing business with government.
Services rendered without official orders.	Provide training departments and entities.	Operational	Expected commitment from departments and entities.

AG AUDIT OUTCOMES

The role of Limpopo Provincial Treasury in supporting and monitoring provincial departments, public entities and municipalities will ensure improved management of financial resources and good governance in the province.

AG Outcomes for Provincial Departments

The support provided by Provincial Treasury in 2019/20 resulted in improvements in the Auditor General Audit Outcomes of seven (7) votes, which are Office of the Premier (Clean), Legislature (Clean), Health (Unqualified), Transport & Community Safety




(Clean), Public Works, Roads and Infrastructure (Unqualified), Social Development (Unqualified) and Sport, Arts & Culture (Unqualified). Limpopo Provincial Government achieved five Clean Audits in 2019/20 from Office of the Premier, Legislature, Treasury, Transport & Community Safety and Limpopo Gambling Board. There is still a need for continuous monitoring and support to ensure that these trends are improved and sustained. There was only one qualified opinion from the Department of Education.

The current status of the province's financial management position in relation to audit outcomes is represented in the information that follows.

Table 3: Audit Outcomes for Provincial Departments.

Vote No	DEPARTMENT	201516	201617	201718	201819	201920	TREND	COMMENTS
1	Premier	UQ	UQ	UQ	UQ	CL	↑	Maintain clean
2	Legislature	UQ	UQ	UQ	UQ	CL	↑	Maintain clean
3	Education	D	Q	Q	Q	Q	↔	More assistance to be offered for the department to improve its outcomes
4	Agriculture & Rural Development	UQ	Q	UQ	UQ	UQ	↔	Need to improve to clean
5	Treasury	UQ	CL	CL	CL	CL	↔	Maintain clean audit
6	Economic Development	Q	Q	Q	UQ	UQ	↔	Need to improve to clean
7	Health	Q	Q	Q	Q	UQ	↑	Maintain unqualified and not regress
8	Transport	UQ	UQ	UQ	UQ	CL	↑	Maintain clean audit
9	Public Works, Roads & Infr	Q	Q	Q	Q	UQ	↑	Maintain unqualified and not regress
10	Community Safety	UQ	UQ	UQ	CL	NA	↔	N/A
11	Co-Operative Governance, Housing	UQ	Q	UQ	UQ	UQ	↔	Need to improve to clean
12	Social Development	UQ	UQ	UQ	Q	UQ	↑	Maintain unqualified and not regress
13	Sport, Arts & Culture	Q	Q	Q	Q	UQ	↑	Maintain unqualified and not regress

Legends

-  Audit Outcome remain unchanged
-  Audit Outcome improved
-  Audit Outcome regression
- CL Clean Audit
- UQ Unqualified Opinion
- Q Qualified Opinion
- A Adverse Opinion
- D Disclaimer Opinion

Notes

- Vote 10: Community Safety moved to be part of Vote:8
- Vote 13: Sport, Arts and Culture became Vote:10




AG Outcomes for Public Entities.

There is improved performance in audit outcomes performance of two public entities from 2018/19 to 2019/20 financial years. The improvements were realised in LEDA which moved from a qualified to unqualified audit opinion and Limpopo Gambling Board (LGB) which achieved a clean audit opinion from an unqualified opinion in the prior financial year. Limpopo Tourism Authority (Unqualified), Roads Agency Limpopo (Unqualified) and Gateway Airports Authority Limited (Qualified) achieved unchanged audit opinions in both financial years (2018/19 and 2019/20).

Table 4: AG Outcomes for Public Entities

Vote No	PUBLIC ENTITY	2015/16	2016/17	2017/18	2018/19	2019/20	TREND	COMMENT
1	Limpopo Economic Development Agency (LEDA)	UQ	Q	Q	Q	UQ	↑	Maintain unqualified and not regress
2	Limpopo Tourism Agency (LTA)	Q	UQ	UQ	UQ	UQ	↔	Need to improve to clean
3	Limpopo Gambling Board (LGB)	UQ	CL	UQ	UQ	CL	↑	Maintain clean
4	Roads Agency Limpopo (RAL)	Q	UQ	UQ	UQ	UQ	↔	Need to improve to clean
5	Gateway Airport Authority Limited (GAAL)	Q	UQ	Q	Q	Q	↔	More assistance to be offered to the entity to improve its outcomes

Legends

-  Audit Outcome remain unchanged
-  Audit Outcome improved
-  Audit Outcome regression
- CL Clean Audit
- UQ Unqualified Opinion
- Q Qualified Opinion
- A Adverse Opinion
- D Disclaimer Opinion

Identified Challenge	Intervention over the medium term period	Nature or level of intervention	Collaboration need
PRF financial statements not up to date.	Engage with AGSA to complete audits of the financial years submitted for audit and Branch 2 for PRF financial statements.	Operational at Departmental and Branch Level.	AGSA and Branch 2.
Lack of / poor IT infrastructure in	Upgrading of IT infrastructure in districts.	Operational.	Departmental GITO.

districts that results in cancellation of planned courses.			
Inadequate trainers that lead to poor training outcomes.	Request additional trainers through structure review committee.	Strategic Departmental Level.	Corporate Services.
Inappropriate use of systems as a result of non – attendance of forum meetings by system controllers.	Centralisation of Syscons in Treasury.	Strategic Provincial Level.	EXCO.
Inability to focus on planned projects during the financial year due to adhoc requests for implementation of systems.	Engage SITA to make provision for provincial projects in their plans in terms of resources and plans.	Strategic Departmental Level.	SITA.
SITA Technical Skill Dependency.	Review the SLA entered with SITA.	Strategic Departmental Level.	SITA .

AG Outcomes for Municipalities

Due to the impact of the COVID-19 lockdowns and the extension of the timeframes to perform the PFMA audits, the Office of the AG still busy with the 2019/20 audits for all municipalities. The 2018/19 audit outcomes for the Limpopo municipalities recorded an improvement in 7 municipalities, with Capricorn District achieving a clean audit status. It is a concern that the province still has 18 qualified audit opinions and that the province recorded 3 regressions from unqualified to qualified opinions in the Sekhukhune district. Unfortunately, the province still has 1 disclaimed and 1 adverse opinion in the Waterberg district.

Identified Challenge	Intervention over the medium term period	Nature or level of intervention	Collaboration need
Non-compliance with laws and regulations	Strengthening of governance structures	Strategic	NT, CoGHSTA, SALGA, and AGSA

Table 5: Five (5) Year analysis of Municipal Audit Outcomes

Audit Opinion	2014/15	2015/16	2016/17	2017/18	2018/19
Clean Audit	0	0	0	0	1
Disclaimed	5	3	5	4	1
Adverse	1	2	3	2	1
Qualified	14	12	10	13	18
Unqualified	10	13	9	8	6
TOTAL	30	30	27	27	27

Figure 2: Five Year Period Audit Opinions

No	MUNICIPALITIES	2014/15	2015/16	2016/17	2017/18	2018/19	TREND
1	Vhembe District	A	D	D	D	Q	↑
2	Makhado	Q	Q	A	Q	Q	↔
3	Musina	UQ	UQ	UQ	Q	Q	↔
4	Colins Chabane			Q	D	Q	↑
5	Thulamela	UQ	UQ	UQ	UQ	UQ	↔
6	Waterberg District	UQ	UQ	Q	Q	UQ	↑
7	Bela-bela	UQ	UQ	Q	Q	Q	↔
8	Lephalale	UQ	UQ	UQ	Q	Q	↔
9	Modimolle /Mookgophong	Q	Q	D	D	D	↔
10	Mogalakwena	D	A	A	A	A	↔
11	Thabazimbi	D	D	D	D	Q	↑
12	Capricorn District	UQ	UQ	UQ	UQ	CL	↑
13	Blouberg	Q	Q	Q	Q	Q	↔
14	Lepelle -Nkumpi	Q	Q	Q	Q	Q	↔
15	Molemole	UQ	UQ	UQ	UQ	UQ	↔
16	Polokwane	UQ	UQ	Q	Q	Q	↔
17	Mopani District	D	A	D	A	Q	↑
18	Ba-Phalaborwa	Q	D	D	Q	Q	↔
19	Greater Giyani	Q	Q	A	Q	Q	↔
20	Greater Letaba	Q	Q	Q	UQ	UQ	↔
21	Greater Tzaneen	Q	UQ	UQ	Q	Q	↔
22	Maruleng	Q	UQ	UQ	UQ	UQ	↔
23	Sekhukhune District	UQ	UQ	UQ	UQ	Q	↓
24	Elias Motsoaledi	Q	Q	Q	UQ	Q	↓
25	Fetagomo / Tubatse	Q	UQ	Q	Q	Q	↔
26	Ephraim Mogale	D	Q	Q	UQ	Q	↓
27	Makhudutamaga	UQ	UQ	UQ	Q	UQ	↑

Legends

- ↔ Audit Outcome remain unchanged
- ↑ Audit Outcome improved
- ↓ Audit Outcome regression
- CL Clean Audit
- UQ Unqualified Opinion
- Q Qualified Opinion
- A Adverse Opinion
- D Disclaimer Opinion

30 Days Payment of Invoices

The percentage of invoices paid in the province within the prescribed 30 days of receipt is reflected in Table 6. During the month of January 2021, compliance to section 38 (1) (f) of the PFMA is 90.88%. (January 2020 88.44%). The 90.88% compliance rate is 9.12% (2020 11.56%) below the 100% compliance rate set for all departments for the period 2020/21. The 90.88% compliance rate is also informed by invoices older 30 days which were on hand and not paid at the end of January 2021. See Table 7 below.

Only LEDET, Treasury and Premier have achieved the 100% compliance rate for January 2021.

Table 6 – January 2021 compliance rate (number)

Count of INVOICE AMOUNT	Column Labels					Paid in excess of 30 days	Invoices >30 days not yet paid	Total Non-Compliance	Non-Compliance rate %	Compliance rate %
Row Labels	0 - 30	31 - 60	61 - 90	91 - 120	>120	Grand Total				
L.P. AGRICULTURE & RURAL DEVELOPM	754					754	0	7	0.92%	99.08%
L.P. CO-OP GOV/HUM SET, TRAD AFF	271	8	2		1	282	11	0	3.90%	96.10%
L.P. ECON DEV, ENVIRONM & TOURISM	360					360	0	0	0%	100%
L.P. EDUCATION	2 126	32	1		10	2 169	43	38	3.67%	96.33%
L.P. HEALTH	5 813	678	116	25	27	6 659	846	363	17.22%	82.78%
L.P. OFFICE OF THE PREMIER	54					54	0	0	0%	100%
L.P. PROVINCIAL TREASURY	70					70	0	0	0%	100%
L.P. PUBLIC WORKS, ROADS & INFRAST	2 745	19			8	2 772	27	27	0.97%	99.03%
L.P. SOCIAL DEVELOPMENT	1 249	5				1 254	9	12	1.34%	98.66%
L.P. SPORT, ARTS & CULTURE	235	1				236	1	0	0.42%	99.58%
L.P. TRANSPORT & COMMUNITY SAFETY	286	5	3		1	295	9	39	16.27%	83.73%
Grand Total	13 963	748	122	25	47	14 905	942	459	1.401	
	99,68%	5,02%	0,82%	0,17%	0,32%	100%	6,32%			

Invoices	Grant total per table 1	14 905
	Invoice > 30 days not yet paid	459
	Total	15 364

% Compliance **90,88%**

Table 7 – Number of Invoices > than 30 days not yet paid departments report (January 2021)

NUMBER OF INVOICES OLDER THAN 30 DAYS THAT HAVE NOT BEEN PAID										
DEPARTMENTS	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21
L.P. OFFICE OF THE PREMIER	-	-	-	-	-	-	-	-	-	-
L.P. EDUCATION	-	-	-	5	25	3	3	4	4	38
L.P. AGRICULTURE & RURAL DEVELOPM	-	-	5	8	7	8	7	6	7	7
L.P. PROVINCIAL TREASURY	-	-	-	-	-	-	-	-	-	-
L.P. ECON DEV, ENV & TOURISM	-	-	-	-	-	-	-	-	-	-
L.P. HEALTH	-	536	85	59	19	7	100	100	151	363
L.P. TRANSPORT	9	6	5	7	114	58	56	48	39	39
L.P. PUBLIC WORKS, ROADS & INFRASTRUCTURE	-	-	-	-	-	-	-	-	-	-
L.P. COMMUNITY SAFETY	-	-	-	-	-	-	-	-	-	-
L.P. COOP GOV HUMAN SETTLEM & TR	-	-	-	-	-	-	13	-	-	-
L.P. SOCIAL DEVELOPMENT	-	-	3	2	1	81	-	3	11	11
L.P. SPORT, ARTS & CULTURE	-	7	-	-	-	-	-	-	-	-
Total Number of Invoices	9	546	98	81	166	157	179	161	213	459

CUMMULATIVE COMPLIANCE RATE TO SECTION 38 (1) (F) OF THE PFMA

Table 8 – COMPLIANCE RATE (April 2020 to January 2021)

Count of INVOICE AMOUNT	Column Labels					Paid in excess	Compliance	
Row Labels	0 - 30	31 - 60	61 - 90	91 - 120	> 120	Grand Total	of 30 days	rate %
LP: AGRICULTURE & RURAL DEVELOPM	8 120	15	8			8 143	23	99,72%
LP: CO-OP GOV;HUM SET; TRAD AFF	4 139	215	11	2	5	4 372	233	94,67%
LP: ECON DEV; ENVIRONM & TOURISM	4 073	4	6	1		4 084	11	99,73%
LP: EDUCATION	36 825	234	61	6	21	37 147	322	99,13%
LP: HEALTH	67 872	2 676	328	156	144	71 176	3 304	95,36%
LP: OFFICE OF THE PREMIER	1 037					1 037	0	100%
LP: PROVINCIAL TREASURY	1 137					1 137	0	100%
LP: PUBLIC WORKS;ROADS & INFRAST	17 287	150	24	8	11	17 480	193	98,90%
LP: SOCIAL DEVELOPMENT	18 839	12			95	18 946	107	99,44%
LP: SPORT;ARTS & CULTURE	2 062	11				2 073	11	99,47%
LP: TRANSPORT & COMMUNITY SAFETY	3 748	11	39		3	3 801	53	98,61%
Grand Total	165 139	3 328	477	173	279	169 396	4 257	
	97,49%	1,96%	0,28%	0,10%	0,165%	100%	2,51%	

The Internal Audit Process

Necessarily the internal audit process entails implementing the approved internal audit plan. Internal audit findings emerge from a process of:

- (i) having to compare the desired state, i.e. the criteria, with the current conditions or state;
- (ii) commendation is given where the current condition/s meets or exceed the criteria;
- (iii) However, where the contrary is observed, internal audit findings will accordingly be communicated to Client Auditee Management.

The Internal Audit Report

The eventual output of the internal audit process is an Internal Audit Report. Such reports are intended to provide client management as well as stakeholders, such as the Audit Committee and Executive Authority, with reliable and credible information for decision making. In this regard, implementing recommendations to internal audit findings assists client Departments in improving their governance, risk management, internal control and compliance processes resulting in improved audit outcomes.

The table below provides a summary of internal audit findings and the resolution status. As it may be observed from the table below, the Departments of Education, Sport, Art and Culture, and the Department of Social Development need relatively more attention.

Combined Assurance Approach

Shared Internal Audit Service (SIAS) recognises that there are other role-players within LPT as well as client departments that also provide assurance/compliance or consulting/support services. Such role-players include LPT and OtP Transversal functions as well as each Department's, Internal Control/Compliance and Risk Management functions. The potential for duplication/s resulting in "assurance fatigue" is genuine. – Hence, the need to enhance the Provincial Combined Assurance Model.

Table 9: Status of Report of Unresolved Findings.

Dept.	Vote	Financial Years						Total Findings	Not Followed up	Total Resolved	Total Unresolved	% Resolved
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20					
OTP	1							0			0	
EDU	3			13	7	99	64	183			183	0%
SAC	10			1	1	14	15	31	23	6	25	19%
Cluster 1		0	0	14	8	113	79	214	23	6	208	3%
LPT	5						9	9		3	6	33%
PRI	9		1		15	74	126	216	164	52	164	24%
CoG	11	2			7	19	17	45	28	14	31	31%
Cluster 2		2	1	0	22	93	152	270	192	69	201	26%
HEA	7			2	19	49		70		17	53	24%
DSD	12				3	15	23	41		6	35	15%
Cluster 3		0	0	2	22	64	23	111	0	23	88	21%
AGR	4					1	35	36		12	24	33%
EDET	6		3		1	21	38	63		41	22	65%
DTCS	8		1	2	1	35	43	82	3	28	54	34%
Cluster 4		0	4	2	2	57	116	181	3	81	100	45%
Total		2	5	18	54	327	370	776	218	179	597	
		0%	1%	2%	7%	42%	48%			23%	77%	

Table 10: Transversal Repeat Internal Audit Findings

The following critical internal audit findings are pervasive in most of the Provincial Departments for the past 3 year period:	
1	Interim Financial Statement Audits - Misstatement of AFS/IFS
2	HR Management
2.1	Irregular appointments made at the Department
2.2	High vacancy rate in Supply Chain Management
3	Asset Management
3.1	Assets could not be traced to AR; Assets not found in location
3.2	Asset Register not updated
3.3	Assets not recorded in the assets register
4.	Supply Chain Management
4.1	Bid Evaluation and Adjudication Committee Minutes not signed/ Not located
4.2	Department deviated from the prescribed procurement processes without justifiable reason/deviation not recorded in the register
5	Expenditure Management
5.1	Budget not confirmed/checked prior to procurement of goods/measures used to check budget not appropriate
5.2	Late payment of service providers /suppliers
6	Vehicle Management and Maintenance
6.1	Long turnaround time for repairs of state vehicle
6.2	Accidents on vehicles not investigated/accidents not investigated
7	Monitoring of State Owned Entities - Department not adequately monitoring entities

Challenges in the Performance Delivery Environment.

- The requirement for the establishment of an Internal Audit System/Function in a Department is in terms of the PFMA 38 (a) (ii). Instead, the previous Executive Council (EXCO) opted for a Shared Internal Audit Service model in terms of paragraph 3.2.3 of the Treasury Regulations (TR). There is a possibility that the current Executive Council may decide to have Departmental in-house internal audit functions as a result of requests from the, particularly larger Departments.

- Technological changes brought about through the Fourth Industrial Revolution provides a number of opportunities. Nevertheless, the downside of such changes may affect SIAS performance delivery environment in that staff members may not be adequately capacitated to deal with the changes.
- Over the years, SIAS has observed that there is a high staff turnover rate, particularly of operational staff members in time when the economy is flourishing. Now that the economy is slowing down the turnover of operational staff appears to be stable. Given that SIAS invests a substantial amount of resources in training and capacitating staff, the challenge is that it may not be able to retain operational staff when the economy in the country improves. In general, it has been observed that SIAS operational staff members are attracted by better opportunities in other provinces.
- The COVID-19 pandemic has had a devastating impact on the country as a whole. The consequences of COVID-19 daily impacts on the operations of the Shared Internal Audit branch in respect of the consulting and assurance services rendered.

2021/22 to 2024/25 Planned interventions to address challenges

- Conduct client satisfaction surveys and respond to concerns by providing Client Departments with improved quality of internal audit services;
- Review the analysis of findings of exit interviews obtained from the Human Resources component and respond to findings through the development of an action plan;
- Review a Quality Assurance and Improvement Policy and communicated to all Internal Audit staff;
- Develop an Internal Audit Methodology that will enable an integrated report on Departmental GRCC processes;
- Develop an integrated skills development programme and plan focusing on the core skills competency requirements of the Branch and guided by the IIA'S Global Internal Audit Competency Framework;
- Review the organisational structure to optimize functionality of Internal Audit function;

- Review and enhance the implementation of the Provincial Combined Assurance Model/Framework;
- Facilitate the evaluation of the IAT Programme.

3. INTERNAL ENVIRONMENTAL ANALYSIS.

Strengths

The department acknowledges the availability of committed, innovative, competent, professional and technically skilled workforce that is able to work as a team towards achievement of a common goal. Brand “Provincial Treasury” is also acknowledged as a strength that earns Limpopo Provincial Treasury officials respect by Provincial Departments, Public Entities and Municipalities. Sound stakeholder engagements and strengthened support functions have also demonstrated confidence from the service recipients and oversight structures. The department acknowledges the democratic style of leadership where effective communication is encouraged between management and employees.

Weaknesses

Inability of the department to meet the Department’s Employment Equity targets is identified as a weakness. Absence of integrated procurement system is identified as a weakness within the department and the province. Inability to enforce consequence management for non-compliance by public institutions is also a weakness identified that must be urgently addressed. Inability to fill funded vacant posts due to budget constraints.

PERFORMANCE DELIVERY ENVIRONMENT.

Limpopo Provincial Treasury AG Audit Outcomes.

Provincial Treasury received an unqualified audit opinion without findings, also referred to as a Clean Audit, for the 2016/17, 2017/18, 2018/19 and 2019/20 financial years. The department did not incur fruitless and wasteful expenditure in 2019/20 financial year. Treasury has developed procedures and put in systems to prevent and detect unwanted expenditures.

The support environment has been performing fairly well in terms of compliance related matters, where branches are performing adequately in the implementation of their risk registers/action plans where risk management is forming part of its business processes. The department experienced delays in filling of vacant posts and currently has a high vacancy rate. The factor associated with the delays is the Provincial Personnel Management Committee (PPMC) prolonged assessment processes.

The programme is also encountering operational challenges that includes amongst others: -

- EE Target not reached at SMS level
- Loss of Institutional Memory (as a result of ageing workforce)
- Non-compliance to submissions and poor financial planning e.g. unspent funds, non-alignment of budget.

2021/22 to 2024/25 Planned interventions to address challenges.

- Empower females at MMS level.
- Encourage people from the designated groups to apply for posts.
- Implement Knowledge Management Strategy.
- Review the Human Resource and Recruitment Plan.
- Implement consequence management. E.g. withhold budget allocation to affected directorates, suspend procurement of goods and services.

ORGANISATIONAL ENVIRONMENT

1. Organizational Design and personnel provisioning

Limpopo Provincial Treasury has migrated into the approved organisational structure, however, there will be a need to review the approved organisational structure to ensure alignment to the five-year strategic plan in an effort to create operational efficiency. The current organisational structure makes provision for 535 posts of which 395 are filled and 140 are vacant. The department has challenges in filling vacant posts due to budget cuts and reprioritization as a result of the need to fund the fight against the spread of the COVID-19 pandemic. This has exacerbated the high vacancy rate in the department.

2. Individual Performance Management

The Department will continuously implement the turnaround strategy on performance management in the department which has yielded positive results thus far by improving submission statistics and overall compliance to policy and directives. The submission rate stands at 99.5% which means that employees have contracted on their performance.

3. Capacity Building Programmes

The Department has implemented measures to assist government in limiting the spread of COVID-19, these measures includes amongst others remote working arrangements taking into consideration service delivery obligations. As a result, some of the training interventions are being done virtually and therefore the target group will be officials who have access to the necessary ICT gadgets. There will be a reduction in the number of employees having access to training as not all employees have access to the ICT virtual training tools. Twenty-eight (28) employees were granted bursaries in 2020/2021. Due to financial constraints, only a few new bursaries will be awarded for 2021/2022 financial year and the Department will continue to fulfil its obligations of funding the existing bursary holders.

The department implemented youth programmes as follows; Ninety-five (95) graduates were placed/continued with experiential learning of which fifty-six (56) were interns, five (5) Chartered Accountant trainees, seventeen (17) Work Integrated Learning learners

whilst twelve (12) were Internal Audit Technician trainees. Out of ninety-five (95) graduates, thirty-six (22 interns, 12 Internal Audit Technician trainees and 2 Work Integrated Learning learners) completed their experiential learning in December 2020. The Department will investigate the possibility of implementing a Professional Internal Auditor programme in 2021/2022.

4. Risk Management

Management of risks linked to COVID-19 will play a big role in ensuring that service delivery is not disrupted while protecting LPT's employees as much as possible. The Annual Risk Identification and Assessment for the Financial Year 2021-2022 was conducted on 02 December 2020 where after a departmental Risk Profile was compiled.

The Risk Management Committee is chaired by an External Independent Chairperson and is held once every quarter. Risk Management is a standing agenda item at all EXCOM meetings where progress on risk management within the department is reported.

5. ICT

As a consequence of Covid-19 pandemic, the department is confronted with a challenge of ensuring that officials remain productive and effective regardless of their geographic location and are able to access systems remotely and online. The slow, poor and unreliable internet access is an impediment to access the transversal systems, web-based and cloud systems as well as remote access of local (on-site) hosted systems.

The department will endeavour to extend its allocation of laptops and mobile devices over the MTEF period including access to data to all levels of employees in line with the nature of their job to enable them to become digitally knowledgeable workers whose productivity is not limited to their physical workstation.

6. Transformation Services

In response to the containment of the spread of COVID-19 in the workplace, the department is continuously implementing various Ministerial Directives communicated through DPSA circulars. A risk assessment was conducted to identify the health and safety hazards associated with the possible transmission and spread of COVID-19 in the workspace and the mitigation measures that are required to be put in place. The department has reviewed its Safety, Health, Environmental, Risk and Quality (SHERQ) Management Policy which outlines the key role players and the provisions that are aimed at eliminating the spread of the pandemic. COVID-19 Standard Operating Procedure which guides the implementation processes has been developed, approved and communicated to all staff.

There is an appointed Compliance Officer and a COVID-19 Steering Committee, which includes Labour Unions and the Health and Safety Representatives. There is a collaborative approach to ensure that COVID-19 health and safety protocols are implemented effectively and efficiently. The department has a dedicated budget which resides in Transformation Services Directorate. The Department appointed an additional 05 contractual cleaners and 04 Screeners through the Expanded Public Works Programme (EPWP) in order to assist the Department to comply to the COVID-19 cleaning and screening guidelines.

PART C: MEASURING OUR PERFORMANCE

1. Institutional Programme Performance Information

1.1. Programme 1: Administration

1.1.1. Purpose

The purpose of the programme is to manage and monitor the implementation of corporate management services.

The programme has the following sub-programmes namely:

- MEC Support Services which is responsible for:
 - Providing support to the MEC.

- HOD Support Services which is responsible for:
 - Providing strategic and administrative support to the HOD.

- Corporate Management Services which is responsible for:
 - Managing and monitor the implementation of corporate management services.

- Enterprise Risk Management which is responsible for:
 - Providing enterprise risk management services.

- Financial Management (Office of the CFO) which is responsible for:
 - Providing internal financial management support services

1.1.2. Programme 1: Outcomes, Outputs, Performance Indicators and Targets

Outcomes	Outputs	Output Indicators	Annual Targets						
			Audited Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Sustainable Support Services and Good Governance.	Capacity Building Programmes Implemented.	Number of Capacity Building Programmes implemented.	New Output Indicator	New Output Indicator	New Output Indicator	New Output Indicator	4	6	8
	Institutional Arrangements Monitored.	Number of Institutional Arrangements Assessment reports presented at EXCOM.	New Output Indicator	New Output Indicator	New Output Indicator	New Output Indicator	4	4	4
Departmental Unqualified Audit Outcomes.	Successful Financial Management Services.	Number of Budget documents compiled and submitted.	4	4	4	4	4	4	4
		% of Supplier's valid invoices paid within 30 days.	100%	100%	100%	100%	100%	100%	100%
		Number of Financial Statements compiled for submission to Provincial Treasury in line with the reporting framework.	4	4	4	4	4	4	4

1.1.3. Programme 1: Output Indicators, Annual and Quarterly Targets

Output Indicators		Annual Targets	Q1	Q2	Q3	Q4
1	Number of Capacity Building Programmes implemented.	4	1	1	1	1
1	Number of Institutional Arrangements Assessment reports presented at EXCOM.	4	1	1	1	1
2	Number of Budget documents compiled and submitted.	4	-	1	2	1
3	% of Supplier's valid invoices paid within 30 days.	100%	100%	100%	100%	100%
4	Number of Financial Statements compiled for submission to Provincial Treasury in line with the reporting framework.	4	1	1	1	1

1.1.4. Explanation of planned performance over the medium term period.

- (a) The contribution of its outputs to achieving the intended outcomes and impact in the Strategic Plan and the institution's mandate including, where applicable, priorities in relation to women, youth and people with disabilities.**

By implementing institutional arrangements and undertaking capacity-building programmes, the department is enabled to achieve the outcome of sustainable support services and good governance. By implementing successful financial management programmes through effective budget management programmes, timeous payment of suppliers and credible and timeous reporting on budget implementation, the department will be able to maintain a clean audit outcome. By implementing the Provincial Procurement Strategy, set targets will be allocated to support women, youth and people with disabilities.

- (b) A description of planned performance in relation to the programme's outputs.**

- (i) Four (4) capacity building programmes will be implemented by the department annually, where one programme will be implemented quarterly to build capacity to internal employees with the intention to professionalise the public service.
- (ii) Institutional arrangements framework will be monitored by the Departmental Executive Management Committee on quarterly basis to ensure compliance by all governance structures.
- (iii) 2022/23 1st Draft, 2nd Draft and Final Budget as well as the Adjustment Budget will be compiled and submitted to Provincial Treasury
- (iv) 100% of valid supplier invoices received by the department will be paid within 30 days.
- (v) Financial Statements will be compiled and submitted for review by Provincial Treasury in line with the reporting framework on quarterly basis.

1.1.5. Programme Resource Consideration

Table 11: Budget Allocation for programme1 and sub – programmes as per ENE and / or EPRE.

Table 5.3b : Summary of payments and estimates by economic classification: 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
Current payments	149 785	159 076	176 782	198 235	172 802	172 802	157 849	190 458	210 083
Compensation of employees	97 937	104 432	121 037	121 957	115 298	115 298	107 201	119 797	121 484
Goods and services	51 848	54 644	55 745	76 278	57 504	57 504	50 648	70 661	88 599
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	5 960	7 446	6 545	3 500	7 301	7 301	924	1 322	1 216
Provinces and municipalities	-	-	3 401	-	747	747	924	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private entities	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	5 960	7 446	3 144	3 500	6 554	6 554	-	1 322	1 216
Payments for capital assets	6 730	6 621	3 757	8 615	4 660	4 660	1 500	3 658	5 387
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	6 730	6 621	3 757	8 615	4 660	4 660	1 500	3 658	5 387
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	9	-	-	-	-	-	-
Total economic classification	162 475	173 143	187 093	210 350	184 763	184 763	160 273	195 438	216 686

There is an overall decrease of 13.3% from R184 million in 2020/21 to R160.3 million in 2021/22.

Compensation of Employees: There is a decrease of 7% from R115.3 million 2020/21 to R107.2 million in 2021/22 financial year and this is due to reprioritisation of the recruitment plan against filling of posts in the branch in an effort to reduce the wage bill.

Goods and Services: There is 11.93% decrease from R57.5 million in 2020/21 to R50.6 million in 2021/22 financial year. This decrease is due to the reprioritisation of the budget towards funding COVID 19 budget pressure. The allocation is used to fund contractual obligations within Records & Auxiliary, Information Communication Technology as well as Security Services. Funds are also earmarked to pay for the lease of office buildings, Microsoft licence renewals and audit fees amongst others.

Transfers and subsidies: There is a substantial decrease from R7 million in 2020/21 to R924k in 2021/22 as a result of not awarding external bursaries in the 2021/22 financial year as well as

the reduction of internal bursaries. The funds will also be used to pay municipal rates and taxes and vehicle licences.

Payment for Capital Assets: There is a decrease in the budget from R4.6 million in 2020/21 on CAPEX to R1.5 million 2021/22 or 67.4%. The allocation is mainly for acquisition of laptops.

1.1.6. Updated Key Risks and Mitigations from the SP

Programme 1: Corporate Management Services		
Outcomes	Key Risks	Risk Mitigations
Sustainable Support Services and Good Governance.	<p>Disruption to business processes caused by disasters natural or man-made [both predictable and unpredictable] whereby service delivery imperatives are compromised.</p> <p>ICT Network failure due to ICT Infrastructure challenges whereby service delivery imperatives are compromised.</p> <p>Vacant positions caused by (1) natural attrition, (2) reduction in COE budget and (3) non approval of posts by PPMC leading to inability to perform optimally.</p>	<p>Monitor the implementation of the BCP Policy Strategy and Plan.</p> <p>Implement ICT infrastructure improvement plans and monitoring thereof.</p> <p>Structure review.</p> <p>Internal transfers.</p> <p>Skills audit and re-skilling of employees.</p> <p>Filling of posts as per approved recruitment plan.</p>
Departmental Unqualified Audit Outcomes.	Compromised service delivery due to decline in budget leading into inability to meet the set targets.	Intensify budget cuts on non-core items (venues and facilities, catering, travel and subsistence).

1.2. Programme 2: Sustainable Resource Management

1.2.1. Purpose

The purpose of this programme is to provide sustainable resource management services to the provincial departments and provincial public entities.

The programme comprises of the following sub-programmes:

- Economic and Fiscal Policy Oversight which is responsible for:
 - Managing the development and implementation of economic and fiscal policy framework.

- Budget and Public Finance Management which is responsible for:
 - Developing and managing the implementation of budget and public finance.

- Infrastructure Management & Private Public Partnership (PPP) is responsible for:
 - Enhancing and monitor infrastructure management and PPP.

- Municipal Finance and Governance which is responsible for:
 - Promoting sound financial management and effective governance in the local government sphere.

1.2.2. Programme 2: Outcomes, Outputs, Performance Indicators and Targets

Outcomes	Outputs	Output Indicators	Annual Targets						
			Audited Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Sustainable fiscal policy for the province by 2025.	Research documents produced to align Provincial Fiscal Policy	Number of Research documents produced to align the Provincial Fiscal Policy.	7	7	7	7	7	7	7
	Increased Provincial Own Revenue.	Number of Revenue Assessments conducted to ensure collection of set target.	New Output Indicator	4	4	4	4	4	4
	Budget documents tabled in line with the set standards and National Treasury	Number of Budget documents tabled in line with the set standards and National Treasury.	2	2	2	2	2	2	2
	Consolidated IYM reports produced in line with sec32 of PFMA	Number of consolidated In Year Monitoring reports in line with section 32 of PFMA.	New Output Indicator	12	12	12	12	12	12
	Infrastructure Reporting Model Assessment reports produced	Number of Infrastructure Reporting Model assessments conducted in infrastructure departments.	New Output Indicator	108	108	108	108	108	108

Outcomes	Outputs	Output Indicators	Annual Targets						
			Audited Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Infrastructure assessment reports on support to local government produced	Number of infrastructure assessments on support to local government to optimize performance conducted.	New Output Indicator	New Output Indicator	4	4	4	4	4
Unqualified Audit Outcomes of provincial departments, public entities and municipalities.	Municipal Governance structure meetings coordinated	Number of municipal governance structures coordinated.	New Output Indicator	New	4	4	4	4	4

1.2.3. Programme 2: Output Indicators, Annual and Quarterly Targets

Output Indicators		Annual Targets	Q1	Q2	Q3	Q4
1	Number of Research documents produced to align the Provincial Fiscal Policy.	7	1	1	2	3
2	Number of Revenue Assessments conducted to ensure collection of set target.	4	1	1	1	1
3	Number of Budget documents tabled in line with the set standards and National Treasury.	2	0	0	1	1

Output Indicators		Annual Targets	Q1	Q2	Q3	Q4
4	Number of consolidated In Year Monitoring reports in line with section 32 of PFMA.	12	3	3	3	3
5	Number of Infrastructure Reporting Model assessments conducted in infrastructure departments.	108	27	27	27	27
6	Number of infrastructure assessments on support to local government to optimize MIG performance conducted.	4	1	1	1	1
7	Number of municipal governance structures coordinated.	4	0	2	0	2

1.2.4. Explanation of planned performance over the medium term period

- (a) **The contribution of its outputs to achieving the intended outcomes and impact in the Strategic Plan and the institution's mandate including, where applicable, priorities in relation to women, youth and people with disabilities.**
- (i) Improved economic research; budget planning and implementation; and revenue maximization will sustain the fiscal policy for the province thereby contributing to attainment of a capable and accountable government.
 - (ii) Strengthening of governance structures that include the LPT's MEC, HOD, municipal Mayors, and MMCs for Finance and the Accounting Officers allows municipalities to account on financial performance and non-compliance with laws and regulations, which will improve accountability and eventually audit outcomes.
- (b) **A description of planned performance in relation to the programme's outputs.**
- (i) Four quarterly Economic Bulletin; one (1) Medium Term Budget Policy Statement (MTPBS) and one (1) Socio-Economic Review and Overview will be produced to align the Provincial Fiscal Policy.
 - (ii) Four (4) quarterly revenue assessments will be conducted to ensure collection of set revenue targets.
 - (iii) Two (2) Budget documents (main appropriation and adjusted Estimates of Provincial revenue and expenditure) to be tabled in line with the set standards and National Treasury guidelines.
 - (iv) Twelve (12) In Year Monitoring reports to be compiled in line with section 32 of PFMA.
 - (v) Twenty-seven (27) infrastructure Reporting Model assessments to be conducted and feedback communicated to infrastructure departments to improve infrastructure planning and reporting.
 - (vi) Twenty-six (26) municipal budget assessment conducted and feedback provided to improve municipal audit outcomes.

1.2.5. Programme Resource Consideration

Table 12: Budget Allocation for programme 2 and sub – programmes as per ENE and / or EPRE.

Table 5.4b : 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	67 263	79 604	80 262	99 130	64 039	64 039	62 096	72 431	80 337
Compensation of employees	54 736	54 364	53 449	78 857	60 466	60 466	54 613	55 908	62 962
Goods and services	12 527	25 240	26 813	20 273	3 573	3 573	7 483	16 523	17 375
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	324	197	604	601	106	106	-	527	485
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private entities	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	324	197	604	601	106	106	-	527	485
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	20 000	-	-	-	-	-	-	-	-
Total economic classification	87 587	79 801	80 866	99 731	64 145	64 145	62 096	72 958	80 822

The budget for Sustainable Resource Management decreased by 3.1% from R64.2 million in 2020/21 to R62.1 million in 2021/22.

Compensation of Employees: There is a decrease of 9.6% from R60.4 million in 2020/21 to R54.6 million in 2021/22, and this is due to reprioritisation of the recruitment plan against filling of posts in the branch in an effort to reduce the wage bill. This decrease is despite the R8 million allocated for Municipal Intervention Capacity.

Goods and Services: There is an increase from R3.5 million in 2020/21 to R7.4 million in 2021/22. Included in the allocation is the amount earmarked for municipal capacity building of R2.2 million and R5 million for improved Infrastructure capacity.

1.2.6. Updated Key Risks and Mitigations from the SP

Programme 2: Sustainable Resource Management		
Outcomes	Key Risks	Risk Mitigations
Sustainable fiscal policy for the province by 2025.	Limited Service Delivery due to budget cuts leading to reduced Equitable Share to channel the money to National Debt causing community protests.	<p>Establish Provincial Cost Reduction Committee.</p> <p>Continue to implement the PPMF.</p> <p>Continue to allocate the unspent COE to service delivery during adjustments.</p> <p>Identify new sources of revenue.</p> <p>Use of Technology to provide services.</p>
	Financing of uncoordinated infrastructure plans in the province caused by inadequate capacity to deliver infrastructure projects in the province, non-alignment of budget to LDP targets leading to slow spending and loss of conditional grants.	<p>Implementation of the support programme to enhance the infrastructure hub, including capacity to Education and Health.</p> <p>Conduct infrastructure planning workshops. Conduct LIIMP steering committee with LDPWR&I and Office of the Premier to enhance the use of GIS.</p>
	Low initiative on PPP model by departments, public entities and municipalities due to capacity constraints leading to none implementation of key infrastructure projects.	<p>Capacitate IM and PPP Chief Directorate.</p> <p>Implementation of PPP manual.</p> <p>Awareness to departments, entities and municipalities.</p> <p>Treasury to encourage departments to appoint dedicated PPP champions.</p>
Unqualified Audit Outcomes of provincial departments, public entities and municipalities.	Unstable municipalities caused by Inadequate implementation of the LPTs recommendations, non-compliance with the relevant legislation, lack of consequence management, Lack of leadership, Distressed municipal finances, leading to poor service delivery, community unrests and negative reputation.	Collaboration with CoGHSTA which allows both MEC of CoGHSTA and LPT to jointly hold sessions for the purpose of supporting and holding municipalities accountable.

1.3. Programme 3: Asset, Liabilities and Supply Chain Management

1.3.1. Purpose

The purpose of the programme is to oversee the management of assets, liabilities and supply chain management in provincial departments and public entities.

The programme is comprised of the following sub-programmes:

- Asset and Liabilities Management which is responsible for:
 - Monitoring and supporting the effective management of assets and liabilities.

- Provincial Supply Chain Management which is responsible for:
 - Monitoring and supporting the effective implementation of the SCM framework, transversal contracts and SCM client support for provincial departments and public entities.

1.3.2. Programme 3: Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Unqualified Audit Outcomes of provincial departments, public entities and municipalities.	Provincial SCM assessments conducted in provincial departments and public entities.	Number of asset management assessments conducted in Provincial Public Institutions.	New Output Indicator	New Output Indicator	68	64	64	64	64
		Number of cash management assessments conducted in Provincial Public Institutions.	New Output Indicator	New Output Indicator	72	68	64	64	64
		Number of SCM system assessments conducted in Provincial Public Institutions.	New Output Indicator	New Output Indicator	68	64	64	64	64
Increased economic participation of youth, Military Veterans, women and persons with disability (SMMEs).	Procurement spent analysis assessments conducted in provincial public institutions in line with Limpopo Procurement Strategy targets.	Number of procurement spent analysis assessments conducted in Provincial Public Institutions in line with Limpopo Procurement Strategy targets.	New Output Indicator	New Output Indicator	68	64	64	64	64

1.3.3. Programme 3: Output Indicators, Annual and Quarterly Targets

Output Indicators		Annual Targets	Q1	Q2	Q3	Q4
1	Number of asset management assessments conducted in Provincial Public Institutions.	64	16	16	16	16
2	Number of cash management assessments conducted in Provincial Public Institutions.	64	16	16	16	16
3	Number of SCM system assessments conducted in Provincial Public Institutions.	64	16	16	16	16
4	Number of procurement spent analysis assessments conducted in Provincial Public Institutions in line with Limpopo Procurement Strategy targets.	64	16	16	16	16

1.3.4. Explanation of planned performance over the medium term period

(a) **The contribution of its outputs to achieving the intended outcomes and impact in the Strategic Plan and the institution's mandate including, where applicable, priorities in relation to women, youth and people with disabilities.**

(i) Improved Compliance levels on Assets, Liabilities and SCM by Public Institutions through training, workshops, bi-laterals, forums, action plans, regular monitoring and evaluation, as well as escalation of non-compliances to relevant stakeholders, will contribute towards achievement of favorable audit outcomes by 2024 and **strengthen capability and accountability of provincial departments, public entities and municipalities by 2030.**

(ii) Increased provincial procurement spent towards youth, military veterans, women and Persons with disability will increase participation of these designated groups in the in the provincial economy, which will also contribute towards MTSF priorities in relation to women, youth and people with disability.

(b) **A description of planned performance in relations to the programs outputs.**

(i) There will be branch bilateral twice in a year with the CFO's offices, mid-year and in the last quarter to review progress and to prepare for the next financial year.

(ii) On quarterly basis there will be assessment reports based on the findings identified on visits conducted with public institutions on their compliance with prescripts in the implementation process.

(iii) There will be in-service training provided for officials on quarterly basis on the topics identified through monitoring visits and other quality assurance stakeholders

(iv) There will be information sharing sessions held in a form of fora as per institutional arrangements as well as per appointments when there is a need and reported to the relevant platforms for intervention.

1.3.5. Programme Resource Consideration

Table 13: Budget Allocation for programme 3 and sub – programmes as per ENE and / or EPRE.

Table 5.5b : Summary of payments and estimates by economic classification: Programme 3: Assets, Liabilities And Supply Chain 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	93 051	61 740	51 539	55 187	47 525	47 525	45 778	52 786	58 485
Compensation of employees	57 000	46 353	45 035	47 607	44 253	44 253	42 478	45 412	48 199
Goods and services	36 051	15 387	6 504	7 580	3 272	3 272	3 300	7 374	10 285
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	296	-	415	-	7 214	7 214	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and acc	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and intern	-	-	-	-	-	-	-	-	-
Public corporations and private	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	296	-	415	-	7 214	7 214	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structu	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible as	-	-	-	-	-	-	-	-	-
Payments for financial assets	6	-	-	-	-	-	-	-	-
Total economic classification	93 353	61 740	51 954	55 187	54 739	54 739	45 778	52 786	58 485

The budget for the branch decreased by 16.4% from R54.7 million in 2020/21 to R45.7 million in 2021/22.

Compensation of Employees: There is a decrease of 4% from R44 million to R42 million due to reprioritisation of the recruitment plan against filling of posts in the branch in an effort to reduce the wage bill.

Goods and Services There is a slight increase on this item. The funds will mainly be used to pay for provincial bank charges and face value documents.

1.3.6. Updated Key Risks and Mitigations from the SP

Programme 3: Assets, Liabilities and Supply Chain Management		
Outcomes	Key Risks	Risk Mitigations
Unqualified Audit Outcomes of Provincial Departments, Public Entities and Municipalities.	Increased Provincial Contingent Liabilities caused by operational inefficiencies, Deficient Internal Controls, Negligence, and Lack of Consequence Management leading to increased claims against the State, compromised service delivery, depleting the available budget for service delivery, reputational damage to the province and negative audit outcomes.	<p>Trend analysis of Contingent Liabilities through Financial Statements of Departments.</p> <p>Revise the Monitoring and Assessment tool;</p> <p>Engage with Transversal Risk Management to ensure that Departments also include Contingent Liabilities in their Risk Register;</p> <p>Presenting the Contingent Liability Report to the PTCF and HODs FORA.</p> <p>Engage the services of the State Attorney to increase awareness on the impact of Contingent Liabilities at Provincial FORA.</p>
	Increased unwanted expenditures (unauthorized, irregular, fruitless and wasteful expenditures) caused by non-compliance with SCM prescripts, constant change of staff within SCM Units without consideration of skills and competence on SCM, lack of consequence management leading to compromised service delivery, reputational damage to the province, negative audit outcomes, and depleting the available budget for service delivery.	<p>Identify and evaluate the challenges from client departments and report the findings to the AOs.</p> <p>Review Action Plans of Departments to address non-compliance issues.</p> <p>Capacitate client departments on identified skills gaps.</p> <p>Conduct SCM FORA.</p>

1.4. Programme 4: Financial Governance

1.4.1. Purpose

The purpose of the programme is to promote accountability and compliance with financial norms and standards as contained in the Public Finance Management Act, No.1 of 1999 as amended.

The programme is comprised of the following sub-programmes:

- Accounting Services which is responsible for:
 - Providing support on appropriate accounting practices and to build financial management capacity.

- Financial Management Information Systems which is responsible for:
 - Managing the implementation and providing support of financial management information systems.

- Transversal Risk Management which is responsible for:
 - Monitoring and providing support on the implementation of risk management prescripts.

- Governance, Monitoring and Compliance which is responsible for:
 - Monitoring and providing support on compliance with the provisions of the PFMA and prescribed norms and standards.

1.4.2. Programme 4: Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Unqualified Audit Outcomes of provincial departments, public entities and municipalities.	Transversal system courses conducted.	Number of courses conducted on Transversal Systems.	111	107	85	72	72	72	72
	Financial Statements assessments conducted in provincial departments.	Number of financial statements assessments conducted in departments.	New Output Indicator	68	48	44	44	44	44
	Audit Committee meetings supported.	Number of Audit Committee Meetings supported to improve governance in departments.	65	85 (65 votes & 20 public entities)	65	60	60	60	60
	Assessments conducted on provincial risk profile and public sector risk management compliance conducted.	Number of assessment conducted on provincial risk profile for presentation at HOD's forum	New Output Indicator	3	2	2	4	4	4
		Number of public sector risk management framework compliance assessments conducted in	New Output Indicator	68	68	64	40	40	40

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
		Provincial Public Institutions.							
	Assessments conducted on financial system utilization	Number of financial system utilization assessments conducted in departments.	New Output Indicator	48	48	44	44	44	44
	Irregular Expenditure condonement requests considered and reduction in reported provincial irregular expenditure.	% of provincial irregular expenditure condonement requests considered by Provincial Treasury in terms of the National Treasury Irregular expenditure framework.	New Output Indicator	-	-	-	100%	100%	100%

1.4.3. Programme 4: Output Indicators, Annual and Quarterly Targets

Output Indicators		Annual Targets	Q1	Q2	Q3	Q4
1	Number of Courses conducted on Transversal Systems.	72	16	22	17	17
2	Number of financial statements assessments conducted in departments.	44	11	11	11	11
3	Number of Audit Committee Meetings supported to improve governance in Departments.	60	12	24	12	12
4	Number of assessment conducted on provincial risk profile for presentation at HOD's forum	4	1	1	1	1
5	Number of public sector risk management framework compliance assessments conducted in Provincial Public Institutions.	40	8	10	9	13
6	Number of financial system utilization assessments conducted in departments.	44	11	11	11	11
7	% of provincial irregular expenditure condonement requests considered by Provincial Treasury in terms of the National Treasury Irregular expenditure framework.	100%	100%	100%	100%	100%

1.4.4. Explanation of planned performance over the medium term period

- (a) The contribution of its outputs to achieving the intended outcomes and impact in the Strategic Plan and the institution’s mandate including, where applicable, priorities in relation to women, youth and people with disabilities.**

The outcome of unqualified audit outcomes will contribute to MTSF priority no 1 of “Building a Capable, Ethical and Developmental State”. In order to achieve the desired unqualified audit outcomes, we will ensure good governance through:

- ✓ Regular Audit committee meetings
- ✓ Incorporating audit outcomes in the performance agreements of top management
- ✓ Monitoring the effectiveness of audit steering committee meetings
- ✓ Monitoring the capacity and stability of the CFOS’ offices
- ✓ Capacitating CFO’s offices adequately in terms of relevant skills
- ✓ Facilitate professionalisation of staff in CFOs’ offices
- ✓ Analyse audit outcomes and develop capacity building initiatives to enhance identified skills gaps
- ✓ Reviewing interim financial statements and recommend improvements
- ✓ Reviewing compliance with reporting templates
- ✓ Assessing risk management practices and recommend improvements; and
- ✓ Monitoring the establishment and effectiveness of internal control functions

Through these initiatives we will achieve a clean administration which obtains unqualified audit outcomes, thus building citizens confidence in the management of public funds, enhancing accountability.

(b) A description of planned performance in relation to the programme's outputs.

- (i) Financial system courses that are conducted is to measure the capacity building initiatives to departments in order to increase their capacity to perform maximally.
- (ii) Audit Committee meeting are coordinated to facilitate oversight function by Audit Committees on performance of departments to improve on the audit outcomes.
- (iii) Assessments are conducted on financial statements, risk management performance and financial system utilization is to ensure that challenge areas are identified and recommendations be communicated to respective departments for implementation and thereby improve on their audit outcomes.

1.4.5. Programme Resource Consideration

Table 14: Budget Allocation for programme 4 and sub – programmes as per ENE and / or EPRE.

Table 5.6b : 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	83 739	133 836	107 525	99 609	94 252	94 252	60 371	88 812	98 615
Compensation of employees	70 104	87 591	47 090	52 175	46 319	46 319	43 065	42 095	51 626
Goods and services	13 635	46 245	60 435	47 434	47 933	47 933	17 306	46 717	46 989
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	531	498	627	635	2 469	2 469	-	1 147	1 055
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and acc	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and intern	-	-	-	-	-	-	-	-	-
Public corporations and private	-	-	27	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	531	498	600	635	2 469	2 469	-	1 147	1 055
Payments for capital assets	-	-	2 602	9 000	-	-	-	-	-
Buildings and other fixed struct	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	2 602	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible as	-	-	-	9 000	-	-	-	-	-
Payments for financial assets	12	110	-	-	-	-	-	-	-
Total economic classification	84 282	134 444	110 754	109 244	96 721	96 721	60 371	89 959	99 670

Overall allocation for the programme decreased by 37.5% from R96.7 million in 2020/21 to R60.4 million in 2021/22 and it is due to reprioritisation in an effort to fund the COVID-19 budget pressure.

Compensation of Employees decreased from R46.3 million in 2020/21 to R43.1 million in 2021/22 or 7% due to reprioritisation of certain posts in the recruitment plan against filling of all vacant funded posts in the branch in an effort to reduce the wage bill.

Goods and Services has decreased by 64% from R47.9 million in 2020/21 to R17.3 million in 2021/22 as a result of the reprioritisation of the budget towards funding COVID-19 budget pressure. The allocation will cater for SITA services, training and development as well as payment for audit committee members.

1.4.6. Updated Key Risks and Mitigations from the SP

Programme 4: Financial Governance		
Outcomes	Key Risks	Risk Mitigations
Unqualified Audit Outcomes of provincial departments, public entities and municipalities.	Poor financial management and governance in departments and public entities caused by ineffective Audit Steering Committees in institutions, lack of understanding of relevant accounting and reporting framework and instability and inadequate capacity in the office of the CFO's leading to loss of stakeholder confidence in the management of public resources.	Issue Provincial circular on Audit Steering Committees (ASC). Monitor the ASC meetings and timely resolution of audit findings as per audit action plan. Assess the effectiveness of workshops, trainings and FORA (Financial Accounting and Reporting Forum, Training forum, BAS Forum, LOGIS Forum, PERSAL Forum, Risk Management forum & Internal Control Forum). Professionalization of CFO's office staff, starting with Supply Chain Management (SCM). Assessment of the capacity of the CFOs' office

1.5. Programme 5: Shared Internal Audit Services

1.5.1. Purpose

The purpose of the programme is to provide internal audit and consulting services to provincial departments

The Branch is comprised of the following sub-programmes:

- Risk-Based Auditing, Performance and Consulting Services (Cluster A) which is responsible for:
 - Providing risk-based auditing, performance and consulting services (for votes: 1,3,4,6 & 12).

- Risk-Based Auditing & Specialised Audit Services (Cluster B) which is responsible for:
 - Providing risk-based and specialised audit services (for votes: 5, 7,8,9,10 & 11).

- Quality Assurance and Technical Support Services which is responsible for:
 - Providing quality assurance and technical support services and monitor compliance within provincial departments.

1.5.2. Programme 5: Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Unqualified Audit Outcomes of provincial departments, public entities and municipalities .	Cluster Based Annual Audit Plans prepared.	Number of Cluster Based Annual Audit Plans prepared by Shared Internal Audit Services and approved by Audit Committee.	12	12	12	4	4	4	4
	Audit Reports provided to the Clients Departments.	% of Internal Audits finalized in terms of the approved Audit Plans.	New Output Indicator	90%	94%	97%	98%	100%	100%
	Internal Quality Assurance Improvement Programme (QAIP) implementation report prepared.	Number of Annual Internal Quality Assurance Improvement Programme (QAIP) implementation report prepared to improve the quality of client service.	1	1	1	1	1	1	1

1.5.3. Programme 5: Output Indicators, Annual and Quarterly Targets

Output Indicators		Annual Targets	Q1	Q2	Q3	Q4
1	Number of Cluster Based Annual Audit Plans prepared by Shared Internal Audit Services and approved by Audit Committee.	4	0	0	0	4
2	% of Internal Audits finalized in terms of the approved Audit Plans.	98%	98%	98%	98%	98%
3	Number of Annual Internal Quality Assurance Improvement Programme (QAIP) implementation report prepared to improve the quality of client service.	1	0	0	0	1

1.5.4. Explanation of planned performance over the medium term period

(a) The contribution of outputs towards achieving the outcomes and impact in the Strategic Plan and the institution's mandate including, where applicable, priorities in relation to women, youth and people with disabilities.

- Risk-based internal audit plans that identify relevant audit subject areas assist SIAS to allocate valuable internal audit human resources to address Departmental key risks and control weaknesses that may result in a regression of AGSA audit outcomes. The preparation of audit plans allows for an opportunity of engagements between auditee clients and internal audit management. Such engagements enhance the auditor's understanding auditee client's business processes on the one hand and the capabilities of the client's understanding of the internal audit process on the other hand.
- Implementation of internal audit plans result in audit reports that enable Departmental Audit Clients to timeously attend to SIAS including AGSA audit issues during the year as opposed to Departments been overwhelmed with high number of AGSA exception reports at the end of the year. Auditee client responses by providing action plans to internal audit findings and agreed upon internal audit recommendations enables accountability from auditee client departments in terms of Governance, Risk Management, Internal Control and Compliance (GRCC) processes.
- SIAS is mandated, through its internal audit charter, to provide Client Departments with recommendations, advice and assurance. This enables SIAS to serve as a Client Department Change Agent. Providing timely, value adding and credible internal audit plans and reports is enhanced through a Quality Assurance and Improvement Programme (QAIP). The QAIP has the effect of improving internal audit staff capabilities through an annual self-assessment process and a rigorous independent (external) quality assurance every five years.

(b) A description of planned performance in relation to the programme's outputs.

- The department will prepare 11 internal audit plans in the fourth quarter to ensure that all client departments receives internal audit assurance and consulting services in respect of governance risk management, internal control and compliance processes.
- Given the dynamic nature of risk resulting in constantly changing audit plans, the department will ensure the no less than 97% of all approved audit projects are completed to assist provincial departments improve their governance, risk management, internal control and compliance (GRCC) processes.
- An annual as well as a five yearly quality assurance review will be conducted resulting in a Quality Assurance Improvement Programme Report to provide assurance to the Audit Committee and executive management that all internal audits were in fact conducted in terms of the Institute of Internal Auditor's (IIA's) Standards.

1.5.5. Programme Resource Consideration

Table 15: Budget Allocation for programme and sub – programmes as per ENE and / or EPRE.

Table 5.7b : Summary of payments and estimates by economic classification: Programme 5: Shared Internal Audit Services

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	-	-	43 306	46 800	38 402	38 402	36 392	40 119	44 450
Compensation of employees	-	-	39 494	38 500	37 562	37 562	35 942	34 971	36 714
Goods and services	-	-	3 812	8 300	840	840	450	5 147	7 736
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	-	34	-	232	232	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private entities	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	34	-	232	232	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	-	-	43 340	46 800	38 634	38 634	36 392	40 119	44 450

The overall budget for the branch is decreasing by 5.9 % from R38.6 million in 2020/21 to R36.4 million in 2021/22.

Compensation of Employees decreased from R37.5 million in 2020/21 to R35.9 million or 4.3 % in 2020/21.

Goods and services decreased from R840k in 2020/21 to R450k or 46 % in 2020/21 financial year as a result of the reprioritisation of the budget towards funding COVID-19 budget pressure. The funds are earmarked mainly for payment of subsistence & travel allowance for Internal Audit personnel while conducting audit in all provincial departments and their districts.

1.5.6. Updated Key Risks and Mitigations from the SP

Programme 5: Limpopo Shared Internal Audit Services		
Outcomes	Key Risks	Risk Mitigations
Unqualified Audit Outcomes of provincial departments, public entities and municipalities.	Providing false assurance to departments caused by the level of risk management- and internal control maturity in departments, lack of exercising due professional care by SIAS leading to regression in good governance within provincial departments and compromised credibility from SIAS clients and stakeholders.	Assess risk management functions in departments. Improve skills of level of SIAS officials.

2. Public Entities

Not applicable

3. Infrastructure Projects

Not applicable

4. Public-Private Partnerships (PPPs)

Not applicable

PART D: TECHNICAL INDICATOR DESCRIPTIONS
TECHNICAL INDICATORS FOR PROGRAMME 1

Indicator Title	Number of Capacity Building Programmes implemented.
Definition	This performance indicator is about the number of capacity building programmes that are implemented by LPT to a specific group of officials. The programmes will be implemented as per Skills Development Committee recommendations
Source of Data	WSP
Method of Calculation / Assessment	Simple Count.
Means of Verification	Training Quarterly Monitoring Report. Attendance Registers/certificates for capacity building sessions. Minutes of Skills Development Committee.
Assumptions	Skills audit is conducted and report available.
Disaggregation of Beneficiaries (where applicable)	Departmental Employees.
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly.
Desired Performance	Targeted Performance and above desirable.
Indicator Responsibility	Director: Employee Utilisation and Capacity Building

Indicator Title	Number of Institutional Arrangements assessment reports presented at EXCOM.
Definition	This indicator is about the assessment report that is conducted on how governance structures implements Institutional Arrangements where findings and recommendations are presented to EXCOM on quarterly basis.
Source of Data	Institutional Arrangements.
Method of Calculation / Assessment	Simple Count.
Means of Verification	<ul style="list-style-type: none"> • Approved EXCOM Minutes. • Institutional Arrangements Assessment Presentations/Report.
Assumptions	Governance Structures implement Institutional Arrangements.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly.
Desired Performance	Targeted Performance
Indicator Responsibility	Director: HOD Support Services.

Indicator Title	Number of Budget Documents compiled and submitted.
Definition	Four (4) Budget allocation documents (1 st , 2 nd , Adjustment and Final Budgets) submitted to Treasury.
Source of Data	BAS, Vulindlela & PERSAL Reports.
Method of Calculation	Simple count.
Assessment	
Means of Verification	<ul style="list-style-type: none"> • Approved Budget Document/Report. • Proof of submission to Treasury.
Assumptions	Budget Inputs from branches received on time.
Disaggregation of Beneficiaries (where applicable)	LPT Branches.
Spatial Transformation (where applicable)	N/A.
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly.
Desired Performance	Targeted Performance and above desirable.
Indicator Responsibility	Director: Management Accounting

Indicator Title	% of supplier's valid invoices paid within 30 days.
Definition	The performance indicator measures the total number of valid invoices paid versus received within 30 days.
Source of Data	Invoice Register and BAS Reports.
Method of Calculation	% of invoices paid = Number of invoices paid/total number of valid invoices received.
Assessment	
Means of Verification	Monthly Signed off Departmental Reports on payment of invoices.
Assumptions	Reliable Financial Systems.
Disaggregation of Beneficiaries (where applicable)	Service Providers.
Spatial Transformation (where applicable)	N/A.
Calculation type	Non-cumulative
Reporting Cycle	Quarterly.
Desired Performance	Targeted Performance.
Indicator Responsibility	Director: Financial Accounting.

Indicator Title	Number of Financial Statements compiled for submission to Provincial Treasury in line with the reporting framework.
Definition	Four (4) of financial statements (Annual, 1 st , 2 nd and 3 rd Quarter Financial Statements) compiled and submitted to Provincial Treasury in line with reporting framework.
Source of Data	BAS, Vulindlela & PERSAL Reports.
Method of Calculation Assessment	Simple count.
Means of Verification	<ul style="list-style-type: none"> • Approved Financial Statements. • Evidence of submission to Provincial Treasury.
Assumptions	Inputs from branches received on time. Reliable Financial Systems.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly.
Desired Performance	Targeted Performance.
Indicator Responsibility	Director: Financial Accounting.

TECHNICAL INDICATORS FOR PROGRAMME 2

Indicator Title	Number of Research documents produced to align the Provincial Fiscal Policy.
Definition	Conduct research on Provincial Socio-Economic status to produce 1 Socio Economic Review and Outlook (SERO), 4 Quarterly Economic Bulletins (QEB), 1 Medium Term Budget Policy Statement (MTBPS) and 1 Estimated Provincial Revenue and Expenditure (EPRE) Overview.
Source of Data	International Monetary Fund (IMF), Statistics South Africa (StatsSA), National Treasury and IHS Global Insight Company.
Method of Calculation Assessment	Simple Count.
Means of Verification	Approved/signed off 1 x Socio Economic Review and Outlook (SERO) during 4 th Quarter. Approved/signed off Quarterly Economic Bulletin (QEB) for each quarter. Approved/signed off 1 x Medium Term Budget Policy Statement (MTBPS) during the 3 rd Quarter. Approved/signed off 1 x Estimated Provincial Revenue and Expenditure (EPRE) Overview during the 4 th Quarter.
Assumptions	That Provincial Treasury has access to the updated Socio-Economic related data.
Disaggregation of Beneficiaries (where applicable)	None.
Spatial Transformation (where applicable)	None.
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly.
Desired Performance	All 7 Research documents produced to align the Provincial Fiscal Policy.
Indicator Responsibility	Director: Macro-Economic Analysis

Indicator Title	Number of Revenue Assessments conducted to ensure collection of set target.
Definition	Assessment conducted on progress of revenue collection by Departments and Public Entities to ensure collection of revenue set target.
Source of Data	Monthly and quarterly reports from departments, BAS reports and budget books.
Method of Calculation / Assessment	Simple count.
Means of Verification	Approved/signed off Quarterly Consolidated Revenue Assessments Report.
Assumptions	All Provincial Departments and Public Entities identify and implement revenue enhancement projects / sources.
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	None
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Maximisation of Provincial Own Revenue generation by maintaining current revenue sources and identification of sustainable new revenue sources/projects.
Indicator Responsibility	Director: Fiscal Policy Analysis (Revenue)

Indicator Title	Number of Budget documents tabled in line with the set standards and National Treasury.
Definition	Main Appropriation Bill and Adjustment Budget documents compiled and tabled.
Source of Data	Budget documents (Budget Statements, Appropriation Bills and Schedules, Citizen Guides, etc.)
Method of Calculation Assessment	Simple count.
Means of Verification	<ul style="list-style-type: none"> • Approved Provincial Budgets (Main and Adjustment Budget). • Proof of tabling at the Legislature.
Assumptions	All Provincial Departments and Public Entities implements integrated budget planning.
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	None
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly and Annually
Desired Performance	Two credible Provincial Budgets tabled (Main and adjustment budget).
Indicator Responsibility	Director: Budget Management

Indicator Title	Number of consolidated Provincial In Year Monitoring Reports produced in line section 32 of PFMA.
Definition	12 monthly Provincial IYMs produced in line section 32 of PFMA to ensure that 13 departments spend within 100% of their allocated budgets.
Source of Data	In Year Monitoring Reports; BAS Reports and Budget Book.
Method of Calculation	Simple count.
Assessment	
Means of Verification	12 Monthly Consolidated Provincial In Year Monitoring Reports.
Assumptions	All Provincial Departments and Public Entities submits monthly IYM reports with informed narratives.
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	None
Calculation type	Cumulative (year-end)
Reporting Cycle	Monthly, Quarterly and Annually.
Desired Performance	That all 12 monthly Provincial IYMs are produced for 13 Departments and 5 Public Entities.
Indicator Responsibility	Director: Public Finance and Data Management

Indicator Title	Number of Infrastructure Reporting Model assessments conducted in infrastructure departments.
Definition	The Performance indicator measures the number of Infrastructure Reporting Model assessments that are conducted for nine infrastructure departments (Health, Social Development, Agriculture, Public Works, Transport, CoGSTA, Sport, Arts and Culture, LEDET and Education) and feedback provided for implementation of recommendations.
Source of Data	Web based Infrastructure Reporting Model (IRM), BAS report and monthly ITMC reports
Method of Calculation / Assessment	Simple count – non cumulative
Means of Verification	<ul style="list-style-type: none"> • Infrastructure Reporting Model assessment report • Proof of communication.
Assumptions	That all Provincial Departments timely submit monthly IRM reports with informed narratives
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	None
Calculation type	Cumulative (year-end)
Reporting Cycle	Monthly.
Desired Performance	All 108 IRM assessments conducted
Indicator Responsibility	Director: Infrastructure and PPP

Indicator Title	Number of infrastructure assessments on support to local government to optimize MIG performance conducted.
Definition	The performance Indicator measures the number of infrastructure assessment conducted on support to six municipalities (Sekhukhune, Thulamela, Vhembe, Mopani, Polokwane, Capricorn and Ba-Phalaborwa) to optimize MIG performance
Source of Data	Municipal documents, Section 71 reports and MIG reports
Method of Calculation / Assessment	Simple count – non cumulative
Means of Verification	<ul style="list-style-type: none"> • Approved Infrastructure Assessment Reports • Proof of communication
Assumptions	That all Municipalities timely submit monthly MIG reports with informed narratives
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	None
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly.
Desired Performance	All quarterly consolidated MIG assessments conducted annually
Indicator Responsibility	Director: Infrastructure Management and PPP

Indicator Title	Number of municipal governance structures coordinated.
Definition	Municipal Governance Structure (Strategic) that comprise of the strategic MEC of Finance, mayors and the MMCs for finance in the province. Municipal Governance Structure (Technical) that comprise of Provincial Treasury's Head of Department and Municipal Managers and Municipal Chief Finance Officers.
Source of Data	Municipal reports.
Method of Calculation / Assessment	Simple count – Non cumulative
Means of Verification	Attendance register and minutes of the meetings.
Assumptions	MEC for Finance in the province will chair the strategic session and hold municipalities' political heads accountable for financial performance, non-compliance with laws and regulations and implementation of resolutions taken. HOD for Provincial Treasury will chair and to hold municipalities' administrative heads accountable for financial performance, d non-compliance with laws and regulations and implementation of resolutions taken.
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	None
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Targeted performance and above.
Indicator Responsibility	Chief Director: Municipal Finance and Governance

TECHNICAL INDICATORS FOR PROGRAMME 3

Indicator Title	Number of asset management assessments conducted in Provincial Public Institutions.
Definition	The performance indicator measures the number of assessments that are conducted on asset management in Provincial departments and Public Entities and feedback provided
Source of Data	Provincial departments and Public Entities reports and site visits
Method of Calculation / Assessment	Simple count.
Means of Verification	<ul style="list-style-type: none"> • Assessment reports. • Proof of communication of assessment report for the previous quarter.
Assumptions	Client institutions are available for assessment
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	All 64 assessments conducted.
Indicator Responsibility	Director: Provincial Asset Management.

Indicator Title	Number of cash management assessments conducted in Provincial Public Institutions.
Definition	The performance indicator measures the number of assessments that are conducted on cash management in Provincial Departments and Public Entities and feedback provided.
Source of Data	Provincial departments and Public Entities reports and site visits
Method of Calculation / Assessment	Simple count.
Means of Verification	<ul style="list-style-type: none"> • Assessment reports • Proof of communication of assessment report for the previous quarter
Assumptions	Client institutions are available for assessment
Disaggregation of Beneficiaries (where applicable)	Limpopo Provincial Departments and Public Entities
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly.
Desired Performance	All 64 assessments conducted
Indicator Responsibility	Director: Banking, Cash and Liabilities Management.

Indicator Title	Number of SCM system assessments conducted in Provincial Public Institutions.
Definition	The performance indicator measure the number of assessments that are conducted on SCM Compliance in Provincial Departments and Public Entities and feedback provided
Source of Data	Provincial departments and Public Entities reports and site visits
Method of Calculation / Assessment	Simple count
Means of Verification	<ul style="list-style-type: none"> • Assessment reports • Proof of communication of assessment report for the previous quarter
Assumptions	Client institutions are available for assessment
Disaggregation of Beneficiaries (where applicable)	Limpopo Provincial Departments and Public Entities
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	All 64 assessments conducted
Indicator Responsibility	Director: SCM Governance and Compliance

Indicator Title	Number of procurement spent analysis assessments conducted in Provincial Public Institutions in line with Limpopo Procurement Strategy targets.
Definition	Conduct assessment on achievement of strategic procurement targets by departments and public entities in line with Limpopo Procurement Strategy (ies) and feedback provided to public institutions
Source of Data	BAS and LOGIS expenditure Report
Method of Calculation / Assessment	Total expenditure on designated group over the total provincial expenditure.
Means of Verification	<ul style="list-style-type: none"> • Assessment reports • Proof of communication of assessment report for the previous quarter
Assumptions	Departments and public entities will comply with prescripts and recommendations by oversight bodies
Disaggregation of Beneficiaries (where applicable)	Businesses owned by the following designated groups: Black, Persons with Disability, Military Veterans, SMMEs, Women, Youth, Black Owned Coops, Rural/ township businesses
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	All 64 assessments conducted.
Indicator Responsibility	Director: SCM Client Support

TECHNICAL INDICATORS FOR PROGRAMME 4

Indicator Title	Number of courses conducted on transversal systems.
Definition	Financial management capacity building through training courses. Training of departmental officials (nominated) on transversal systems for 2021/22 (BAS and LOGIS - 36 and PERSAL - 36)
Source of Data	Departmental nomination lists, attendance registers
Method of Calculation / Assessment	Simple Count
Means of Verification	Attendance Registers
Assumptions	Trainers, training venues, stable network and systems, client's nominations
Disaggregation of Beneficiaries (where applicable)	11 departments
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Actual performance that is higher than targeted performance is desirable
Indicator Responsibility	Director: Financial Management Capacity Building.

Indicator Title	Number of financial statements assessments conducted in provincial departments.
Definition	Assessments conducted on departments financial statements and feedback provided for implementation of recommendations
Source of Data	Financial Reports
Method of Calculation / Assessment	Simple count.
Means of Verification	<ul style="list-style-type: none"> • Assessment Reports • Proof of feedback to Departments
Assumptions	Timely submission of financial statements, staff and clients' availability
Disaggregation of Beneficiaries (where applicable)	11 departments
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Targeted performance
Indicator Responsibility	Director: Financial Accounting and Reporting

Indicator Title	Number of audit committee meetings supported in votes.
Definition	Support Audit Committee meetings for 11 votes by scheduling, arranging logistics and provision of secretariat support.
Source of Data	Audit Committee packs, attendance registers, minutes and Audit Committee reports
Method of Calculation / Assessment	Simple count.
Means of Verification	AC Minutes and Attendance Registers
Assumptions	Timely submission of AC packs, Availability of staff, AC members and clients for meetings
Disaggregation of Beneficiaries (where applicable)	11 departments
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Targeted performance
Indicator Responsibility	Director: Governance, Monitoring and Compliance.

Indicator Title	Number of assessment conducted on provincial risk profile for presentation at HOD's forum
Definition	Assessment reports on the monitoring of Provincial Risk Profile and feedback provided to the HOD's forum
Source of Data	Departments and Public Entities risk profiles and APPs; Limpopo Development Plan; Auditor General and Internal Audit reports; Stakeholder Consultations
Method of Calculation / Assessment	Simple count.
Means of Verification	<ul style="list-style-type: none"> • Assessment Reports. • Proof of communication to HOD's forum.
Assumptions	Access to Clusters, relevant risk champions, staff and timely submission of assessments
Disaggregation of Beneficiaries (where applicable)	11 Departments and 5 public entities
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Targeted performance
Indicator Responsibility	Director: Transversal Risk Management

Indicator Title	Number of public sector risk management framework compliance assessments conducted in Provincial Public Institutions.
Definition	Assessment reports on compliance with the Public-Sector Risk Management Framework and feedback provided to Provincial Departments and Public Entities for implementation of recommendations.
Source of Data	Votes and Public Entities Quarterly Risk Management Reports, Public Sector Risk Management Framework
Method of Calculation / Assessment	Simple count.
Means of Verification	<ul style="list-style-type: none"> • Assessment Reports. • Proof of feedback to departments and public entities.
Assumptions	Timely submission credible institutions reports, CROs, staff and effective Risk champions
Disaggregation of Beneficiaries (where applicable)	11 Departments and 5 public entities Q1: 05 Departments and 03 Public Entities Q2: 07 Departments and 03 Public Entities Q3: 05 Departments and 04 Public Entities Q4: 09 Departments and 04 Public Entities
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Targeted performance
Indicator Responsibility	Director: Transversal Risk Management

Indicator Title	Number of financial system utilization assessments conducted in departments.
Definition	Assessments conducted on financial system utilisation on all 11 provincial departments and feedback provided for implementation of recommendations.
Source of Data	HRM Reports, Trial Balance, User Account Management Reports, SITA and IBM SLAs
Method of Calculation / Assessment	Simple Count.
Means of Verification	Assessment Reports. Proof of communication of assessment report for the previous quarter.
Assumptions	To track the financial systems utilization in 12 Votes to ensure effective usage.
Disaggregation of Beneficiaries (where applicable)	11 Departments.
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Actual performance that is higher than targeted performance is desirable.
Indicator Responsibility	Director: Systems Administration

Indicator Title	% of provincial irregular expenditure condonement requests considered by Provincial Treasury in terms of the National Treasury Irregular Expenditure Framework
Definition	This performance indicator measures the percentage of provincial irregular expenditure condonement requests considered by Provincial Treasury in terms of the National Treasury Irregular expenditure framework
Source of Data	Departmental Reports
Method of Calculation / Assessment	Actual Performance will be calculated as follows: Numerator = number of irregular expenditure condonement requests submitted to Provincial Treasury by Provincial Departments. Denominator = Total number of irregular expenditure condonement requests considered by Provincial Treasury x targeted % for the quarter / financial year. Results of the above expressed in percentages.
Means of Verification	Feedback report on condonement request submitted to Provincial Treasury to Provincial Departments.
Assumptions	Provincial Departments submit irregular expenditure condonement requests to Provincial Treasury for consideration in terms of the National Treasury Irregular expenditure framework
Disaggregation of Beneficiaries (where applicable)	11 Departments
Spatial Transformation (where applicable)	N/A
Calculation type	Non - Cumulative
Reporting Cycle	Quarterly
Desired Performance	Targeted performance
Indicator Responsibility	Director: Governance, Monitoring and Compliance.

TECHNICAL INDICATORS FOR PROGRAMME 5

Indicator Title	Number of Cluster Based Annual Audit Plans prepared by Shared Internal Audit Services and approved by Audit Committee for the year 2021/22.
Definition	Three years rolling and annual audit plans for the 11 votes (excluding Legislature as listed under table 2 & 3 of this APP) approved by the Audit Committee for the financial year 2021/22.
Source of Data	Departmental Risk Profiles and departmental strategic outcomes
Method of Calculation / Assessment	Simple count
Means of Verification	4 x Approved Cluster Based Annual Internal Audit Plans.
Assumptions	Improved Governance, Risk, Control and Compliance processes in Provincial Government
Disaggregation of Beneficiaries (where applicable)	11 Provincial Departments
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting Cycle	Annual
Desired Performance	4 x Approved Cluster Based Annual Internal Audit Plans.
Indicator Responsibility	Chief Audit Executive

Indicator Title	% of Internal Audits finalised in terms of the approved Audit Plans.
Definition	This performance indicator measures the percentage of audits finalised and communicated to departments (all votes except Legislature) in accordance with the approved internal audit plan.
Source of Data	Finalised Internal Audit Reports.
Method of Calculation Assessment	Actual Performance will be calculated as follows: Numerator = Number of audits performed. Denominator = Total number of planned audits x targeted % for the quarter / financial year. Results of the above expressed in percentages.
Means of Verification	Exception Reports and Approved Audit plans of departments.
Assumptions	The assumption is that the internal audit plan is dynamic and may change as circumstances warrant.
Disaggregation of Beneficiaries (where applicable)	11 Provincial Departments
Spatial Transformation (where applicable)	N/A
Calculation type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	98% of finalised Internal Audit Reports
Indicator Responsibility	Chief Audit Executive

Indicator Title	Number of annual internal Quality Assurance Improvement Programme (QAIP) report prepared to improve the quality of client service.
Definition	This performance indicator measures the conformance of SIAS to the International Standards for the Professional Practice of Internal Auditing.
Source of Data	Internal Audit Projects Files / Teammate Working Papers.
Method of Calculation / Assessment	Simple count
Means of Verification	Approved Internal Quality Assurance Improvement Programme (QAIP) report.
Assumptions	Enhanced credibility and reliance on Shared Internal Audit Services.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Non-cumulative
Reporting Cycle	Annual
Desired Performance	Improved quality of internal audit services to 11 client provincial departments and stakeholders.
Indicator Responsibility	Chief Audit Executive

Annexures to the Annual Performance Plan

Annexures A: Amendments to the Strategic Plan

Not applicable.

Annexures B: Conditional grants

Not applicable.

Annexures C: Consolidated indicators

Not applicable.

Annexures D: District Development Model

Provincial Own Revenue

Fiscal Policy Analysis – Revenue promote and enforce transparency and effective management of revenue in departments and public entities. Own revenue is generated from communities and as such, Provincial Treasury jointly with Departments will capacitate districts in effective revenue management and continuous revenue enhancement. The implementation of Provincial Revenue Enhancement and Retention Strategy will consider Districts' performance with a view to encourage effective revenue management, enhancement and sustainability of revenue sources. Provincial own revenue plays a critical role in augmenting Provincial Share of Revenue that is faced with continuous budget cuts pending low economic growth.

Provincial Budget

The role of Provincial Budget Management towards the District Development Model is to prepare provincial budget in collaboration with Departments and Public Entities considering provincial priorities and the scarcity of resources. Budget allocation will focus mainly on developmental plans in the districts, however this is a conjoint function with departments and public entities.

Public Finance Management

The Directorate exercise control over the implementation of provincial budgets in ensuring resource allocation efficiency to achieve maximum social, environment and economic benefits. In the implementation of District Development Model, Provincial Treasury provide capacity building to Departments, Public Entities and Districts to ensure costs minimisation and monitoring that funds are spend for intended purposes. The expenditure performance of the departments will also be monitored through Districts.

Infrastructure Management

In ensuring the success of the District Development Model on provincial infrastructure development, Limpopo Provincial Treasury provide infrastructure planning support to provincial departments and municipalities; and also exercise an oversight role in the implementation of such plans and the implementation of infrastructure budget. Since the infrastructure developmental needs are informed by community needs, Provincial Treasury coordinate such information through collaboration with infrastructure departments; Office of the Premier and public entities and coordinate the required financial and technical support. Infrastructure development is a necessity to accelerate economic growth and for poverty alleviation.

Municipal Finance

Limpopo Provincial Treasury plays oversight on the financial matters to strategic guide the financial planning process of the District Development Model, and also exercise control over implementation of such budgets. Therefore, the department assist in the District Development Model in ensuring that resource allocation efficiency to achieve maximum social and economic benefits.

Shared Internal Audit Services

The province has established and adopted a Shared Internal Audit Services model operating within Provincial Treasury but provides assurance and consulting services to all departments.

The Provincial Internal Audit Function will audit and provide assurance on the establishment and integrity of the District Development Models (DDM) of all department will be audited. This will entail auditing the completeness of the DDM's including the implementation and integration of the model into the organisation's operational plans.



LIMPOPO

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