



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY

Strategic Plan

**For the
Fiscal Years
2010/11 – 2014/15
[5 years beginning with 2010/11]**

2011/12 Amendment

Date of tabling: 20 March 2012

FOREWORD

by the Member of the Executive
Council of Limpopo Provincial
Treasury

Our term is moving closer towards 2014, which demands of us to shift gears and move with speed to change the living conditions of the people of Limpopo Province. As we do so, we should continue to renew our commitment to:

- A Responsive, accountable, effective and efficient Provincial and Local Government system; and
- An effective and efficient administrative support in the Department.

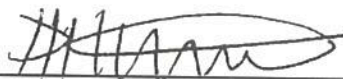
It is clear that in the period ahead, we have to be more focused as a collective to ensure that political and socio-economic gains of the past years are not eroded and that the Government programs that seek to change the conditions of the poor will be protected at all cost. It is within this context that we further commit ourselves to the Cabinet approved Medium Term Strategic Framework (MTSF), whose key strategic priorities for the current term of democratic government (2009-2014) include but are not limited to:

- Massive programme to build social and economic infrastructure;
- Speeding up income distribution growth and transforming the economy to create decent work and sustainable livelihoods;
- Building a developmental state including improvement of public services and strengthening democratic institutions;
- Intensifying the fight against crime and corruption; and
- Strengthen our skills and human resources base.

As a further commitment to the outcomes approach led by The Presidency, the African National Congress' election Manifesto and the MTSF, and the Limpopo Employment Growth and Development Plan (LEGDP) we herein confirm our role towards 2014 as being that of:

- A **Fundraiser** for the Provincial Government of Limpopo;
- An **Allocator** of the Provincial fiscus aligned with its priorities and outcomes;
- A **Manager and Monitor** of public funds towards a clean audit in Provincial Departments and Municipalities;
- **Evaluator** of the socio-economic impact of Government expenditure in ensuring value for money for Public Funds;
- **Accountable** internal organization with systems and skilled people who communicate effectively; and
- A **Partner to our role players** towards stronger cooperation and relationships.

I therefore endorse this Strategic Plan and commit to ensuring that it is implemented.



D Masondo (MPL)
EXECUTIVE AUTHORITY

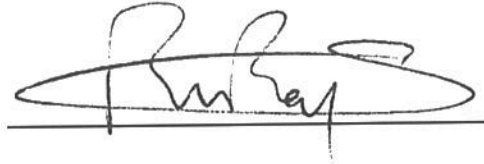
OFFICIAL SIGN-OFF

It is hereby certified that this Strategic Plan:

- Was developed by the management of the Limpopo Provincial Treasury under the guidance of MEC David Masondo;
- Takes into account all the relevant policies, legislation and other mandates for which the Limpopo Provincial Treasury is responsible;
- Accurately reflects the strategic outcome oriented goals and objectives which the
- Limpopo Provincial Treasury will endeavour to achieve over the period 2010 – 2015.

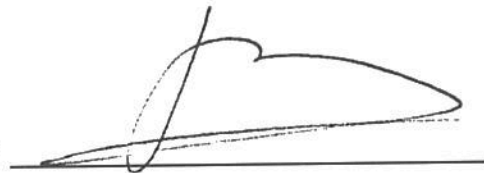
Ms MP RAPHESU
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Signature:



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Chief Financial Officer

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Mr N Ramdharie
Accounting Officer

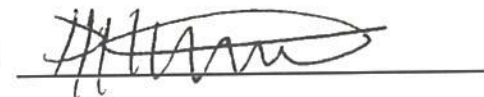
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Approved by:

D Masondo (MPL)

Signature:



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LIST OF ACRONYMS

Acronym	Description
AFS	Annual Financial Statement
APP	Annual Performance Plan
BAS	Basic Accounting System
CFO	Chief Financial Officer
DORA	Division of Revenue Act
GG	Government Garage
GIAMA	Government Immovable Asset Management Act
HOD	Head of Department
HR	Human Resource
HRD	Human Resource Development
IDIP	Infrastructure Delivery Improvement Programme
IFMS	Integrated Financial Management System
IYM	In Year Monitoring
LEGDP	Limpopo Employment, Growth and Development Plan
LPT	Limpopo Provincial Treasury
MEC	Member of the Executive Council
MTEF	Medium Term Expenditure Framework
MTREF	Medium Term Revenue and Expenditure Framework
NCOP	National Council of Provinces
PERSAL	Personnel Salary
PFMA	Public Finance Management Act
PMS	Performance Management System
PPP	Public Private Partnership
PPPFA	Preferential Procurement Policy Framework Act
PRF	Provincial Revenue Fund
SAQA	South African Qualification Authority
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SGM	Senior General Manager
SISP	Strategic Information Systems Plan
SITA	State Information Technology Agency
SLA	Service Level Agreement
SMME	Small Medium Micro Enterprise
SMS	Senior Management Service
TR	Treasury Regulations



PART A

STRATEGIC OVERVIEW

PART A: STRATEGIC OVERVIEW

1. VISION

To be the best Provincial Fundraiser, Allocator, Monitor, Manager and Evaluator of the Public Finance for socio-economic development in South Africa.

2. MISSION

To provide ethical, consultative and people focused services through sound public financial management, including attaining and maintaining effective financial resource management

The Department's motto will be, **“We are the best in what we do”**.

3. VALUES

- Commitment and a sense of urgency
- Professionalism
- Equity
- Appreciation
- Ubuntu and Batho Pele
- Transparency and Accountability
- Integrity and Honesty
- Mutual respect and Trust
- Participatory and Accessibility

4. LEGISLATIVE AND OTHER MANDATES

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 the relevant regulations:

- Public Finance Management Act (PMFA) of 1999 (as amended by Act 29 of 1999);
- Municipal Finance Management Act (MFMA) 56 of 2003;
- Annual Division of Revenue Act

4.1. Constitutional mandates

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.

The focus in the next five years will be continuing with building capacity in municipalities to ensure sound financial management for effective and efficient service delivery.

In view of the economic environment, focus will also be on prudent utilization of resources without compromising government priorities, and therefore monitoring of expenditure in the province will be key during this cycle.

The transfer of the Provincial Internal Audit function from the Office of the Premier to Provincial Treasury will increase the department's role in overseeing internal controls within departments to improve financial management in the province.

5. SITUATIONAL ANALYSIS

The department performs within the environment that affects its efficiency in delivering its service. The internal and external environments are therefore important factors to be considered when developing plans.

5.1. Performance environment

5.1.1. Situational Analysis

During the planning sessions, the team conducted an internal analysis (situational analysis) and the following factors were identified as typifying the current environment;

- Skills shortage (Technical competency and capacity);
- Qualified audits in Provincial departments and Municipalities because of the following issues:
 - Pre-determined objectives;
 - Supply Chain Management;
 - Financial Management;
 - Turnaround plans;
 - IT Controls;
 - Human Resource Management;
 - Use of consultants, and
 - Governance structures
- Procurement shortcomings:
 - There's need to improve the turnaround time in paying service providers;
 - There should be forward planning in procurement processes;
- Budget not linked to strategic objectives and deliverables;
- Low provincial revenue base
 - Inadequate donor funding to support strategic objectives and outcomes;
- Departments' over-expenditure leading to a Provincial overdraft, especially:
 - The departments of Education and Health given the size of their equitable share consumption;
- Weak partnerships with other social partners, e.g. developmental financial institutions, multilateral developmental institutions, Private Sector;
- Inadequate evaluation mechanisms over departments' expenditure behaviour, e.g. each cent spent should demonstrate value for money;

- Internal organizational (LPT) processes that require improvement, e.g. performance management, consultation, reporting etc; and
- A need for an improved work ethic, sense of duty, team work and professionalism.

This Strategic Plan strives to develop strategies and objectives that would address the identified challenges in an effort to improve on service delivery.

5.1.2. Financial Management in the Province

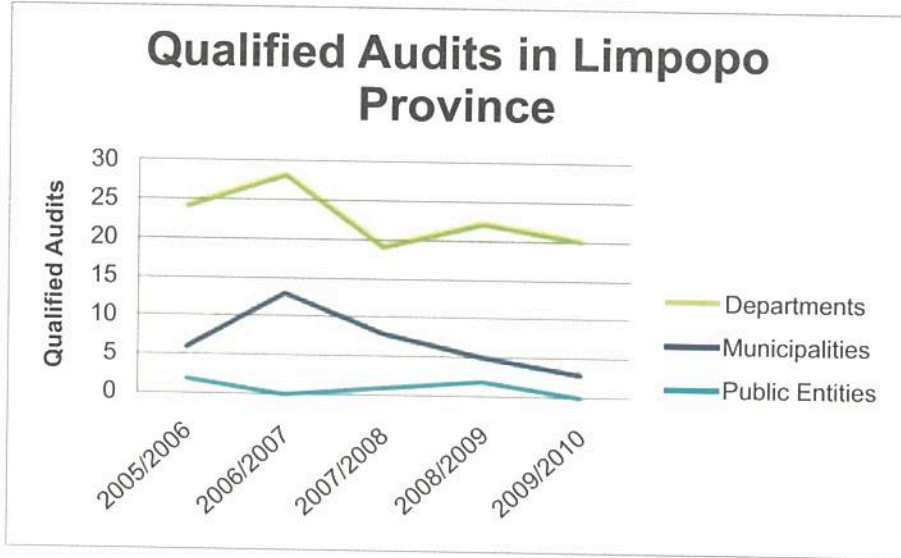
The role of Limpopo Provincial Treasury in supporting and monitoring provincial departments, public entities and municipalities will ensure improved management of financial management resources in the province. The current status of the province's financial management position in relation to audit outcomes is represented below:

Audit outcomes of Limpopo Provincial Departments: 2005/06 – 2009/10

Financial Year	Provincial Departments with Qualified Audits	Municipalities with Qualified Audits	Provincial Entities with Qualified Audits
2005/2006	5+1 Adverse Opinion	5 + 13 Disclaimers + 5 Adverse	2
2006/2007	13 (All)	1 + 22 Disclaimers + 4 Adverse	0
2007/2008	8	3 + 15 Disclaimers + 1 Adverse	1
2008/2009	5	8 + 14 Disclaimers	1 + 1 Disclaimer
2009/2010	3	12 + 8 Disclaimers	0

The graphical representations of the above statistics are on Figure 1 below:

Figure 1: Audit Outcomes of Limpopo Provincial Departments, Municipalities and Public Entities



It is clear from the above graph that audit outcomes which reflect on internal controls within departments have not been stable in Limpopo province. The service provided by Provincial Treasury is therefore necessary in ensuring that these trends are improved and sustained in the years to come. This Strategic Plan has taken these factors into consideration in determining our priorities.

The declining Equitable Share of the province requires prudent management of resources and alternative sources of revenue so that the services delivered to South Africans citizens have a developmental impact.

5.1.3. Limpopo Economy

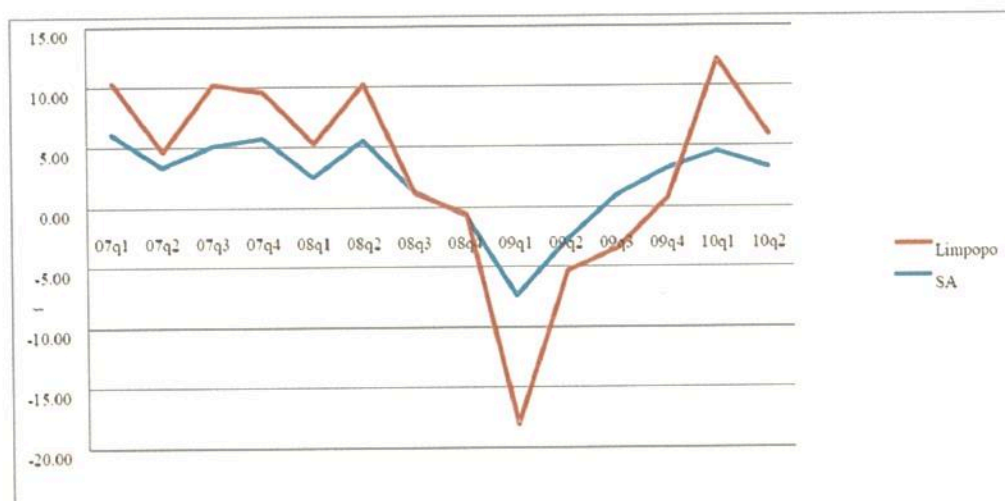
The Limpopo economic growth rate was on a decline since first quarter of 2007. Negative growth was experienced since the first quarter of 2009 up to the fourth quarter of 2009. The first quarter of 2010 has experienced recovery resulting in 7.6% growth rate but reduced to 2.8% in the second quarter of 2010.

The main contributors to the negative growth were largely mining, agriculture and manufacturing. Mining had a decline ranging from -14.0% in third quarter of 2008 to that of -38.9% in the first quarter of 2009. There was an improvement in the first quarter of 2010 but declined to -19.5% in quarter 2 of 2010. Agriculture had a decline ranging from -8.2% in quarter 1 of 2009 to -13.7% in fourth quarter of 2009 before increasing in the first quarter of 2010. Agriculture is the one that boosted growth in the second quarter of 2010 being the highest contributor followed by transport and communication. The increase in the contribution by transport and communication can be linked to the activity that this sector was engaged in during the FIFA 2010 world cup.

In the fourth quarter of 2007 construction was the highest contributor to growth. The high contribution can be attributed to the initiation of construction of infrastructure that was needed for FIFA 2010 world cup. Slowing down in 2009 can be attributed to the fact that most of the construction was at the completion stage and slight recovery in first and second quarter of 2010 is because additional facilities were constructed including more roads.

Limpopo and SA GDP

Figure 2: Percentage change in GDP for Limpopo and SA 2007 to 2010



Source: Quantec 2010

The economic growth pattern of both Limpopo Province and the rest of the country is the same. Limpopo is on average performing slightly less than the rest of the country. SA experienced negative growth three quarters in succession during the second quarter of 2009 while Limpopo only started experiencing negative growth three quarters in succession in the third quarter of 2009. When SA economy was recovering, the Limpopo economy lagged behind and continued with negative growth for two more quarters after SA had started positive growth before it experienced positive growth in the first quarter of 2010. Both SA economy and Limpopo experienced positive growth in the second quarter of 2010 but a reduction from that of the first quarter. A growth rate of 4.6 percent was recorded in SA during the first quarter of 2010 while 3.2 percent was recorded in the second quarter of the same year. Limpopo province recorded 7.6 percent and 2.8 percent during the first and second quarter of 2010 respectively.

Labour Market

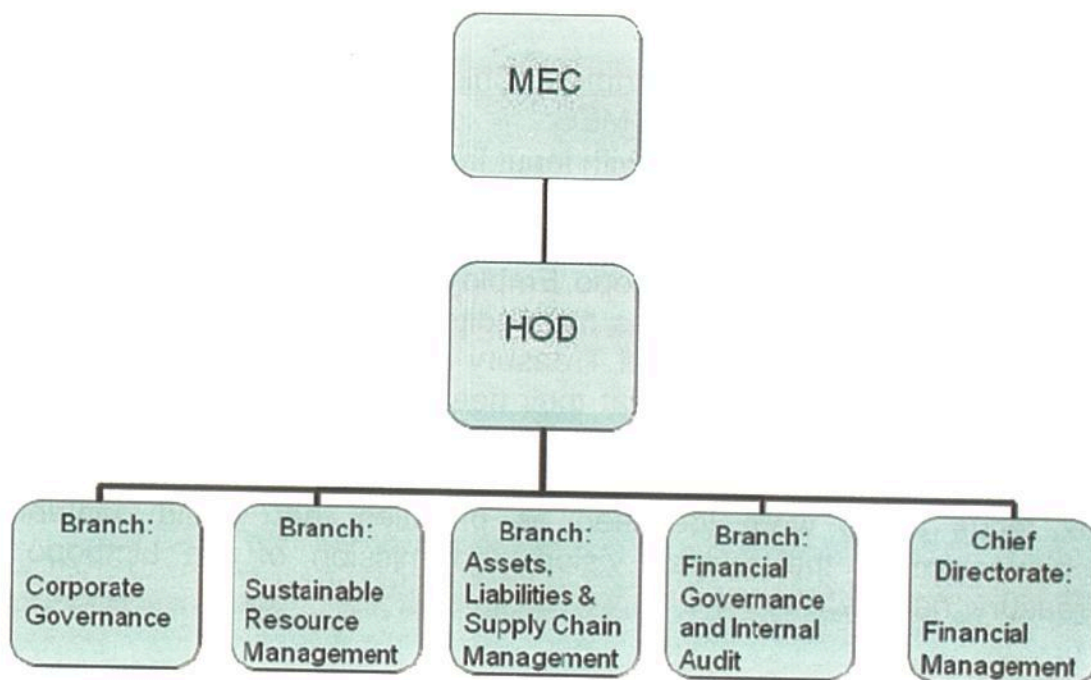
Out of 3.3 million Limpopo working age populations, only 1.2 million per cent were economically active in the third quarter of 2010. Labour force participation ratio which was at 36.7 per cent for the third quarter of 2010 is down from 38.9 per cent a year earlier. 303 000 labour market participants were unemployed, indicating an unemployment rate (officially defined) of 25.1 per cent for the quarter.

According to the Quarterly Labour Force Survey, the official unemployment rate in Limpopo fell by 0.4 percentage points between the third quarter of 2009 and the third quarter of 2010.

Unemployment increased significantly in the third quarter of 2010 as compared to the preceding second quarter. This is as a result of termination of temporary jobs that were created by the World Cup in the second quarter. Over the same period, employment in the province fell by 3.3 per cent, indicating that the fall in unemployment was a result of a decline in labour participation owing to recessionary effects. According to Statistics South Africa, the provincial unemployment rate was 25.1 per cent in the third quarter of 2010.

5.2. Organisational environment

The updated structure, with the inclusion of the transferred function of Provincial Internal Audit as part of Financial Governance will be implemented to pursue the new accelerated strategic objectives and the key elements of the structure are as follows:



The department's capacity within Programs 2, 3 and 4 has been increased. This is as a result of the change in management (HOD) and the reprioritisation exercise that had to be conducted on the filling of posts with the new HOD. The reprioritisation exercise is an ongoing process in face of skills challenges encountered by the Provincial Treasury.

Areas of real capacity challenge are in the areas of Municipal Finance, Transversal Risk Management, Budgeting, Economic Analysis, Public Expenditure and Planning support to departments, public entities and municipalities as well Monitoring and Evaluation capacity. The increased need for support to municipalities in order to achieve clean audits by 2014 also raises the need for increased capacity in Municipal Finance.

The move by the new administration to establish a Planning and Monitoring and Evaluation Ministries in The Presidency highlights the importance of planning and performance monitoring and evaluation. The Green Paper on Planning as well as on Monitoring and Evaluation titled “Improving Government’s Performance: Our approach”, emphasise the need for government to improve its planning and performance monitoring and evaluation capacity. The Green Papers highlight the need for an outcome-focused and results-oriented performance improvement programme. It is against this increased need that the department’s capacity on planning and performance monitoring and evaluation needs to be increased.

The transfer of the Provincial Internal Audit function with limited capacity due to the challenge of retaining internal auditors is an added resource challenge facing the department. These capacity challenges will be addressed during this period of 2010/11–2014/15.

5.3. Description of the strategic planning process

The Strategic Planning review process followed the following process

- Conducting a situation analysis based on the current strategy and Annual Performance Plan;
- Input from the Head of Department, Chief Financial Officer and MEC, based on the strategic guidance of the MEC;
- Strategic planning sessions with input from all branches on 21 to 23 June 2011;

The review of the Strategic Plan was also aimed at aligning it with the national outcomes as well as the Limpopo Employment, Growth and Development Plan (LEGDP). Stakeholders such as the Auditor General and SALGA representative, Statistics South Africa, National Treasury and Labour were part of the strategic planning sessions to ensure that their needs and concerns are addressed during the planning process.

Six focus areas were identified as priorities that would contribute to the achievement of the revised vision and mission of the Limpopo Provincial Treasury, namely:

- Fundraising:
 - Mitigate risk in the Provincial Equitable Share reduction
 - Increase Provincial Government’s own revenue
- Allocation:
 - Align budget to Strategy (LEGDP), Priorities and Outcomes
- Managing/monitoring public funds:

- Clean Audit
- Financial Management Competency and Skills in Departments and Municipalities
- Implementation of IFMS
- Supply Chain Management (SCM) reform

- Evaluation of Socio-Economic impact:
 - Value for money

- Internal organization
 - Skilled and committed employees
 - Communication
 - Accountability
 - Systems

- Build stakeholder relationships

6. STRATEGIC OUTCOME ORIENTED GOALS OF LIMPOPO PROVINCIAL TREASURY

Strategic outcome oriented Goal 1	Effective and efficient administrative support in the Department
Goal Statement	<p>Render effective support to 4 departmental programmes through 100% implementation and monitoring of departmental policies by 2015.</p> <p>This goal contributes towards National Outcome 12 of an efficient, effective and development oriented public service (and an empowered, fair and inclusive citizenship) and LEGDP pillar of Corporate Governance</p>

Strategic Outcome Oriented Goal 2	Responsive, accountable, effective and efficient provincial and local government system.
Goal Statement	<p>Promote and enforce transparency and effective financial management in respect of revenue, expenditure, assets and liabilities of provincial departments and provincial public entities and municipalities.</p> <p>This goal contributes towards National Outcome 12 of an efficient, effective and development oriented public service (and an empowered, fair and inclusive citizenship), National Outcome 9 of a responsive, accountable, effective & efficient local government system and LEGDP pillar of Corporate Governance.</p>



PART B

STRATEGIC OBJECTIVES

PART B: STRATEGIC OBJECTIVES

BUDGET STRUCTURE

PROGRAMME	SUB-PROGRAMME
1. Administration	1.1. Office of the MEC 1.2. Management Services 1.3. Corporate Services 1.4. Financial Management (Office of the CFO)
2. Sustainable Resource Management	2.1. Programme Support 2.2. Economic Analysis 2.3. Fiscal Policy 2.4. Budget Management 2.5. Public Finance 2.6. Intergovernmental Fiscal Relations (Municipal Finance)
3. Assets, Liabilities and Supply Chain Management	3.1. Programme Support 3.2. Asset Management 3.3. Liabilities Management 3.4. Provincial Supply Chain Management 3.5. Support & Interlinked Financial Systems
4. Financial Governance	4.1 Programme Support 4.2 Accounting Services 4.3 Transversal Risk Management & Internal Control

Please see the action plans to these programmes hereto attached as Annexure 1

7. PROGRAMME 1: ADMINISTRATION

7.1. Programme Purpose

The purpose of the programme is to provide effective and efficient Strategic management and administrative support to Provincial Treasury.

The programme has the following sub-programmes namely:

- Office of the MEC
- Office of the HOD
- Corporate Services
- Financial Management

7.2. Strategic Objectives

Strategic Objective 1	To provide strategic internal administrative support to four programmes in line with relevant prescripts during 2010/11 to 2014/15.
Objective statement	Provide strategic administrative support to 4 departmental programmes through the implementation of the HR Plan and a coordinated information management strategy during 2010/11 to 2014/15.
Baseline	All 4 Programmes supported with limitations, namely: <ul style="list-style-type: none"> • Draft HR Plan in place • Inadequate implementation of policies and procedures • Absence of coordinated information Management Strategy
Justification	Fulfilment of this strategic objective will lead to improved service delivery on all targets.
Links	Strategic outcome oriented Goal 1: Effective and efficient administrative support in the department

Strategic Objective 2	Improve financial management in the department from financial capability level 3 to level 3+ by 2014/15.
Objective	Achieve clean audit in the Department by 2013/ 2014.
Baseline	Unqualified audit opinion with no matters of emphasis.
Justification	Implementation of the Constitution, PFMA and other relevant financial prescripts to improve service delivery through efficient management of financial resources
Links	Strategic Outcome Oriented Goal 1: Effective and efficient administrative support in the department.

7.3 Resource Considerations

Trends in staffing and budget will not change as it is not expected that the budget will increase significantly from the normal inflation adjustments.

In some sub-programmes goods and services budget has a negative growth of 2% in 2009/10 and 1% in 2010/11.

This will have an adverse effect on the targets due to most of the centralized costs increases with inflation but the budget is decreasing. Reprioritization of funding for objectives of the department will have to be effected.

7.4. Risk Management

Programme 1: Administration		
Strategic Objective(s)	Strategic Risk	Mitigation
To provide strategic internal administrative support to four programmes in line with relevant prescripts during 2010/11 to 2014/15.	Loss of reputation caused by failure to practise Batho Pele principles leading to clients undermining the department and perceived ineffectiveness.	Re-launch Batho Pele Principles
	Ineffective business processes in the department due to lack of procedures to guide implementation of legal frameworks and related policies that leads to poor service delivery, low productivity, disgruntled staff and low staff morale	Develop and monitor implementation of policies, procedures and applicable prescripts

8. PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

8.1. Programme Purpose

The programme purpose is to inform financial resource allocation, manage the provincial budget and to support and monitor provincial departments, municipalities and public entities for efficient and effective use of the province's fiscal resources.

The programme has the following sub-programmes:

- Fiscal Policy
- Economic Analysis
- Infrastructure Management and PPP's
- Intergovernmental Fiscal relations (Municipal Finance)

8.2. Strategic Objectives

Strategic Objective 1	To achieve clean audit in 13 Provincial Departments and 30 Municipalities by 2014
Objective statement	Provincial and Local Government institutions to obtain unqualified audit opinions in the management of government fiscal resources in line with PFMA & MFMA by 2014
Baseline	Credible budget documents and limited monitoring of public entities 30 municipalities and 2 municipal entities are implementing financial management principles, however, improvement in the effectiveness is required
Justification	The research documents will assist in the improved alignment of the provincial budget with the LEGDP and MTSF priorities; monitoring will ensure improvement of the management of allocated budgets and compliance with MFMA and PFMA.
Links	Strategic Outcome Oriented Goal 2: Responsive, accountable, effective and efficient provincial and local government system

8.3. Resource Considerations

There are constant trends in number of key staff members. The staff turnover rate on key staff members is acceptable. It is expected that this trend will not change significantly in the next five years.

In order to improve on the reliability, accuracy and timeous delivery of data which is a key input to the unit, the unit plans to secure more than one data source.

8.4. Risk Management

Programme 2: Sustainable Resource Management		
STRATEGIC OBJECTIVE	STRATEGIC RISK	MITIGATION
To achieve clean audit in 13 Provincial Departments and 30 Municipalities by 2014	Inadequate / Poor support to departments and public entities due to lack of technical financial management skills that leads to over- or under-spending on provincial budget	Implement a comprehensive capacity development program

9. PROGRAMME 3: ASSETS, LIABILITIES AND SUPPLY CHAIN MANAGEMENT

9.1. Programme Purpose

This programme's purpose is to provide policy direction, facilitate the effective and efficient management of Assets, Liabilities, Financial Systems and Supply Chain Management.

The programme consists of the following sub-programmes:

- Programme Support
- Asset and Liabilities Management
- Provincial Supply Chain Management
- Support & Interlinked Financial Systems

9.2. Strategic Objectives

Strategic Objective 1	To achieve clean audits in 13 Provincial departments and 8 Public Entities by 2014
Objective statement	All Provincial Departments and Public Entities to obtain unqualified audit opinions on Assets, Cash-flow and Supply Chain Management in line with the PFMA and relevant SCM and Asset Management prescripts by 2014.
Baseline	Financial and Non financial assets management (excluding inventory management) implemented in provincial departments. Provincial departments and entities have been assessed, monitored, and supported in the implementation of supply chain management; the province was able to maximise economies of scale through arrangement of transversal contracts and the public empowered on doing business with government
Justification	Coordinated and integrated facilitation, monitoring and evaluation is a necessary process and plays a significant role in achieving results and accountability in public sector assets and liabilities management, including the optimal utilisation of assets in the province and the mitigation of any potential provincial bank overdraft; competent local bidders assist to achieve socio-economic objectives of the province as well.
Links	Strategic Outcome Oriented Goal 2: Responsive, accountable, effective and efficient provincial and local government system

Strategic Objective 2	To provide transversal financial systems support to 13 provincial departments during 2010/11 to 2014/15.
Objective statement	Provide management and support to 13 departments on transversal financial systems during 2010/11 to 2014/15.
Baseline	Minimum utilization of existing financial systems and implementation of IFMS
Justification	Financial systems enable the province to record, manage financial transactions, and consolidate information for reporting both provincially and nationally on financial and non-financial issues.
Links	Strategic Outcome Oriented Goal 1: Responsive, accountable, effective and efficient provincial and local government system.

9.3 Resource Considerations

Additional Budget

- IFMS implementation costs
- Monitoring costs (e.g.: travelling and accommodation)

Key Staff

- Liabilities Management
- Build competency in placed staff
- Technical expertise

9.4 Risk Management

Programme 3 : Assets, Liabilities, Financial Systems and Supply Chain Management		
STRATEGIC OBJECTIVE	STRATEGIC RISK	MITIGATION
To achieve clean audit in 13 Provincial Departments and 8 Public Entities by 2014	Potential provincial over expenditure caused by lack of fiscal discipline in departments leading to Provincial Bank Overdraft which will have a negative impact on funding of provincial priorities	<ul style="list-style-type: none"> • Payments are released within the cash allocations per disbursement
	Misappropriation of government resources caused by wilful/negligent non-compliance to SCM prescripts, weak internal controls, poor capacity and inadequate skills leading to compromised service delivery and reduced value for money.	<ul style="list-style-type: none"> • Enforce the adherence to procurement plans • Implement, monitor and evaluate compliance to Contract Management Framework • Develop, Implement and Monitor Strategic Sourcing Framework • Implement a comprehensive capacity development program
	Continuous non compliance to Asset Management prescripts caused by Management not taking appropriate action to deal with non compliance leading to misappropriation of assets	<ul style="list-style-type: none"> • Report non-compliance to the relevant Accounting Officer

10. PROGRAMME 4: FINANCIAL GOVERNANCE

10.1. Programme Purpose

- To ensure sound financial management and financial accountability in the province through capacity building, financial reporting, financial management policies development and support of oversight structures/bodies.
- To ensure that all Departments and public entities have implemented an effective risk management and internal control processes.
- To provide internal audit services to all Limpopo provincial departments in compliance with the approved internal audit plan.

The programme consists of the following sub-programmes:

- Accounting Services
- Internal Control and Risk Management
- Internal audit Services
- Programme Support

10.2. Strategic Objectives

Strategic Objective 1	To achieve clean audits in 13 Provincial departments and 8 Public Entities by 2014
Objective statement	Provide effective guidance and support on financial management in 13 provincial departments/votes and 8 public entities in order to attain unqualified audit opinions in all departments and public entities in line with the PFMA by 2014
Baseline	<p>9 out of 13 votes obtained unqualified audit opinions and 7 out of 8 public entities obtained unqualified audit opinions (1 entity's audit is pending) for the period 2009/10.</p> <p>The Provincial Risk Management Framework has been developed to guide the implementation of risk management in the departments and public institutions and an Internal Control Framework has been developed to guide the improvement of systems of internal control in both departments and public entities and actions plans to implement audit reports are monitored.</p> <p>12 Votes audited in compliance with the approved 2010/11 approved internal audit plan</p>
Justification	Proper management and accountability of public funds.
Links	Strategic Outcome Oriented Goal 2: Responsive, accountable, effective and efficient provincial and local government system

10.3. Resource Considerations

- Proposed structure for Financial Training includes 8 additional trainers and 1 deputy manager and sacrificing one manager post
- Increases on Goods and Services are based on annual increase of audit committee costs and audit fees
- Increases on capital expenditure will be due to new appointments as laptops and desk top computers will be procured

10.4. Risk Management

Programme 4: Financial Governance		
STRATEGIC OBJECTIVE	STRATEGIC RISK	MITIGATION
To achieve clean audit in 13 Provincial Departments and 8 Public Entities by 2014	Inadequate/ poor support to departments and public entities caused by lack of financial management technical skills and insufficient training personnel leading to non attainment of unqualified audit opinions and ultimately Clean Audit 2014	<ul style="list-style-type: none"> • Implement a comprehensive capacity development strategy
	Lack of accountability on tribal levies and trust accounts caused by non existence of historical financial records leading to the inability to present credible financial statements for audit purposes	<ul style="list-style-type: none"> • Facilitate the legislative process to approve the historical opening balances
	Inadequate/ poor risk management and internal control support to departments and public entities caused by lack of risk management and internal control technical skills leading to departments and public entities not achieving goals due to risks not adequately mitigated.	<ul style="list-style-type: none"> • Implement Barn Owl System to strengthen the implementation and monitoring of Risk Management Framework • Implement a comprehensive capacity development strategy • Strengthen the Risk Management Forum
	High staff turnover caused by the high demand for audit skills across all industries leading to lack of assurance to departments that internal controls, risk management and governance are effective.	<ul style="list-style-type: none"> • Implement co-sourcing model • Implement a combined assurance model



PART C

LINKS TO OTHER PLANS

PART C: LINKS TO OTHER PLANS

11. LINKS TO THE LONG-TERM INFRASTRUCTURE AND OTHER CAPITAL PLANS

There are no long term infrastructure and other capital plans in the department.

12. CONDITIONAL GRANTS

Infrastructure Conditional Grant

This grant is allocated for infrastructure capacity building for all provincial departments excluding infrastructure departments (Education, Health and Public Works) for the 2010/11 financial year only.

13. PUBLIC ENTITIES

The department does not oversee any public entities.

14. PUBLIC-PRIVATE PARTNERSHIPS

The department has no public-private partnership agreements entered into.



ANNEXURES

ANNEXURES

ANNEXURE 1: ACTION PLANS FOR PROGRAMMES

1.1. PROGRAMME 1: ADMINISTRATION

Quick Wins: July to September 2011

Priority	Project	Who	When	Milestones
Fundraising	<ul style="list-style-type: none"> Develop cost saving telephony strategy 	SM: Records	Sept. 2011	Monthly updates
	<ul style="list-style-type: none"> Develop a fundraising strategy 	SM: Transformation	Sept 2011	Draft strategy by Aug 2011
Allocator	<ul style="list-style-type: none"> Finalise report on filling of critical posts 	Corp Serv.	End of June 2011	Submit report with all data by end of June '11
Manager and Monitor	<ul style="list-style-type: none"> Site visits to bursars Complete outstanding PM instruments Freezing of unspent capital budget Review of institutional arrangements Risk Management Committee 	HRD: Mgr & Snr Mgr HRM Snr Mgr SM: Management Accounting SM: SOPC SM:ERM	Three times a year Sept 2011 30 July 2011 30 Aug 2011 July 2011	<ul style="list-style-type: none"> Quarterly reporting starting Sept '11 Monthly updates Reports on unspent funds Review Documents by 30 July 2011 Invitations by June 2011
Build Stakeholder relations	<ul style="list-style-type: none"> Issue an Eol on the use of social networks for stakeholder consultation 	GITO	End of Sept 2011	<ul style="list-style-type: none"> Submit draft Eol spec by end of July 2011
Internal Organization	<ul style="list-style-type: none"> Develop WSP 	HRD Snr Mgr	30 June 2011	<ul style="list-style-type: none"> Submit WSP at end June '11
1. HRD: Skills	<ul style="list-style-type: none"> Complete deployment of interns / learners for Training 		End of July 2011	<ul style="list-style-type: none"> Submit Interview schedules by end of June '11 Submit the list of appointees by end of July
2. Communications	<ul style="list-style-type: none"> Issue external publication (Lupfuno) Weekly ePublication Finalise Annual report Host an internal imbizo Host a media briefing 	Corp Serv: Comms	June 2011 End of June End Aug By end Sept '11 By end Sept '11	<ul style="list-style-type: none"> Draft of stories submitted Monthly report Monthly reports MEC approval of a date Finalise preparations a week in advance
3. HRM: Accountability	<ul style="list-style-type: none"> Complete the Org Structure review project Review the HR Plan 	Corp Serv - HRM Corp Serv -HRM	Starts in Aug 2011 End of Sept 2011	<ul style="list-style-type: none"> Monthly progress update Monthly updates
4. Transformation	<ul style="list-style-type: none"> Finalise the 7's task team 	Corp Gov GM & Patricia Raphesu	Sept 2011	<ul style="list-style-type: none"> Bi-weekly update meetings
Corporate Culture	<ul style="list-style-type: none"> Popularise Transformation Programmes 	SM: Transformation	Sept. 2011	<ul style="list-style-type: none"> Monthly updates
5. Record Mgt: Systems	<ul style="list-style-type: none"> Development of Maintenance Plan 	SM: Records	Sept. 2011	<ul style="list-style-type: none"> Draft management plan by Aug '11
6. Legal	<ul style="list-style-type: none"> Finalise PMS grievances 	SM: Legal	Sept 2011	<ul style="list-style-type: none"> Updated grievance resolution report

Short Term: July 2011 to March 2012

Priority	Project	Who	When	Milestones
Fundraising	• Implementation of cost saving telephony strategy	SM: Records	March 2012 March 2012	• Quarterly Reports • Appoint of Admin. Officer
	• Disposal of records	SM: Records	March 2012	• Disposal Certificate and Receipt
	• Implementation of fundraising strategy	SM: Transformation		
Allocator	• Submit a list of Bursars	HRD: Snr Mgr	Jan 2012	• Issue adverts by Sept '11 • Finalise shortlist by Dec 2011 • Adjudicate in Jan 2012 • Budget Adjustment by Oct 2011 • Submit ABC by Dec 2011 • Analysis of the ABC report by Jan 2012
	• Reallocation of unspent capital budget • Activity Based Costing	SM:MA SM: SOPC	Nov 2011 Jan 2012	
Manager and Monitor	• Capturing new info in the KM CND • Develop a recruitment/retention strategy • Review the Recruitment/ retention policy • Roll out MISS activities • Implementation of cost saving telephony strategy	HRD HRM HRM Security SM: Records	Quarterly March 2012 Dec 2011 March 2012 March 2012	• Monthly reports • Quarterly reports • Quarterly updates • MISS update report • Quarterly Reports
	• Implementation of EHW strategy	SM: Transformation	March 2012	Quarterly updates
	• Monitoring of EE targets on SMS level and SDIP	SM: Transformation	March 2012	Quarterly updates
	• Revival of the budget committee • Approval of the draft performance information management framework • Verification of performance information	CFO MEC SM: SOPC	Oct 2011 August 2011 Oct 2011 and Jan 2012	Invitations to be sent Sept 2011 Final draft by July 2011 Quarterly sessions
Evaluate impact on the internal organization	Implement PMS	HRM	March 2012	Quarterly PMS report
	Submission of EE Report	SM: Transformation	Jan. 2012	Quarterly updates and EE Report Appointment of Manager
Build Stakeholder relations	Host department and Provincial budget day	Communications	Nov 2011	Submit a Logistics report by Oct 2011
	Host Special Programmes as per prescripts	SM: Transformation	As per corporate calendar	Reports on hosting of special programme
	Host corporate governance fora	GM: Corporate Serv.	As per corporate calendar	Minutes
	Decide on the way forward regarding the Eol outcomes on use of social networks	GITO	March 2012	Recommendations report by Feb 2012
Internal Organization 1. HRD: Skills	• Roll out staff training	HRD	March 2012	• Submit quarterly Training reports
	• Host awareness workshops on Fraud and security	Security	March 2012	• Quarterly reports
2. Communications	• Issue external/Internal publication • ePublication on the intranet and website • Issue annual report • Host 1 more internal Imbizo • Host Media briefings	Snr Mgr: Comms	March 2012 Every week Annually March 2012 Nov 2011 and March 2012	• Provide quarterly reports • Monthly reports • Provide draft by end June • MEC's buy-in and focus • Finalise preparations a week in advance

Priority	Project	Who	When	Milestones
3. HRM: Accountability	<ul style="list-style-type: none"> Roll out HR Plan including exit interviews 	Corp Serv	March 2012	Quarterly updates
4. Transformation Corporate Culture	<ul style="list-style-type: none"> Finalise plans for each project of the 7's model Monitoring of EE targets on SMS level and SDIP 	Corp Serv. GM to coordinate SM: Transformation	March 2012 March 2012	<ul style="list-style-type: none"> Monthly reports by each lead directorate on the 7's projects Quarterly Reports Appoint Manager
5. Record Mgt: Systems	<ul style="list-style-type: none"> Implementation of Maintenance Plan 	SM: Records	March 2012	<ul style="list-style-type: none"> Quarterly Maintenance Report Appoint handyman
6. Legal	<ul style="list-style-type: none"> Roll out a good governance eLearning awareness exercise 	SM: Legal	March 2012	<ul style="list-style-type: none"> Submission of specifications by Dec 2011 Test Feb Start rollout

Medium Term: April 2012 to March 2013

Priority	Project	Who	When	Milestones
Fundraising	Implementation of cost saving telephony strategy	SM: Records	March 2013	Quarterly Reports Disposal Certificate and Receipt
	Disposal of Records	SM: Records	March 2013	
	Implementation of fundraising strategy	SM: Transformation	March 2013	Quarterly report
	Partner with research organisations to fund impact assessment	SM: SOPC	Sept 2012	Funding proposal by May 2012 Funding commitment from at least 2 partners by July 2012
	Research on new revenue sources	SM: Financial Accounting	March 2013	Appoint SM: Financial Accounting by Oct 2011 Present research report by March 2013
Allocator	Allocation of bursaries	HRD: Snr Mgr	Jan 2013	<ul style="list-style-type: none"> Submit a list of Bursars Shortlist by Dec 2012 Adjudicate in Jan 2013
Manager and Monitor	Capturing new info in the KM CND Roll out MISS activities Implementation of cost saving telephony strategy Implementation of EHW strategy Monitoring of EE targets on SMS level and SDIP	HRD Security SM: Records SM: Transformation SM: Transformation	Quarterly March 2013 March 2013 March 2013 March 2013	Monthly reports Quarterly Quarterly Reports Quarterly Reports Quarterly Reports
Evaluate impact on the internal organization	Implement PMS	HRM	March 2013	Quarterly PMS report
	Submission of EE Report	Transformation	Jan 2013	Quarterly updates and EE Report
Build Stakeholder relations	Host departmental and Provincial budget days (3)	Communications	2 in March 2013; Nov 2012	Submit a Logistics report a month in advance of the event
	Host Special Programmes as per prescripts	SM: Transformation	As per corporate calendar	Reports on hosting of special programme
	Host corporate governance fora	GM: Corporate Serv.	As per corporate calendar	Reports on hosting of forums
	Implement on-line forum for policy input	GITO	Feb 2012	Launch policy dialogue in Aug 2011
Internal Organization 1. HRD: Skills	<ul style="list-style-type: none"> Roll out staff training Host awareness workshops on Fraud and security 	HRD Security	March 2012 March 2012	<ul style="list-style-type: none"> Submit quarterly Training reports Quarterly reports
2. Communications	<ul style="list-style-type: none"> Issue external/Internal publication ePublication on the intranet and website Issue annual report Host 1 more internal Imbizo Host Media briefings 	Snr Mgr: Comms	March 2012 Every week Annually March 2012 Nov 2012 and March 2013	<ul style="list-style-type: none"> Provide quarterly reports Monthly reports Provide draft by end June MEC's buy-in and focus Finalise preparations a week in advance
3. HRM: Accountability	<ul style="list-style-type: none"> Roll out HR Plan including exit interviews 	Corp Serv.	March 2013	<ul style="list-style-type: none"> Quarterly updates
4. Transformation Corporate Culture	<ul style="list-style-type: none"> Roll out of the 7's projects 	Corp Serv.: GM	Starts Apr 2013	<ul style="list-style-type: none"> Monthly reports on implementation progress
5. Record Mgt: Systems	<ul style="list-style-type: none"> Implementation of Maintenance Plan 	SM: Records	March 2013	<ul style="list-style-type: none"> Quarterly Maintenance Report
6. Legal	<ul style="list-style-type: none"> Implementation of e-learning 	SM: Legal	March 2013	<ul style="list-style-type: none"> Quarterly reports

Long Term: April 2013 to March 2014

Priority	Project	Who	When	Milestones
Fundraising	Implement newly identified revenue sources	SM: Financial Accounting	June 2013	Approval by April 2013
	Implementation of cost saving telephony strategy Disposal of Records Implementation of fund raising strategy	SM: Records SM: Records SM: Transformation	March 2014 March 2014 March 2014	Quarterly Reports Disposal Certificate and Receipt Quarterly reports
Allocator	Allocation of bursaries	HRD: Snr Mgr	Jan 2014	<ul style="list-style-type: none"> Submit a list of Bursars Shortlist by Dec 2013 Adjudicate in Jan 2014
Manager and Monitor	Clean Audit	HOD & CFO	March 2014	Clearing Tribal Levies and Trust Account by March 2013
	Capturing new info in the KM CND Roll out MISS activities Implementation of cost saving telephony strategy Implementation of EHW strategy Monitoring of EE targets on SMS level and SDIP	HRD Security SM: Records SM: Transformation SM: Transformation	Quarterly March 2014 March 2014 March 2014 March 2014	Monthly reports Quarterly reports Quarterly Reports Quarterly Reports Quarterly Reports
Evaluate impact on the internal organization	Implement PMS Submission of EE report	HRM Transformation	March 2014 Jan 2014	Quarterly PMS report Quarterly updates and EE Report Appointment of Manager
Build Stakeholder relations	Host departmental and Provincial budget days (3)	Communications	2 in March 2014; Nov 2013	Submit a Logistics report a month in advance of the event
	Host Special Programmes and governance fora	SM: Transformation GM: Corporate Serv.	As per corporate calendar	Reports on hosting of special programme
Internal Organization	<ul style="list-style-type: none"> Roll out staff training Host awareness workshops on Fraud and security 	HRD Security	March 2013 March 2013	<ul style="list-style-type: none"> Submit quarterly Training reports Quarterly reports
2. Communications	<ul style="list-style-type: none"> Issue external/Internal publication ePublication on the intranet and website Issue annual report Host 1 more internal Imbizo Host Media briefings 	Snr Mgr: Comms	March 2013 Every week Annually March 2013 Nov 2013 and March 2014	<ul style="list-style-type: none"> Provide quarterly reports Monthly reports Provide draft by end June MEC's buy-in and focus Finalise preparations a week in advance
3. HRM: Accountability	<ul style="list-style-type: none"> Roll out HR Plan including exit interviews 	Corp Serv.	March 2013	<ul style="list-style-type: none"> Quarterly updates
4. Transformation Corporate Culture	<ul style="list-style-type: none"> Roll out of the 7's projects Implementation of EHW strategy Monitoring of EE targets on SMS level and SDIP 	Corp Serv.: GM SM: Transformation SM: Transformation	Starts Apr 2013 March 2014 March 2014	<ul style="list-style-type: none"> Monthly reports on implementation progress Quarterly reports Quarterly reports
5. Record Mgt: Systems	<ul style="list-style-type: none"> Implementation of Maintenance Plan 	SM: Records	March 2013	<ul style="list-style-type: none"> Quarterly Maintenance Report
6. Legal	<ul style="list-style-type: none"> Implementation of e-learning 	SM: Legal	March 2013	<ul style="list-style-type: none"> Quarterly reports

1.2 PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

Quick Wins: July to September 2011

Priority	Project	Who	When	Milestones
Fundraising	<ul style="list-style-type: none"> Donor identification project 	SGM	<ul style="list-style-type: none"> 3 months –end September 2011 	<ul style="list-style-type: none"> Monthly update
Fundraising	<ul style="list-style-type: none"> Revenue source optimization assessment Revenue optimization exercise, per department (debtor management/collection project in Depts. and Munics) 	Fiscal development Fiscal development	<ul style="list-style-type: none"> Depts:3 months Depts.: Oct 11 	<ul style="list-style-type: none"> Monthly update Quarterly update Monthly increased revenue report
Allocator	Establish a total Provincial wage bill as at 31 March 2011 towards reducing CoE by 2% Assessment of departmental infrastructure plans for alignment to provincial integrated infrastructure plan and LEGDP Review of Provincial allocation criteria to address LEGDP priorities and outcomes	Fiscal policy (vacant post) Infrastructure management Fiscal Policy	End June 2011 End of September 2011 End of Aug 2011	<ul style="list-style-type: none"> Report on the size of the wage bill by June 2011 Report on wage bill drivers by end of September 2011 Receive infrastructure plans from department by end of June Draft allocation discussion document(cluster allocation approach)-Monthly
Manager and monitor	Site (Points of collection) visits to Departments and Municipalities	Fiscal Dev	Start 1 Aug	<ul style="list-style-type: none"> Continuous implementation with monthly reports Quarterly financial reports
Socio economic impact assessment	Socio- Economic impact assessment report	Macro-Economic Unit	Aug 2011	Draft reporting framework (stakeholders consultation) at end of July 2011
Building stakeholders relations with (National Treasury and Municipalities)	Roll out the 30 (MFMA Compliance) indicators monitoring programme to municipalities - Completion of the training	Municipal Finance	June 2011	Training report for Provincial Treasury officials submitted by end June 2011

Short Term: June 2011 to March 2012

Priority	Project	Who	When	Milestones
Fundraising	Project scoping for opportunity financing	SGM	March 2012	Quarterly presentation of business plans
	Revenue optimization exercise, per department (debtor management/collection project in Depts. and Munics)	Fiscal Dev	Munics: March 2012 Depts.: Oct 11 Munics: Apr 2012 to Mar 2014	Quarterly update Monthly increased revenue report
Allocator	2% reduction on CoE historical impact assessment(as at March 2011)	Fiscal Policy vacant	Dec 2011	Impact report on 2011/12 allocation per department monthly
Manager and monitor	Credible own revenue and expenditure budgets and projections	Fiscal Dev and MFMA team	May 2012	Draft budgets by March 2012
	Develop a financial management oversight blueprint for local Government	Municipal finance	March 2012	Submit first draft by Oct 2012 Submit second draft by Jan 2013
Socio-Economic Impact assessment	Socio-Economic Impact Assessment Report	Macro-Economic Unit	Aug 2011 (Q1)	Socio-Economic Impact Assessment Report end Q1 MTEC
			Oct 2011 (Q2) Nov 2011	MTBPS (2012/13 mini budget) SERO
			Feb 2012	
Building stakeholder relations with National Treasury and Municipalities	Roll out the 30 (MFMA Compliance) indicators monitoring programme to delegated municipalities-Single session per municipality	Municipal Finance	To start 1 July 2011 to March 2012	Quarterly report submitted on delegated municipalities covered

Medium Term: April 2012 to March 2013

Priority	Project	Who	When	Milestones
Fundraising	Revenue optimization exercise, per department (debtor management/collection project in Depts. and Munics)	Fiscal Development	Municipality: Apr 12 to Mar 14	Quarterly update Monthly increase revenue report
	Business registration Act facilitation – Sponsoring a position paper	Fiscal Development	April 2012	Business Registration Act
Allocator	Review of Provincial allocation criteria to address LEGDP priorities and outcomes	Fiscal Policy	Annually by the end of Aug 2012	Draft allocation discussion document (cluster allocation approach) – Monthly
	Roll out and institutionalization of IDIP in Infrastructure Depts.	IM	March 2013	Integrated Infrastructure Plan submitted monthly Monthly IDIP reports
Socio-Economic impact assessment	Socio-Economic Impact Assessment Report	Macro-Economic Unit	July 2012 (Q1)	Socio-Economic Impact Assessment Report end Q1
			Oct 2012 (Q2)	MTEC
			Nov 2012	MTBPS (2013/14 mini budget)
			Feb 2013	SERO
Building stakeholder relations with National Treasury and Municipalities	Roll out the 30 (MFMA compliance) indicators monitoring programme to delegated municipalities - Single session per municipality	Municipal Finance	To start Apr 2012 to March 2013	Quarterly report submitted on delegated municipalities covered

Long Term: April 2013 to March 2014

Priority	Project	Who	When	Milestones
Fundraising	Revenue optimization exercise, per department (debtor management/collection project in Departments and Municipalities)	Fiscal Development	Municipality: Apr 12 to Mar 14	Quarterly update Monthly increased revenue report
Allocator	Review of Provincial allocation criteria to address LEGDP priorities and outcomes	Fiscal Policy	Annually by the end of Aug 2013	Draft allocation discussion document (cluster allocation approach) - Monthly
Socio-Economic impact assessment	Socio-Economic impact Assessment Report	Macro-Economic Unit	July 2013(Q1)	Socio-Economic Impact Assessment Report end Q1
			Oct 2013(Q2)	MTEC
			Nov 2013	MTBPS (2014/15 mini budget)
			Feb 2014	SERO
Building stakeholder relations with National Treasury and Municipalities	Roll out the 30 (MFMA compliance) indicators monitoring programme to delegated municipalities-single session per municipality	Municipal Finance	To start Apr 2013 to March 2014	Quarterly report submitted on delegated municipalities covered

1.3 PROGRAMME 3: ASSETS, LIABILITIES AND SUPPLY CHAIN MANAGEMENT

Quick wins: July to September 2011

Priority	Project	Who	When	Milestones
Allocator	Conduct a benchmark exercise for value for money	SCM	Aug 2011	Monthly updates
Manager and Monitor	Clean Audit - Asset control	SM: DSCM	July 2011	Appoint and Train RM as asset controllers
	Reconciliation of the overdraft and outstanding surrenders	Banking and Cash Mgt	July 2011	Monthly Reports on Provincial cash Position
	Alignment of the cash flow plans and payments disbursements	Banking and cash Mgt	Starts 1 June 2011	Monthly cash flow plans and actual report
	Develop a position paper on benchmarks and best practices of curbing the public sector overdraft	Bank and cash management	September 2011	Submit plan by mid July Submit first draft by end Aug
Socio-Economic Impact evaluation/ assessment	Finalize the implementation of 30 day payments	SCM	Aug 2011	Process review July 11 Implement tracking system July 11

Short Term: June 2011 to March 2012

Priority	Project	Who	When	Milestones
Fundraiser	Sale of redundant and obsolete assets	SM: SCM	March 2012	Asset verification by Feb 2012
Manager and Monitor	Reconciliation of the overdraft and outstanding surrenders	Banking and Cash Mgt	March 2012	Monthly Reports on Provincial cash position
	Alignment of the cash flow plans and payments disbursements	Banking and Cash Mgt	March 2012	Monthly cash flow plans and actual report
Socio-Economic impact evaluation/ assessment	Monitor the implementation of 30 day payments	SCM	March 2012	Provide monthly reports
	PP regulations Awareness Workshops		November 2011	Monthly reports
	Finalize the CSD		November 2011	Finalize process with NT Sept 11

Medium Term: April 2012 to March 2013

Priority	Project	Who	When	Milestones
Allocator	Conduct a benchmark exercise for value for money	SCM	Aug 2012	Monthly updates
	Demand analysis	SM: DSCM	Sept 2012	Appoint staff by April 2012
Manager and Monitor	Economic research	SM: DSCM	Sept 2012	Appoint staff by April 2012
	Reconciliation of the overdraft and outstanding surrenders	Banking and cash Mgt	March 2013	Monthly Reports on Provincial cash position
	Alignment of the cash flow plans and payments disbursements	Banking and cash Mgt	March 2013	Monthly cash flow plans and actual report
Socio-Economic impact evaluation/assessment	Monitor the implementation of 30 day payments	SCM	March 2013	Provide monthly reports

Long Term: April 2013 to March 2014

Priority	Project	Who	When	Milestones
Allocator	Conduct a benchmark exercise for value for money	SCM	Aug 2013	Monthly updates
Manager and Monitor	Reconciliation of the overdraft and outstanding surrenders	Banking and Cash Mgt	March 2014	Monthly Reports on Provincial cash position
	Alignment of the cash flow plans and payments disbursements	Banking and Cash Mgt	March 2014	Monthly cash flow plans and actual report
Socio-Economic impact evaluation/assessment	Monitor the implementation of 30 day payments	SCM	Aug 2014	Provide monthly reports

1.4 PROGRAMME 4: FINANCIAL GOVERNANCE

Quick Wins: July to September 2011

Priority	Project	Who	When	Milestones
Fundraising	Finalising coordination for strategy for collection of debts owed by Departments to Municipalities	SGM and MFMA	End of July 2011	Strategy document by end July
Manager and Monitor	<ul style="list-style-type: none"> National Treasury capacity building for Municipalities Finalise Training for Municipal Finance Management Internship Programme Develop and Implement project risk management and Internal Controls Framework Develop the combined assurance framework Conduct a specific Risk Profile of the provincial govt Provide a feasibility report on standardizing automated IA software in municipalities 	<ul style="list-style-type: none"> SGM PCBC Risk Management Risk Management / Internal Audit Financial Systems SGM with advisors 	<ul style="list-style-type: none"> July 2011 July 2011 September 2011 September 2011 December 2011 March 2012 	<ul style="list-style-type: none"> Appoint a PCBC by end July 2011 Train Provincial officials monitors by July 2011 Submit a draft framework by end August 2011 Monthly update Monthly updates Procure a data analytics system by September 2011 Monthly update reports
Build Stakeholder relations	Finalise the MOU between PT and Local Govt	MFMA Coordinator	End of July 2011	Monthly updates

Short Term: June 2011 to March 2012

Priority	Project	Who	When	Milestones
Fundraising	Quantify and verify amounts owed between organs of state	SGM and MFMA	March 2012	Monthly reports
Manager and Monitor	<ul style="list-style-type: none"> Assess Departmental and Public Entities' CFO's offices capacity to deliver Roll out Finance Management Training Deliver the National Treasury MCB programme Roll out the evaluation of MFIP in Municipalities Develop standard reporting tools and requirements for Treasury Implement the Barnowl Risk Management System Implement the combined assurance model Develop policies and internal controls for accountability by traditional councils 	<ul style="list-style-type: none"> Snr. Mgr Financial Training PBCB SGM Risk Mgt Risk Mgt / Internal Audit Financial Reporting 	<ul style="list-style-type: none"> Nov 2011 March 2012 March 2012 March 2012 March 2012 March 2012 March 2012 March 2012 	<ul style="list-style-type: none"> Appoint service provider by end Aug 2011 Finalise project plan Quarterly Training impact report Quarterly report Evaluated Municipalities report quarterly Consultative meetings Develop standards Develop Templates Acquire the system by September 2011 Train on system from November 2011 Assess the total risk profile Appropriate assurance duties before March 2012 Conduct combined quarterly assurance Quarterly reporting

Medium Term: April 2012 to March 2013

Priority	Project	Who	When	Milestones
Fundraising	<ul style="list-style-type: none"> Quantify and verify amounts owed between organs of state 	SGM and MFMA	March 2012	<ul style="list-style-type: none"> Monthly reports
Manager and Monitor	<ul style="list-style-type: none"> Roll out long term Financial Management training programme Deliver the MCB programme Roll out the evaluation of MFIP in Municipalities Roll out the Barnowl system to other Departments Implement combined assurance model Finalise the outstanding Traditional Councils AFS 	Snr. Mgr Financial Training PCBC Risk Management Risk Management and IA Financial Reporting	Starts April 2012 March 2013 March 2013 Starts April 2012 March 2013 March 2013	<ul style="list-style-type: none"> Roll out skills audit by Nov 2011 January 2012 Quarterly Reporting Evaluation report quarterly Train of Depts. By March 2012 Quarterly reporting to Audit Committee Quarterly reporting

Long Term: April 2013 to March 2014

Priority	Project	Who	When	Milestones
Fundraising	Quantify and verify amounts owed between organs of state	SGM and MFMA	March 2013	Monthly reports
Manager and Monitor	<ul style="list-style-type: none"> Roll out long term Financial Management training programme Deliver the MCB programme Roll out the evaluation of MFIP in Municipalities Implement combined assurance model Appoint Audit project champions to second to municipalities Quality Assessment reviews in Municipalities 	Snr. Mgr Financial Training PCBC Risk Management and IA SGM Internal Audit	Starts April 2013 March 2014 March 2014 March 2014 Starts April 2013 March 2014	<ul style="list-style-type: none"> Roll out skills audit by Nov 2011 Jan 2012 Quarterly Reporting Evaluation report quarterly Quarterly reporting to Audit Committee Liaison with Local Govt and Municipalities – Quarterly reports

