



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY

Annual Performance Plan 2015/16

Date of tabling
10 March 2015

FOREWORD BY THE LIMPOPO MEMBER OF THE EXECUTIVE COUNCIL FOR FINANCE

As we enter this fifth government cycle, we reflect on challenges experienced and draw lesson from them in order to ensure that we continue telling an even better story. We do so by renewing our commitment to the citizens of our country in ensuring financial prudence and good governance that will contribute to the achievement of the ideal of a developmental state. The National Development Plan (NDP), Medium Term Strategic Framework (MTSF) 2014 -2019 and Limpopo Development Plan (LDP) provide direction towards achieving Vision 2030.

As we reflected on the lessons learnt, we identified the following key priorities that would help Provincial Treasury move to a new and better performance trajectory:

- Further strengthening of the Provincial Treasury
- Strengthening our support to Municipalities
- Achieve and maintain Unqualified Audit Outcomes
- Enforce and ensure compliance
- Monitor and facilitate infrastructure spending
- Enhance our oversight over public entities
- Strengthen CFO offices
- Monitor the Revenue Enhancement Strategy
- Implement Section 100 sustainability projects

It is clear that in the year 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 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 new Medium Term Strategic Framework (MTSF), National Outcomes special emphasis on Outcome 9 and 12 as well as the Limpopo Development Plan.

I therefore endorse this Annual Performance Plan (APP) and commit to ensuring that it is implemented.



K.A Phala (MPL)

EXECUTIVE AUTHORITY

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 MEC K.A. Phala


Was prepared in line with the current Strategic Plan of Limpopo Provincial Treasury

Accurately reflects the performance targets which Limpopo Provincial Treasury will endeavour to achieve given the resources made available in the budget for 2015/16.

MP RAPHESU

Senior Manager

Strategic Operations & Policy Coordination

Signature: 


HM MAWELA

Chief Financial Officer

Signature: 

GC Pratt

Head of Department

Signature: 

Approved by:

K.A Phala (MPL)

Executive Authority

Signature: 

TABLE OF CONTENTS	PAGE
<i>LIST OF ACRONYMS</i>	6
<i>PART A: STRATEGIC OVERVIEW</i>	9
<i>1. UPDATED SITUATIONAL ANALYSIS</i>	9
1.1 Performance delivery environment	9
1.2 Organisational environment	32
<i>2. REVISIONS TO LEGISLATIVE AND OTHER MANDATES</i>	34
<i>3. OVERVIEW OF 2015/16 BUDGET AND MTEF ESTIMATES</i>	35
3.1 Expenditure estimates	35
3.2 Relating expenditure trends to strategic outcome oriented goals	36
<i>PART B: PROGRAMME AND SUBPROGRAMME PLANS</i>	37
<i>Budget Structure</i>	37
<i>4. PROGRAMMES</i>	38
4.1 PROGRAMME 1: ADMINISTRATION	38
4.1.1 PROGRAMME 1 STRATEGIC OBJECTIVES ANNUAL TARGETS FOR 2015/16	39
4.1.2 PROGRAMME 1 PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2015/16 – 2017/18	40
4.1.3 PROGRAMME 1 QUARTERLY TARGETS FOR 2015/16	44
4.1.4 RISK MANAGEMENT	46
4.1.5 Reconciling performance targets with the Budget and MTEF	47
4.2 PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT	48
4.2.1 PROGRAMME 2 STRATEGIC OBJECTIVES ANNUAL TARGETS FOR 2015/16	49
4.2.2 PROGRAMME 2 PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2015/16 – 2017/18	51
4.2.3 PROGRAMME 2 QUARTERLY TARGETS FOR 2015/16	54
4.2.4 RISK MANAGEMENT	56
4.2.5 Reconciling performance targets with the Budget and MTEF	57
4.3 PROGRAMME 3: ASSETS, LIABILITIES AND SUPPLY CHAIN MANAGEMENT (INCLUDING FINANCIAL SYSTEMS)	58
4.3.1 PROGRAMME 3 STRATEGIC OBJECTIVES ANNUAL TARGETS FOR 2015/16	59
4.3.2 PROGRAMME 3 PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2015/16 – 2017/18	61
4.3.3 PROGRAMME 3 QUARTERLY TARGETS FOR 2015/16	63
4.3.4 RISK MANAGEMENT	65
4.3.5 Reconciling performance targets with the Budget and MTEF	66
4.4 PROGRAMME 4: FINANCIAL GOVERNANCE	67
4.4.1 PROGRAMME 4 STRATEGIC OBJECTIVES ANNUAL TARGETS FOR 2015/16	68

4.4.2	PROGRAMME 4 PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2015/16 – 2017/18	69	
4.4.3	PROGRAMME 4 QUARTERLY TARGETS FOR 2015/16		73
4.4.4	RISK MANAGEMENT		77
4.4.5	Reconciling performance targets with the Budget and MTEF		78
PART C: LINKS TO OTHER PLANS			79
5.	Links to the long term infrastructure and other capital plans		79
6.	Conditional grants		79
7.	Public entities		79
8.	Public-private partnerships		79
ANNEXURES			80
ANNEXURE 1: TECHNICAL INDICATORS FOR PROGRAMME 1			80
	Technical Indicator Definitions	80	
ANNEXURE 2: TECHNICAL INDICATORS FOR PROGRAMME 2			97
	Technical Indicator Definitions	97	
ANNEXURE 3: TECHNICAL INDICATORS FOR PROGRAMME 3			104
	Technical Indicator Definitions	104	
ANNEXURE 4: TECHNICAL INDICATORS FOR PROGRAMME 4			113
	Technical Indicator Definitions	113	

LIST OF ACRONYMS

Acronym	Description
----------------	--------------------

Acronym	Description
AFS	Annual Financial Statement
AG	Auditor General
ALSCM	Asset, Liabilities and Supply Chain Management
APP	Annual Performance Plan
BAS	Basic Accounting System
BCP	Business Continuity Planning
CFO	Chief Financial Officer
CGAP	Certified Government Auditing Professional
CIA	Certified Internal Auditor
CoE	Compensation of Employees
COO	Chief Operations Officer
CS	Corporate Services
DORA	Division of Revue Act
FG	Financial Governance
FINEST	Financial Efficiency Strategic Planning System
FMCM	Financial Management Capability Maturity Model
GDP	Gross Domestic Product
GG	Government Garage
GITO	Government Information Technology Office
HOD	Head of Department
HR	Human Resource
HRM	Human Resource Management
IBM	International Business Machines
ICT	Information and Communication Technology
ICU	Intensive Care Unit
IDIP	Infrastructure Delivery Improvement Programme
IDMS	Infrastructure Development Management System
IRM	Infrastructure Reporting Model

IT	Information Technology
IYM	In Year Monitoring
LDP	Limpopo Development Plan
LEGDP	Limpopo Employment, Growth and Development Plan
LOGIS	Logistics Information System
LPIA	Limpopo Provincial Internal Audit
LPT	Limpopo Provincial Treasury
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MISS	Minimum Information Security Standard
MPAT	Management Performance Assessment Tool
MPL	Member of the Provincial Legislature
MTSF	Medium Term Strategic Framework
NDP	National Development Plan
OHSA	Occupational Health and Safety Act
PAIA	Promotion of Access to Information Act
PAJA	Promotion of Administrative Justice Act
PERSAL	Personnel Salary
PFMA	Public Finance Management Act
PMDS	Performance Management and Development System
PPP	Public Private Partnership
PFR	Provincial Revenue Fund
Q1	Quarter 1
Q3	Quarter 3
Q4	Quarter 4
QAIP	Quality Assurance Improvement Plan
SA	South Africa
SAQA	South African Qualifications Authority
SCM	Supply Chain Management
SCOA	Standard Chart of Accounts
SCOPA	Standing Committee on Public Accounts
SDIP	Service Delivery Improvement Plan
SITA	State Information Technology Agency

SLA	Service Level Agreement
SMME's	Small Medium and Micro Enterprises
SRM	Sustainable Resource Management
STATSSA	Statistics South Africa

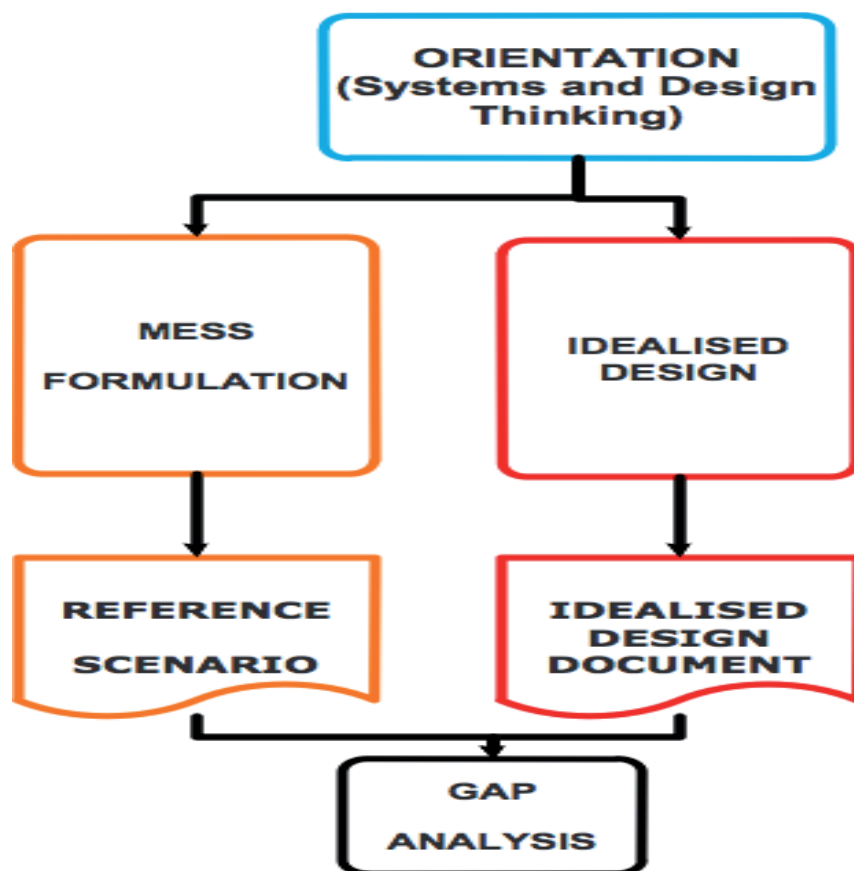
PART A: STRATEGIC OVERVIEW

1. UPDATED 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.

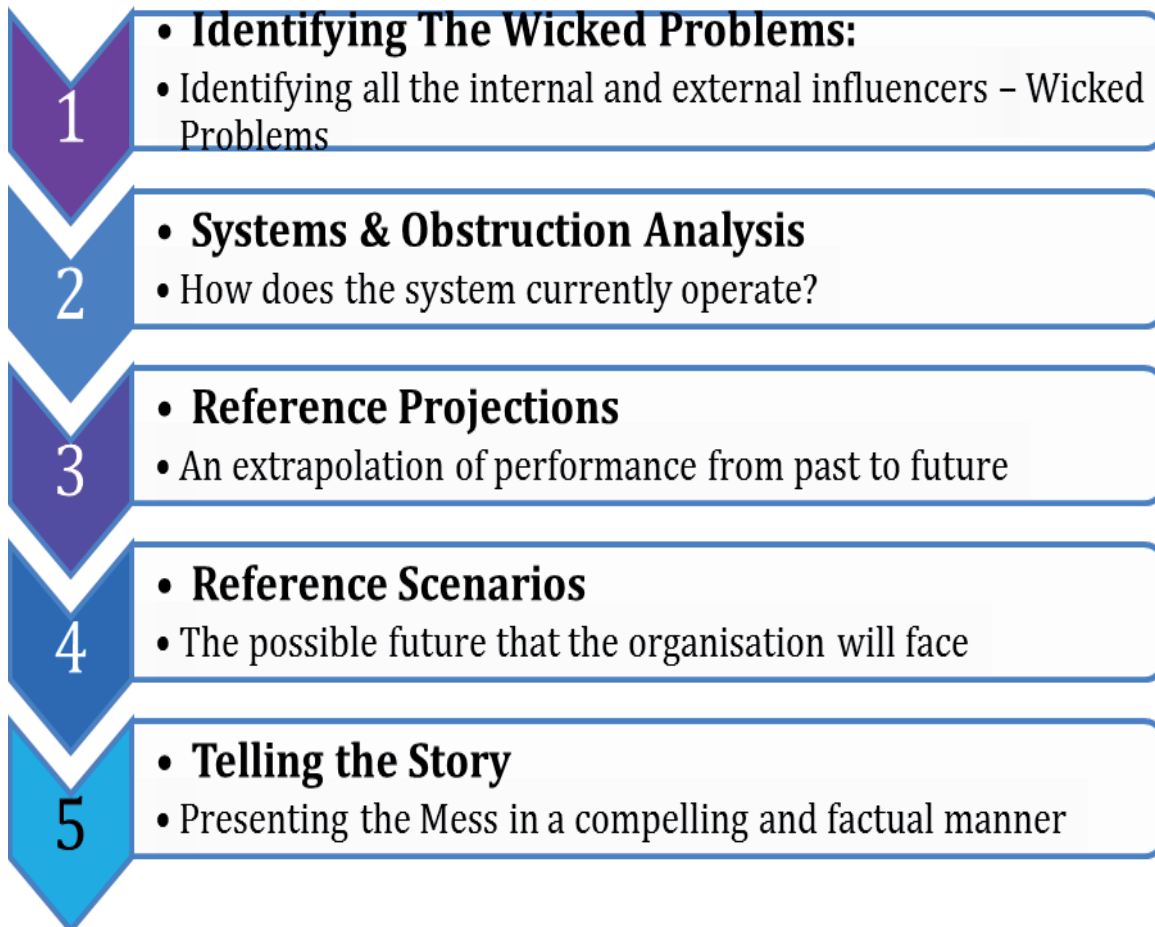
1.1 Performance delivery environment

During the Strategic Planning process, Limpopo Provincial Treasury conducted a situational analysis using the Da Vinci Interactive Planning process of Systems and Design Thinking approach. The following diagram represents the Systems and Design Thinking approach:



The Systems and Design Thinking approach analyses the environment using the **Mess Formulation** and the **Idealised Design**.

The **Mess Formulation** process consists of 5 distinct steps:

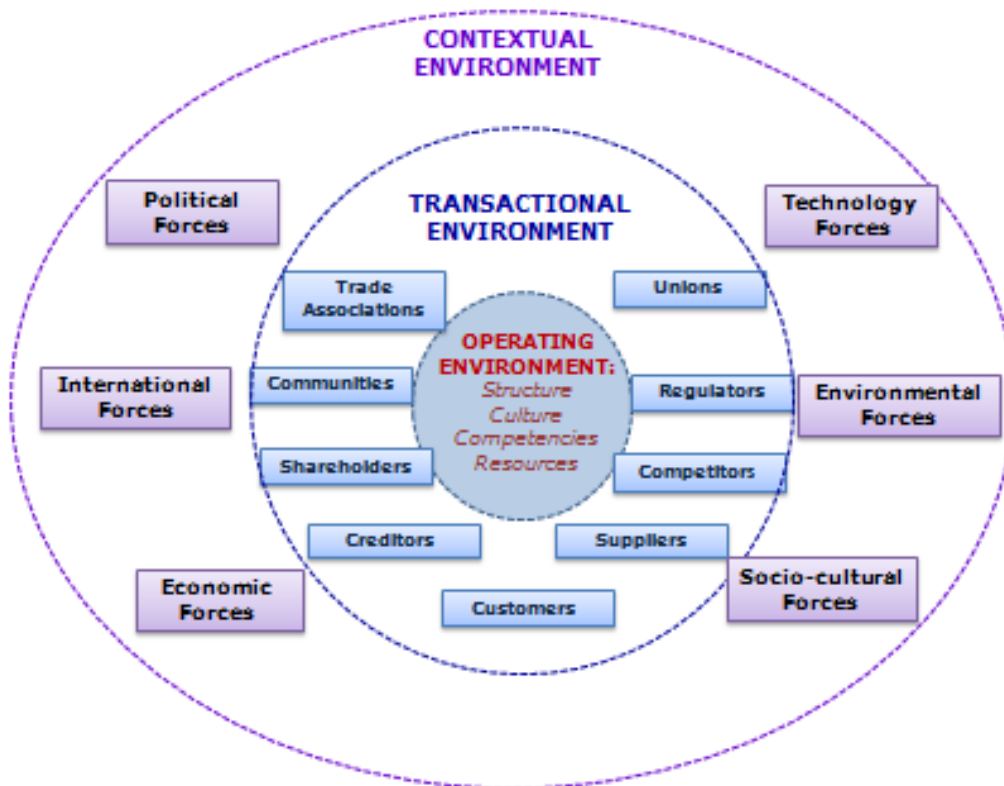


A. LPT MESS FORMULATION

I. Identifying all the Internal & External Influencers/stakeholders - Wicked problems

The graphic below outlines the various stakeholder ENVIRONMENTS which are typically present, as well as the relative forces within these environments.

Stakeholder View of the Organisation



CONTEXTUAL ENVIRONMENT

a. Political Forces

- Political Instability (new political administration)
- Political Decisions not in line with prescripts
- Poor political oversight (Poor processes and Ethics)

b. Economic Forces

- Poor Industrialisation of the province hence heavy reliance on government to drive the economy
- No localised empowerment strategy
- Migration of critical skills
- High unemployment rate

c. Technological Forces

- Inadequate technological systems
- Lack of integrated systems
- Poor IT Infrastructure
- Low levels of ICT skills
- Non usage of Technology optimally

d. Socio-cultural Forces

- Ethnicity
- Dependency (culture of payment of services, Non participation in consultation processes)
- Poor work ethic

TRANSACTIONAL ENVIRONMENT

a. Communities

- Services not completely accessible (Services centralised at Polokwane e.g. submission of bids)
- Lack of customer/ client services (needs not met)
- Unreasonably High expectations
- Non-compliance to prescripts

b. Departments

- Not leading by example.
- Do not know the business of our clients.
- Poor reputation

c. Unions

- Prolonged decision making
- Poor relationship between the employer and union
- Budget pressures

d. Service Providers

- Poor quality of service
- Exorbitant prices
- Collusion

OPERATING ENVIRONMENT

a. Structure

- Non-compliance with structure review process
- Structure not aligned to deliverables
- Indecisive leadership

b. Culture

- Non-professionalism (Late coming, dress code, building structure, management not leading by example)
- General non-compliance
- Lack of support from Administration function (Programme 1)
- Non-compliance to internal processes
- Delays in approval of documents
- Lack of consequences
- Conformity to existing poor culture

c. Competencies

- Inadequate technical skills

d. Systems and Resources

- Lack of resources
- Unavailability of standard operating procedures

II. System and Obstruction Analysis

Systems Analysis (How treasury currently operates)	Obstruction Analysis (Characteristics that obstructs the progress)
CONTEXTUAL ENVIRONMENT	
Non alignment of legislature plans and departmental plans	Legislature's timetable do not take into account departmental programs
Recurring unauthorised expenditure	Political pronouncements which are not in line with departmental plans
Limpopo province (rural province) not able to retain existing skills	Provinces like Gauteng have easy access to amenities such as good schools, good universities, good malls and many sporting activities.
Reduced Equitable Share Allocation	Adverse impact of global financial crisis i.e. international and national
Poor compliance to SCM prescripts	High deviation rate Non compliance
TRANSACTIONAL ENVIRONMENT	
Decentralisation of data	Usage of out-dated technological systems. Inability to tap into new technological developments
Support plans do not take into account stakeholder needs	Poor involvement of stakeholders in our plans
Ineffective working relations between the employer and the Unions	Conflicting objectives and interest between Employer and Unions
Unreliable data backup	Poor service from Service Providers

OPERATIONAL ENVIRONMENT	
Lack of efficient IT systems	Lack of automated process
	No integrated financial systems,
Lack of implementation of section 18 (2) (g) of the PFMA	Lack of political will
Department operates on old structure which is not fully implemented. Delay in finalisation of the revised organisational structure	Indecisiveness by Executive Management

III. Reference Projections

If there are no attempts to change the environment described above, the future of LPT in the province is projected as follows:

- Department under administration for extended periods
- Poor reputation
- Structure not approved
- Funds being returned to National Revenue Fund
- Regression in Audit Outcomes
- Poor oversight of departments, public entities and municipalities
- Delayed implementation of service delivery programs
- Fraud and corruption
- Disintegrated planning
- Duplication of resources
- Conflicting messages

IV. Reference Scenarios

If the projected future of LPT happens to be as described above, the scenario of capacity in provincial departments and public entities and municipalities will be as follows:

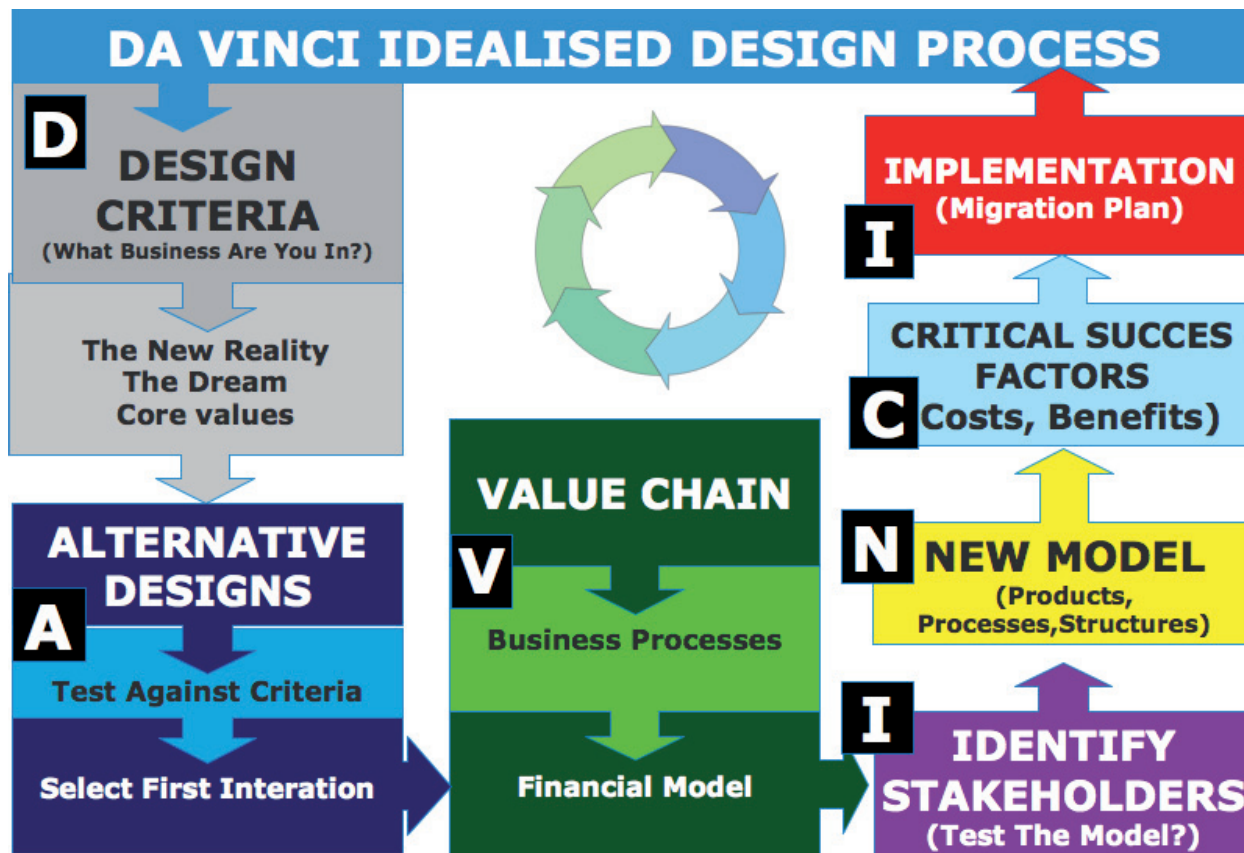
- Failure to meet our mandate
- Poor service delivery
- Prolonged administration intervention/possible return
- Prolonged service delivery protests
- Poor Financial viability
- Continuous service delivery protest and backlogs
- Accumulated backlog on service delivery projects
- Lack of support and control in enforcing the regulation
- Ineffective utilisation of resources
- Diminishing budget allocation – Equitable Share

V. Telling the Story

LPT was in a mess hence section 100 (1) b Administrators came. We made media headlines on our ineffectiveness in executing treasury responsibilities. The intervention resulted in high degree of uncertainty and delayed decision making process. The department is not out of the mess as it is indicated in the reference projection. There is a need to change the status quo.

B. LPT IDEALISED DESIGN

The following 7-step process is followed to develop the Ideal Design:



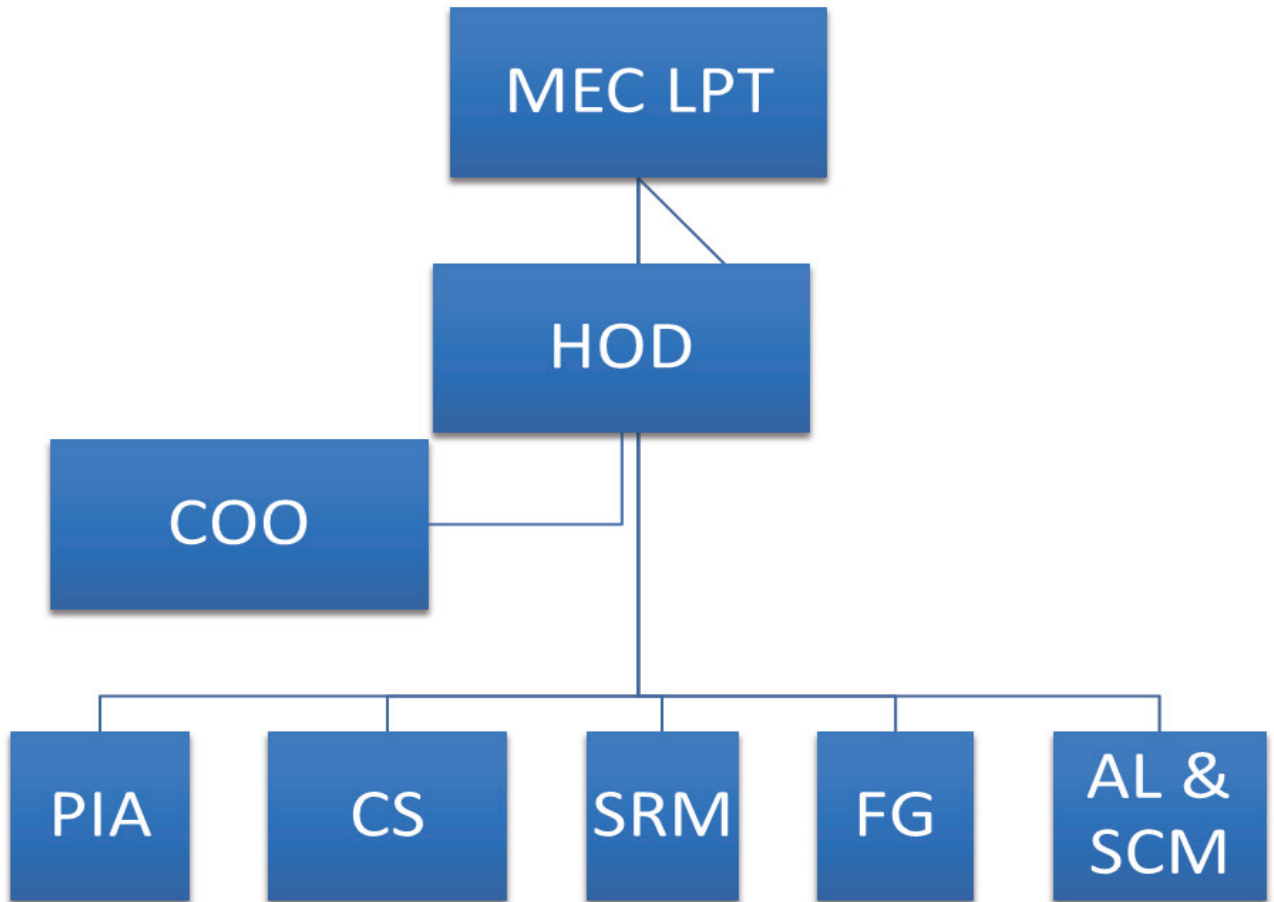
I. Design Criteria

Limpopo Provincial Treasury's role is to ensure implementation of the PFMA and MFMA. The following are key elements in fulfilling the mandate:

- Same understanding of the role of Treasury by all officials
- Highly capacitated and competent to implement relevant prescripts
- Center of excellence in corporate governance and resource management
- Integrated systems (financial and non-financial information)
- Supportive political leadership
- Technical hub in public resource management
- Integration of Treasury support functions to clients (combined assurance)

II. Alternative Design

Idealised Macro Functional Areas



New Envisioned improved processes

- Public participation in budget processes
- Improved provincial socio-economic analysis
- Use technology to enhance integrated and combined reporting
- Integrated planning between transversal units and departments
- Use of integrated financial management and information systems
- Value for money strategic sourcing (SCM)
- Improved reporting lines

Stakeholders

- Staff
- Governance/ Oversight Structures
- National Treasury
- Provincial Departments
- Public Entities
- Municipalities
- Financial Institutions
- Organized labor
- Business Community
- Tertiary Institutions
- Professional Bodies
- Auditor General

Vision, Mission, Values

As captured under paragraph 1, 2 and 3 above.

III. Critical Success Factors

- Budget (Adequate funding)
- Recruitment of requisite skills, development including career path and retention
- Policies, procedures and integrated systems including ICT
- Suitable office accommodation and tools of trade
- Stakeholder management
- Transformational Leadership
- Communication and collaboration
- Knowledge management
- Performance Management and accountability

(i) 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 resources and good governance in the province.

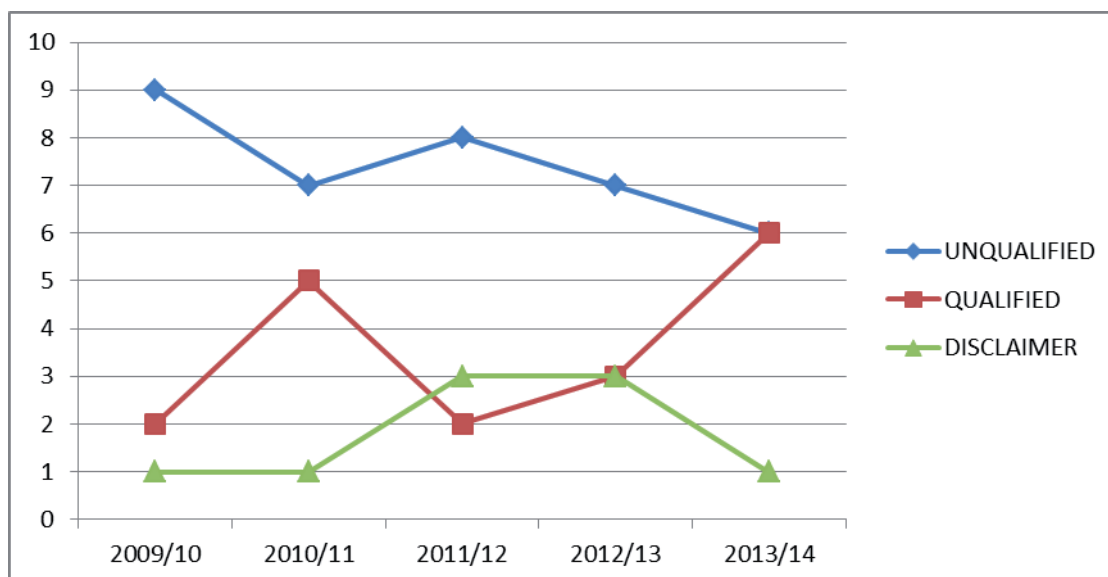
The current status of the province’s financial management position in relation to audit outcomes is represented on the table below:

Table 1: Audit outcomes of Limpopo Provincial Departments: 2009/10 – 2013/14

Vote No	DEPARTMENT	2009/10	2010/11	2011/12	2012/13	2013/14	TREND
1	Premier	UQ	UQ	UQ	UQ	UQ	→
2	Legislature	UQ	UQ	UQ	UQ	UQ	→
3	Education	D	Q	D	D	D	→
4	Agriculture	UQ	CL	UQ	Q	Q	↓
5	Treasury	UQ	UQ	UQ	UQ	UQ	→
6	Economic Development	UQ	UQ	UQ	UQ	Q	↓
7	Health	Q	D	D	D	Q	↑
8	Roads & Transport	UQ	Q	Q	UQ	UQ	→
9	Public Works	Q	Q	D	D	Q	↑
10	Safety, Security & Liaison	UQ	UQ	UQ	UQ	UQ	→
11	Co-Operative Governance, Housing Settlements & Traditional Affairs	UQ	CL	UQ	UQ	UQ	→
12	Social Development	Q	Q	UQ	Q	Q	→
13	Sport, Arts & Culture	UQ	Q	Q	Q	Q	→

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

Figure 1: Audit Outcomes of Limpopo Provincial Departments (2009/10 – 2013/14)



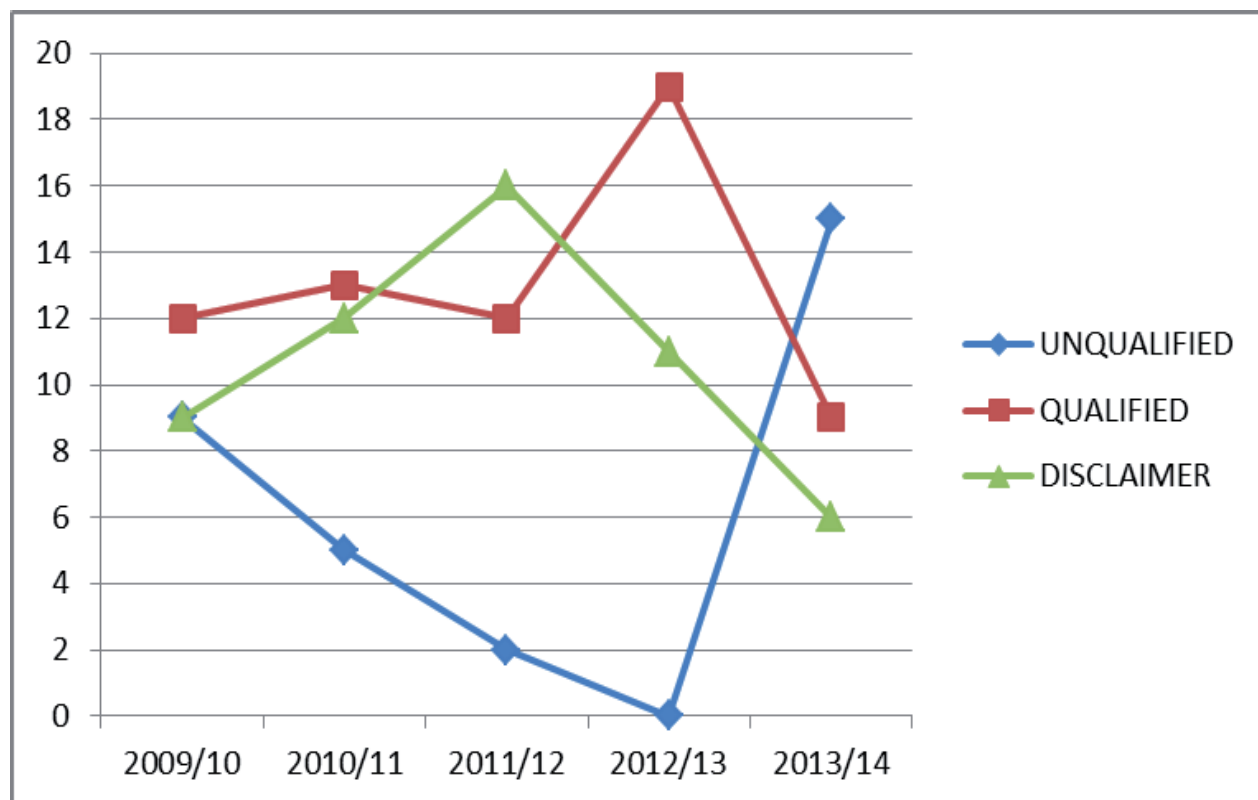
It is clear from the above graph that audit outcomes which reflect on internal controls within departments have not been stable in Limpopo province and has seen some regression, particularly in the number of departments that receive qualified audit opinions. There are, however signs of improvement in relation to the disclaimer audit opinions. 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.

Table 2: Audit outcomes of Limpopo Provincial Municipalities: 2009/10 – 2013/14

FINANCIAL YEAR	UNQUALIFIED	QUALIFIED	DISCLAIMER
2009/10	9	12	9
2010/11	5	13	12
2011/12	2	12	16
2012/13	0	19	11
2013/14	15	9	6

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

Figure 2: Audit Outcomes of Limpopo Provincial Municipalities (2009/10 – 2013/14)



Audit Outcomes for municipalities above indicate significant improvements in all 3 areas, especially in the number of municipalities that received unqualified audit outcomes. However, more improvement is necessary, especially in the six municipalities that received disclaimer opinions, as well as the nine that were qualified.

Table 3: Audit outcomes of Limpopo Provincial Public Entities: 2009/10 – 2013/14

PUBLIC ENTITY	2009/10	2010/11	2011/12	2012/13	2013/14	TREND
Limpopo Economic Development Agency (LEDA)	UQ	Q	Q	Q	UQ	↑
Limpopo Agri-business Development Corporation (LADC)	UQ	A	Q	N/A	N/A	N/A
Limpopo Tourism and Parks Board (LTPB)	D	D	D	D	Q	↑
Trade Investment Limpopo (TIL)	UQ	Q	Q	N/A	N/A	N/A
Limpopo Gambling	UQ	UQ	UQ	UQ	UQ	→
Roads Agency Limpopo (RAL)	UQ	CL	UQ	D	A	↑
Gateway Airport Authority Limited (GAAL)	UQ	UQ	Q	Q	D	↓
Limpopo Business Support Agency (LIBSA)	UQ	Q	Q	N/A	N/A	N/A

The graphical representations of the above statistics are on Figure 3 and 4 below:

Figure 3: Audit Outcomes of Limpopo Provincial Public Entities (2009/10 – 2011/12)

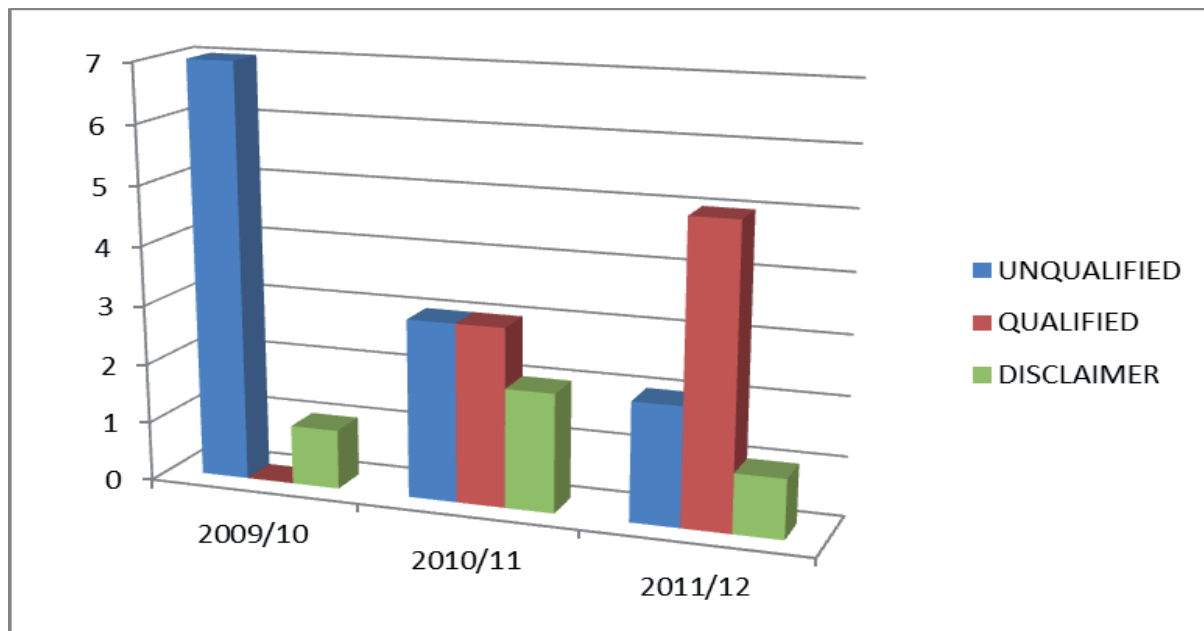
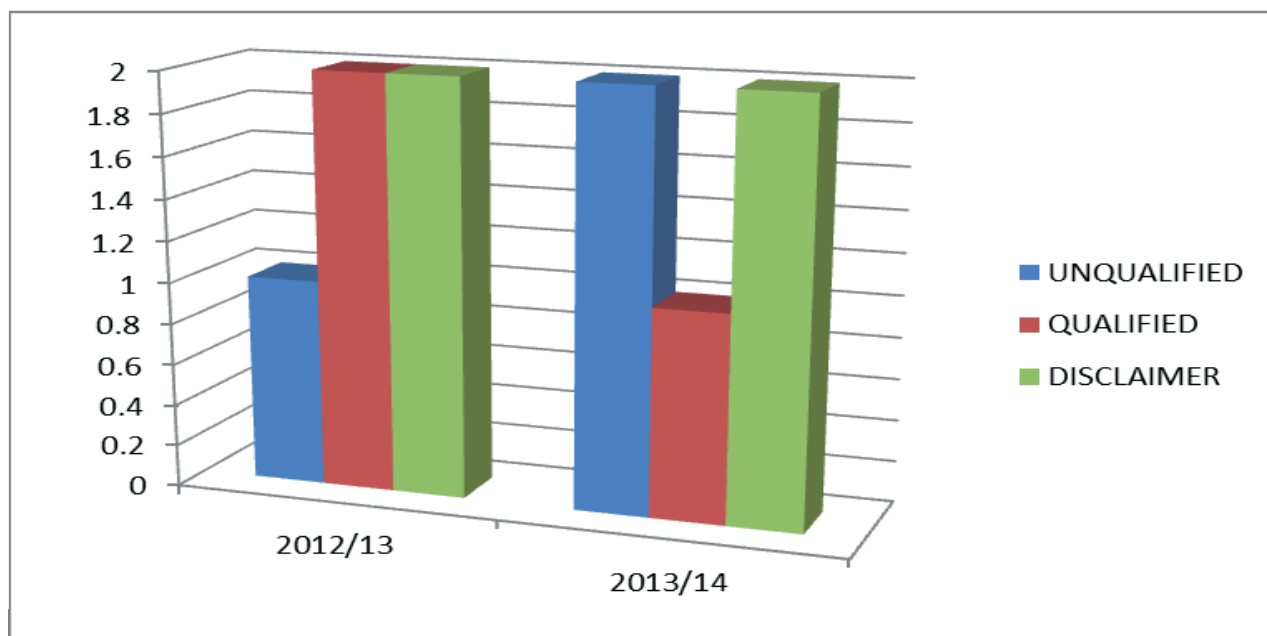


Figure 4: Audit Outcomes of Limpopo Provincial Public Entities (2011/12 – 2013/14)



There is significant improvement between 2009/10 to 2011/12 on public entities that received unqualified audit outcome - from 7 to 2 out of 8 public entities receiving unqualified audit outcomes. This is a percentage decrease from 87.5 % to 25%.

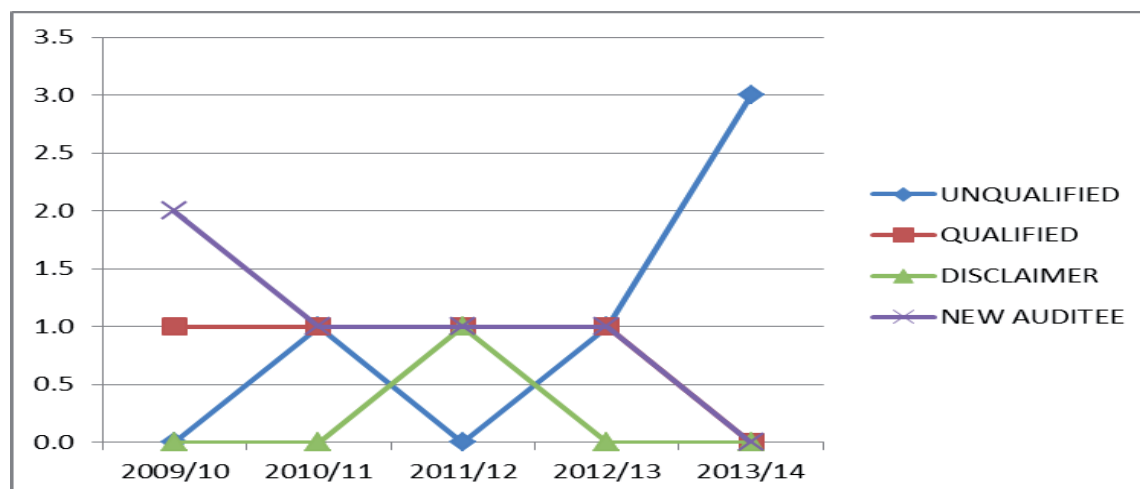
After the amalgamation of the 8 public entities into 5, improvement trend continued at a lesser rate, with entity (GAAL) regressing further to a disclaimer.

Table 4: Audit outcomes of Limpopo Provincial Municipal Entities: 2009/10 – 2013/14

FINANCIAL YEAR	UNQUALIFIED	QUALIFIED	DISCLAIMER	NEW AUDITEE
2009/10	0	1	0	2
2010/11	1	1	0	1
2011/12	0	1	1	1
2012/13	1	1	0	1
2013/14	3	0	0	0

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

Figure 5: Audit Outcomes of Limpopo Provincial Municipal Entities (2009/10 – 2013/14)



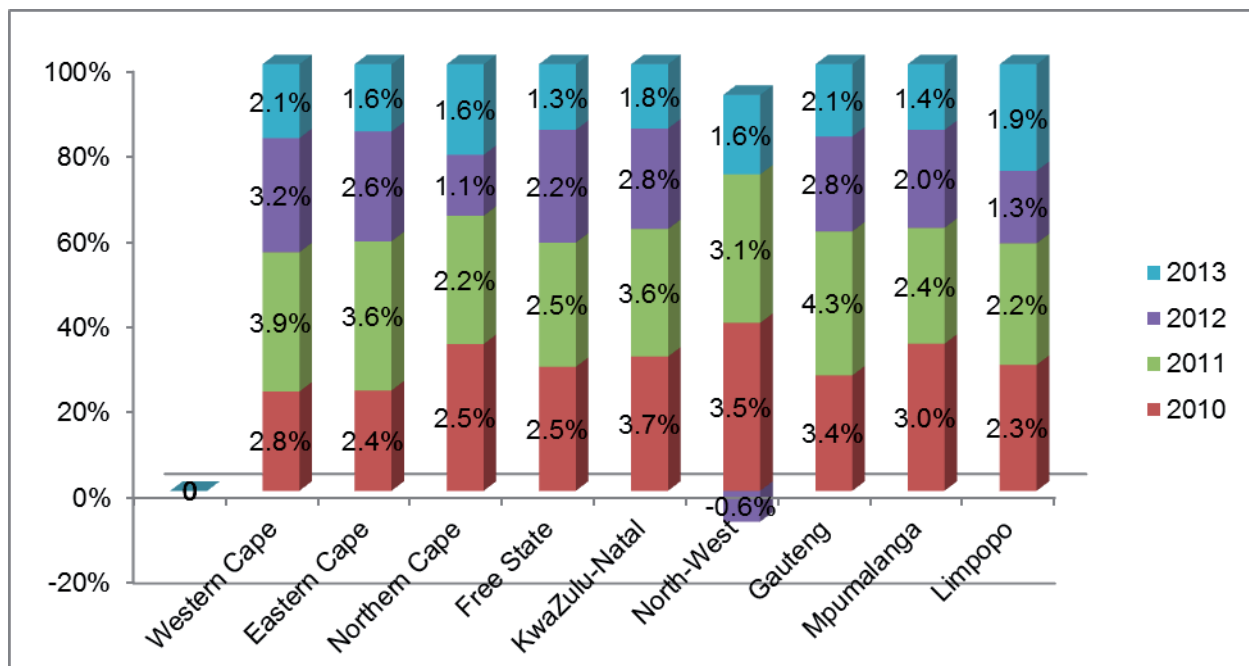
There is good improvement of audit outcomes in the 3 municipal entities, where all 3 received unqualified audit outcomes in 2013/14 financial year.

(ii) Limpopo Economy

Limpopo continued to reap moderated economic growth after a sharp recovery in 2010. Majority of sectors in the province declined slightly in 2013 while the mining sector declined significantly in both 2012 and 2013. Agriculture, manufacturing, electricity and construction sectors declined in 2013 while Community services grew in 2012 but declined in 2013.

Through positive share contribution by sectors to provincial GDP, economic growth sustained its positive trajectory overtime. As compared to other provinces, the provincial economic growth emerged as the second biggest with growth of 1.9 % in 2013 following Western Cape and Gauteng that were highest at 2.1 % each.

Figure 6: Economic growth per Province



Source: Global Insight 2014.

Labour Market in Limpopo

Employment creation in the province is the pillar of government's growth and development plan. The number of unemployed people declined from 230 thousand in the second quarter of 2014 to 229 thousand in the third quarter. Unemployment rate accounted for 15.9% in second quarter and for third quarter unemployment rate remained unchanged at 15.9%. Furthermore, discouraged work seekers increased from 383 thousand in the second quarter to 419 thousand in the third quarter. The not economically active accounted for 2.053 million in 2014:Q2 and increased in the third quarter to 2.078 million and labour force participation rate declined in the third quarter to 40.8% from 41.3%.

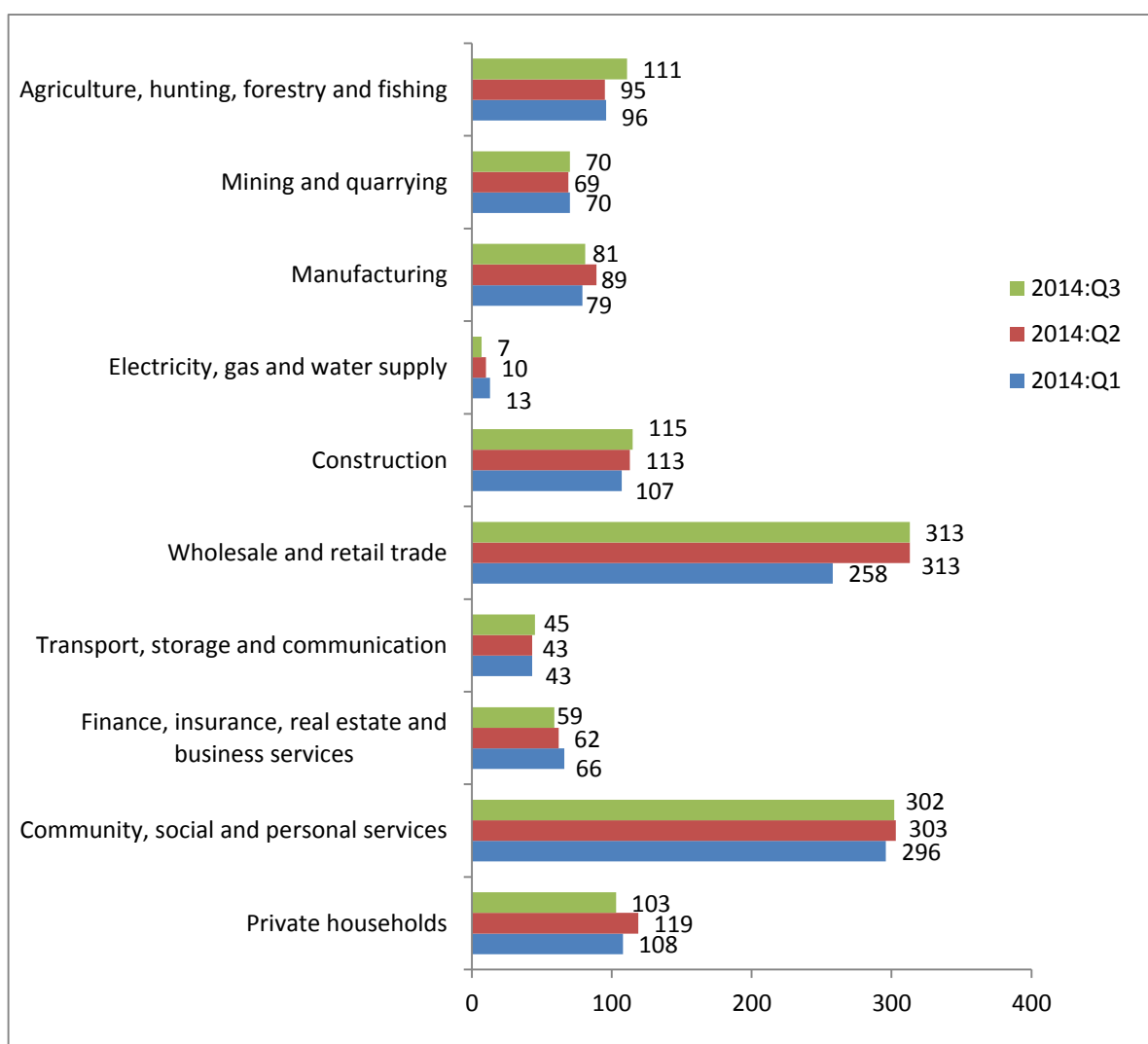
Table 5: Limpopo labour force

Limpopo	2014Q:1	2014Q:2	2014Q:3	QonQ %	YonY %
Working age population 15-64 years	3 482	3497	3 513	0.4	1.8
Labour force	1 392	1443	1 434	-0.7	2.5
Employed	1 136	1214	1 206	-0.7	4.0
Unemployed	256	230	229	-0.6	-4.7
Not economically active	2 090	2 053	2 078	1.3	1.3
Discouraged work seekers	377	383	419	9.4	4.5
Other	1 713	1669	1 659	-0.6	0.6
Unemployment rate	18.4%	15.9%	15.9%		
Labour absorption rate	32.6%	34.7%	34.3%		
Labour force participation rate	40.0%	41.3%	40.8%		

Employment in Limpopo

Wholesale, retail and motor trade remain by far the largest employer in the province remaining at 313 thousand employees registered between second and third quarter., followed by community and social services as another major contributor with 302 thousand employees registered for this sector as of third quarter 2014, a decline from 303 recorded in second quarter of 2014 . Private households sector declined from 119 to 108 thousand. Construction sector shows improvement in quarter three of 2014 as it increased from 113 to 115 thousand jobs registered. Manufacturing sector decreased slightly from 89 to 81 thousand jobs between 2014:Q2 and Q3. Electricity, gas and water sector recorded the lowest jobs in a sector with 10 thousand in 2014:Q2 and declined to 7 thousand in 2014:Q3. Agriculture, forestry and fishing sector increased in the third quarter to 111 from 95 in the second quarter.

Figure 7: Limpopo employment



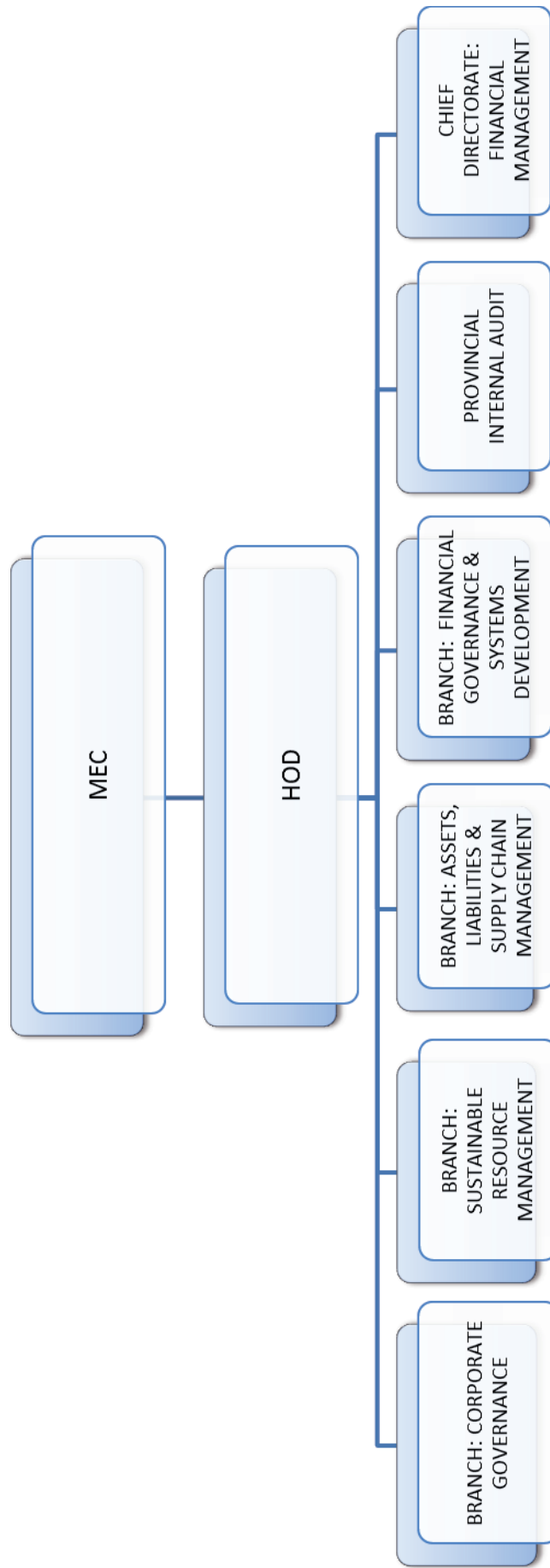
Inflation

The national inflation declined in September from 6.6 % to 5.9. The provinces with an annual rate lower than national headline inflation in September were Western Cape (5.9 %), Gauteng (5.9 %), Mpumalanga (5.8 %) and Free State (5.7 %). The provinces with an annual rate higher than national headline inflation were Limpopo (6.6 %, lower than 8.6 recorded in June), North West (6.3 %), Eastern Cape (6.2 %), KwaZulu-Natal (6.2 %) and Northern Cap (6.0 %). Two provinces (Free State and Mpumalanga) recorded the lowest inflation among the nine provinces in September 2014. Limpopo's inflation rate was higher than national inflation from 2013 up to September 2014, also higher than all the provinces.

1.2 Organisational environment

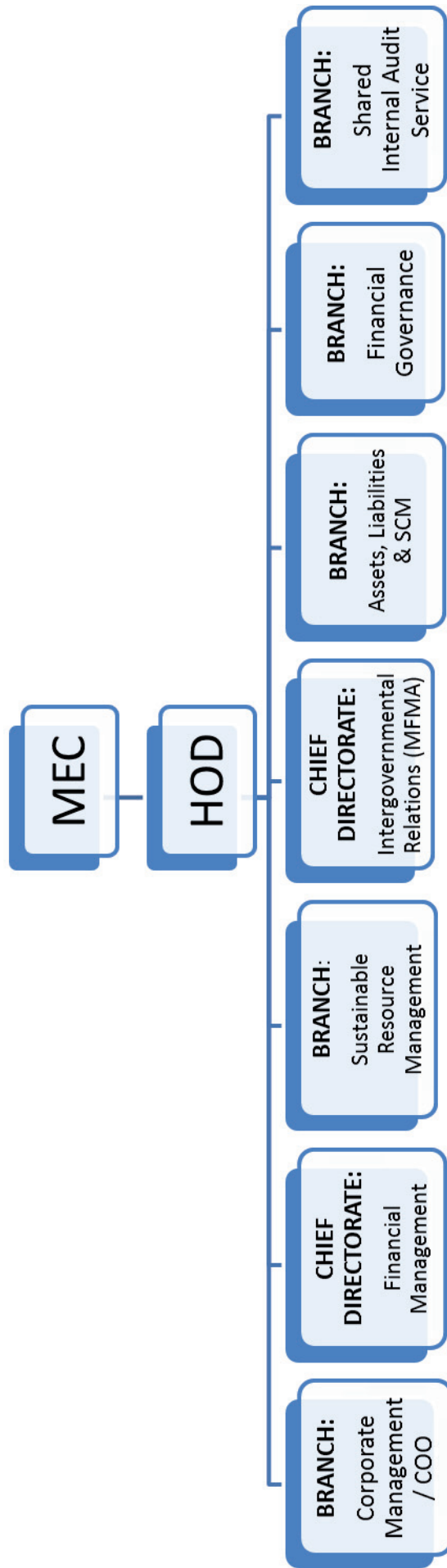
The current Departmental Organisational Structure presented below, is in its final stages of review to align it to the Generic Provincial Treasuries.

Figure 8; Limpopo Provincial Treasury Organisational Structure



The proposed departmental organisational structure in Figure 9 below provides for five branches viz. i) Corporate Management, ii) Sustainable Resource Management, iii) Assets, Liabilities and Supply Chain Management, vi) Financial Governance and v) Shared Internal Audit Service; as well as the Financial Management and Intergovernmental Relations (MFMA) Components.

Figure 9: Limpopo Provincial Treasury Reviewed Organisational Structure



Through the assistance of the section 100 intervention Team, the Department managed to strengthen the capacity of Limpopo Provincial Treasury by upgrading the Level of the HOD from 15 to 16 and those of the Senior General Managers for Asset, Liabilities and Supply Chain Management together with the one for Corporate Management to level 15 respectively. The other three Chief Director levels for the MFMA, Infrastructure Management and PPP as well as the Chief Financial Officer were also strengthened and confirmed at level 14. The strengthening of LPT at managerial levels will ensure that during the fulfilment of mandate of monitoring and giving the required support to the departments, municipalities and public entities, the required levels and expertise are available all the time. The department's capacity within Programs 2, 3 and 4 has been increased with particular focus on Municipalities and Public Entities.

In line with the reduction of Compensation of Employees process, the proposed LPT structure has a reduced number of posts from the existing 674 to 550. Areas of real capacity challenge are Municipal Finance, Transversal Risk Management, Asset Management, CFO's office and support to public entities. The increased need for support to municipalities in order to improve audit outcomes also raises the need for increased capacity in Municipal Finance.

The Provincial Internal Audit function is also faced with limited capacity due to the challenge of retaining internal auditors and it is an added resource challenge facing the department. These capacity challenges are gradually being improved and will be addressed during this period of 2015/16– 2019/20.

2. REVISIONS TO LEGISLATIVE AND OTHER MANDATES

The Legislative and other mandates were not revised.

3. OVERVIEW OF 2015/16 BUDGET AND MTEF ESTIMATES

3.1 Expenditure estimates

DEPARTMENTAL SUMMARY

The services rendered by the department are grouped under four programmes: Administration; Sustainable Resource Management; Assets, Liabilities & SCM and Financial Governance.

Table 5.2(a): Summary of payments and estimates: Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited 2011/12	Audited 2012/13	Audited '2013/14				2014/15		
				2015/16	2016/17	2017/18			
Programme 1: Administration	110 689	121 180	119 961	135 701	139 282	139 282	160 235	171 880	180 267
Programme 2: Sustainable Resource Management	34 370	35 057	42 624	50 242	47 811	47 811	62 326	65 754	69 042
Programme 3: Asset and Liabilities Management	59 542	74 749	66 880	75 182	72 750	72 750	79 380	83 746	87 933
Programme 4: Financial Governance	53 536	52 468	127 358	96 672	104 372	104 372	83 239	86 729	91 066
Total payments and estimates	258 137	283 454	356 823	357 797	364 215	364 215	385 180	408 109	428 308

Table 5.2(b): Summary of provincial payments and estimates by economic classification: Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited 2011/12	Audited 2012/13	Audited '2013/14				2014/15		
				2015/16	2016/17	2017/18			
Current payments	246 756	273 783	348 563	351 772	354 088	352 109	372 201	394 415	413 930
Compensation of employees	175 755	178 812	201 123	229 247	227 247	226 868	278 125	294 137	308 637
Goods and services	71 001	94 971	147 438	122 525	126 841	125 241	94 076	100 279	105 294
Interest and rent on land	-	-	2	-	-	-	-	-	-
Transfers and subsidies to:	8 930	4 115	3 887	3 000	4 757	5 136	6 479	6 836	7 178
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	701	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	8 930	4 115	3 887	2 299	4 757	5 136	6 479	6 836	7 178
Payments for capital assets	2 451	5 556	4 373	3 025	5 370	6 970	6 500	6 858	7 200
Buildings and other fixed structures	110	217	-	-	-	-	-	-	-
Machinery and equipment	2 341	5 339	4 308	3 025	5 370	6 970	6 500	6 858	7 200
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised Military Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	65	-	-	-	-	-	-
Total economic classification	258 137	283 454	356 823	357 797	364 215	364 215	385 180	408 109	428 308

3.2 Relating expenditure trends to strategic outcome oriented goals

There is an overall increase of 5, 5 per cent on 2015/16 budget of R385, 2 million as compared to the adjusted allocation of R364, 2 million in 2014/15.

Compensation of employees' has seen an increase of 18.3 per cent from R 227, 2 million in 2014/15 to R 278,1 million in 2015/16 and part of this will be used for filling of critical posts in the department.

Goods & Services is seeing a decrease of 34.8 per cent from R126, 8 million in 2014/15 to R94.1 million in 2015/16, the substantial decrease is mainly due to the completion of intervention projects while most of the allocation will be used to cover contractual obligations namely: Leases of Office buildings, Telephones, GG Running Costs, SITA and Audit fees. Transfers & Subsidies will be used to fund existing bursary holders for the department, leave gratuities for employees who will retire in the coming financial year as well as transfer to SITA for training.

Transfers and Subsidies increased by 27 per cent from an adjustment budget of R4, 757 million in 2014/15 to R6, 479 in 2015/16 and this budget will mainly be utilised to fund new bursaries intake as well as settlement of leave gratuities for employees who will retire in the New Year.

Payments for Capital Assets have seen an increase of 17.4 per cent in 2015/16 R6, 500 million as compared to an adjusted budget of R5, 370 million in 2014/15. The budget will fund the installation of security scanners at Paul Kruger and Internal Audit building and also purchase of new GG Vehicles.

PART B: PROGRAMME AND SUBPROGRAMME PLANS

Budget Structure

Programme	Sub-programme
a. 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)
b. Programme 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)
c. Programme 3: Assets, Liabilities and Supply Chain Management	3.1 Programme Support 3.2 Asset Management 3.3 Liabilities Management 3.4 Supply Chain Management 3.5 Support & Interlinked Financial Systems
d. Programme 4: Financial Governance	4.1 Programme Support 4.2 Accounting Services 4.3 Risk Management 4.4 Provincial Internal Audit

4. PROGRAMMES

4.1 PROGRAMME 1: ADMINISTRATION

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

The programme has the following sub-programmes namely:

- MEC Support Services which is responsible for:
 - Providing Parliamentary and Legislative Support Services, Render administrative and secretarial services, provide media liaison services and also to facilitate policy advice to the MEC.
- Management Services which is responsible for:
 - Providing Strategic and Administrative support to the HOD
- Corporate Services is responsible for:
 - Ensuring the provision of Human Resource Management
 - Ensure provision of Legal and Labour relations services, and
 - Administering transformation programmes and employee welfare
- Financial Management (Office of the CFO)
 - To render Management Accounting, Financial Accounting and Supply Chain Management services for the department
 - To ensure monitoring of Organizational performance, Co-ordination of Strategic Planning and Policy development processes.

4.1.1 PROGRAMME 1 STRATEGIC OBJECTIVES ANNUAL TARGETS FOR 2015/16

Programme 1 Strategic objectives	Audited/Actual performance			Estimated performance 2014/15	Medium-term targets		
	2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
Strategic outcome oriented Goal 1: Strategic partnership that enables effective execution of the department's legislative mandate by the 4 departmental programmes.							
1 Enable the Department to deliver in line with the mandate by improving management practices on HR, Strategic Management and Financial Management to level 4 of MPAT standards by 2018/19.	No baseline	MPAT departmental average score of 2.1 attained	MPAT departmental average score of 2.5 attained	MPAT departmental average score of 2.5 attained	MPAT departmental average level attained	MPAT departmental average level 3.5 attained	MPAT departmental average level 4 attained
	Level 3 financial management capability attained.	Level 2 financial management capability attained.	Level 3 financial management capability attained.	Level 2.59 financial management capability attained	Level 3+ financial management capability attained	Level 4 financial management capability attained	Level 4 financial management capability attained

4.1.2 PROGRAMME 1 PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2015/16 – 2017/18

Programme 1 Performance indicators	Audited/Actual performance			Estimated performance 2014/15	Medium-term targets		
	2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
Strategic Objective: Enable the Department to deliver in line with the mandate by improving management practices on HR, Strategic Management and Financial Management to level 4 of MPAT standards by 2018/19.							
<ul style="list-style-type: none"> Indicators contributes towards the MTSF Outcome 12 of building an effective, efficient and development oriented public service and NDP objective 13 of Building and Capable and Developmental State as well as LDP Objective: Sound Financial and Administrative Management 							
1	Number of programmes monitored for compliance to institutional arrangements	4	4 (only in the first quarter)	4	4	4	4
2	Number of programmes monitored and supported on compliance to PMDS policies	No baseline	No baseline	4	4	4	4
3	Number of programmes supported on development/review of business processes	New indicator	New indicator	New indicator	4	4	4
4	Number of key services monitored in implementation of SDIP	No baseline	No baseline	3	3	3	3
5	Number of facilities monitored on implementation of Risk Assessment	No baseline	No baseline	9	9	9	9

Programme 1 Performance indicators	Audited/Actual performance			Estimated performance 2014/15	Medium-term targets		
	2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
6	4	4	4	4	4	4	4
7	New Indicator	New Indicator	New Indicator	4	4	4	4
8	9	9	4	9	9	9	9
9	New Indicator	New Indicator	New Indicator	4	4	4	4
10	New	New	New	4	4	4	4

Programme 1 Performance indicators	Audited/Actual performance			Estimated performance 2014/15	Medium-term targets		
	2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
ICT projects implemented in line with ICT Plan	Indicator	Indicator	Indicator				
11 Number of programmes monitored and supported in implementation of MISS and Investigation Strategy to ensure compliance with National Security Prescripts	New Indicator	New Indicator	New Indicator	4	4	4	4
12 Number of IYM reports compiled in line with National Treasury prescripts.	12	12	12	12	12	12	12
13 Number of budget documents compiled and submitted	New Indicator	New Indicator	New Indicator	New Indicator	4	4	4
14 Number of financial statements compiled and submitted for review by Provincial Treasury in line with the reporting framework	New Indicator	New Indicator	New Indicator	New Indicator	4	4	4
15 % of supplier's valid invoices paid within 30 days	New Indicator	New Indicator	New Indicator	100% of supplier's valid invoices paid within 30 days	100%	100%	100%
16 Number of departmental plans	New	8	8	8	8	8	8

Programme 1 Performance indicators	Audited/Actual performance			Estimated performance 2014/15	Medium-term targets		
	2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
and performance reports developed and analysed in line with National Treasury Frameworks	Indicator						
17 Number of strategic sourcing, maintenance and disposal plans implemented in line with applicable SCM prescripts	No baseline	5	5	5	5	5	5

4.1.3 PROGRAMME 1 QUARTERLY TARGETS FOR 2015/16

Programme 1 Performance indicators	Reporting period	Annual target 2015/16	Quarterly targets			
			1 st	2 nd	3 rd	4 th
Strategic Objective: Enable the Department to deliver in line with the mandate by improving management practices on HR, Strategic Management and Financial Management to level 4 of MPAT standards by 2018/19.						
1	Number of programmes monitored for compliance to institutional arrangements	Monthly, Quarterly and Annually	4	4	4	4
2	Number of programmes monitored and supported on compliance to PMDS policies	Quarterly	4	4	4	4
3	Number of programmes supported on development/review of business processes	Quarterly	4	1	1	1
4	Number of key services monitored in implementation of SDIP	Quarterly and Annually	3	3	3	3
5	Number of facilities monitored on implementation of Risk Assessment recommendations	Quarterly	9	9	9	9
6	Number of programmes supported and monitored in mitigation of the prioritised risks to provide reasonable assurance on the achievement of set objectives.	Quarterly and Annually	4	4	4	4
7	Number of programmes monitored and supported on implementation of Records Management Systems	Quarterly	4	1	1	1

Programme 1 Performance indicators	Reporting period	Annual target 2015/16	Quarterly targets			
			1 st	2 nd	3 rd	4 th
8	Number of buildings provided with auxiliary services in line with User Asset Management Plan	Quarterly	9	9	9	9
9	Number of programmes monitored and supported on compliance to Corporate Identity Manual and the Communication Policy	Quarterly	4	1	1	1
10	Number of prioritised ICT projects implemented in line with ICT Plan	Quarterly	4	0	0	4
11	Number of programmes monitored and supported in implementation of MISS and Investigation Strategy to ensure compliance with National Security Prescripts	Quarterly	4	1	1	1
12	Number of IYM reports compiled in line with National Treasury prescripts.	Monthly	12	3	3	3
13	Number of budget documents compiled and submitted	Quarterly	4	0	1	2
14	Number of financial statements compiled and submitted for review by Provincial Treasury in line with the reporting framework	Quarterly	4	1	1	1
15	% of supplier's valid invoices paid within 30 days	Monthly	100%	100%	100%	100%
16	Number of departmental plans and performance reports developed and	Monthly & Quarterly	8	2	2	2

Programme 1 Performance indicators	Reporting period	Annual target 2015/16	Quarterly targets			
			1st	2nd	3rd	4th
17 analysed in line with National Treasury Frameworks Number of strategic sourcing, maintenance and disposal plans implemented in line with applicable SCM prescripts	Quarterly	5	5	5	5	5

4.1.4 RISK MANAGEMENT

Programme 1 : Administration		
Strategic Objective(s)	Strategic Risk	Mitigation
Enable the Department to deliver in line with the mandate by improving management practices on HR, Strategic Management and Financial Management to level 4 of MPAT standards by 2018/19.	Threat to business continuity caused by lack of Business Continuity Plan (BCP) leading to interruption of services Inadequate support to Provincial Treasury, other departments, public entities and municipalities due to non-filling of vacant funded posts.	Develop, approve and implement BCP Implement recruitment in terms of HR Plan.

4.1.5 Reconciling performance targets with the Budget and MTEF

Expenditure estimates

Table 5.3(b): Summary of provincial payments and estimates by economic classification: Programme 1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2015/16	2016/17	2017/18
	2011/12	2012/13	'2013/14	2014/15					
Current payments	101 009	113 696	115 312	130 301	132 142	130 542	149 373	160 421	168 235
Compensation of employees	64 086	58 910	69 087	75 657	80 016	80 016	96 329	104 459	109 475
Goods and services	36 923	54 786	46 223	54 644	52 126	50 526	53 044	55 961	58 759
Interest and rent on land	-	-	2	-	-	-	-	-	-
Transfers and subsidies to:	7 480	2 336	1 814	3 000	3 061	3 061	4 362	4 602	4 832
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	701	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	7 480	2 336	1 814	2 299	3 061	3 061	4 362	4 602	4 832
Payments for capital assets	2 200	5 148	2 835	2 400	4 079	5 679	6 500	6 858	7 200
Buildings and other fixed structures	110	217	-	-	-	-	-	-	-
Machinery and equipment	2 090	4 931	2 781	2 400	4 079	5 679	6 500	6 858	7 200
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	54	-	-	-	-	-	-
Total economic classification	110 689	121 180	119 961	135 701	139 282	139 282	160 235	171 880	180 267

Performance and expenditure trends

The overall allocation for this programme increased from R139, 3 million in 2014/15 to R160, 2 million in 2015/16 which makes 13.1 per cent increase.

Compensation of employees' increased by 17 per cent from R 80 million in 2014/15 to R96.3 million in 2015/16 and this is due to money set aside to fill critical posts while some will be used to cover general salary increases, pay progression as well as performance bonuses.

There is an increase of 1.8 per cent on Goods & services from R52, 1 million in 2014/15 to R53, million in 2015/16, and the budget will fund contractual obligations for the department which are amongst others: Leases of Office buildings, Audit fees, Telephones, Security services and GG running costs.

Transfers and subsidies budget will be used to cover bursaries for external students, leave gratuities for employees who will retire during 2015/16 as well as transfer to SITA which will help in staff training or development. Payments for capital assets budget will be used to purchase GG Vehicles, installing security scanners as well as buying of office furniture for new employees.

4.2 PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

The aim of this programme is to provide professional advice and support to the Head of Department on provincial economic analysis, fiscal policy, public finance development, inter-government fiscal relations, revenue collection and infrastructure. The unit also manages the annual provincial budget process and the provincial government's fiscal resources.

The Branch comprises of the following sub-programmes:

- Programme Support which is responsible for:
 - Administering Provincial, Public Entities and Municipal Budget and Expenditure
- Economic Analysis is responsible for:
 - Administering the provision of Provincial and Public Entities Socio-Economic Research Analysis
- Fiscal policy is responsible for:
 - Ensuring the development, implementation and management of provincial departments and Public entities budget and expenditure.
- Infrastructure Management & PPP is responsible for:
 - Enhancing and monitoring the performance of infrastructure delivery and PPP by provincial departments, public entities and municipalities
- Inter-Governmental Relations is responsible for:
 - Overseeing Financial Management activities of Municipalities and ensure capacity building.

4.2.1 PROGRAMME 2 STRATEGIC OBJECTIVES ANNUAL TARGETS FOR 2015/16

Programme 2 Strategic objectives	Audited/Actual performance		Estimated performance 2014/15	Medium-term targets		
	2011/12	2012/13		2013/14	2015/16	2016/17
Strategic outcome oriented Goal 2: Responsive, accountable, effective and efficient provincial and local government system						
1 To achieve 98 percent provincial annual expenditure during 2015/16 to 2019/20	100% (R583,5m) collection of revenue target achieved	Developed and monitored implementation of revenue enhancement strategy	Revenue Enhancement Strategy reviewed and implementation monitored	Increased revenue through implementation of Provincial Revenue Enhancement Strategy	Real growth in revenue collection through review and implementation of Provincial Revenue Enhancement Strategy	Real growth in revenue collection through review and implementation of Provincial Revenue Enhancement Strategy
	13 provincial in year monitoring reports produced in line with section 32 of PFMA to ensure that 13 departments within 100% of their allocated budgets	12 provincial in year monitoring reports produced in line with section 32 of PFMA.	12 provincial in year monitoring reports produced in line with Section 32 of PFMA.	Improved spending by departments in line with allocated budgets	Improved spending by 13 votes, 30 municipalities and 8 public entities in line with allocated budgets for improved service delivery	Improved spending by 13 votes, 30 municipalities and 8 public entities in line with allocated budgets for improved service delivery

Programme 2 Strategic objectives	Audited/Actual performance		Estimated performance 2014/15	Medium-term targets		
	2011/12	2012/13		2015/16	2016/17	2017/18
Strategic outcome oriented Goal 2: Responsive, accountable, effective and efficient provincial and local government system						
2 To achieve annual improvements in audit outcomes in 30 municipalities and 3 municipal entities by 2019/20	7 municipalities received unqualified audit opinion. 1 municipal entity received a qualified audit opinion and 1 municipal entity received a disclaimer	2 Municipalities and 1 municipal entity received unqualified audit opinion. 1 municipal entity received a qualified audit opinion	15 Municipalities and 3 municipal entities received unqualified audit opinion	18 municipalities and 3 municipal entities received unqualified audit opinion	21 municipalities and 3 municipal entities received unqualified audit opinion	25 municipalities and 3 municipal entities received unqualified audit opinion
						30 municipalities and 3 municipal entities receive unqualified audit opinion

4.2.2 PROGRAMME 2 PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2015/16 – 2017/18

Programme 2 performance indicators	Audited/Actual performance		Estimated performance 2014/15	Medium-term targets		
	2011/12	2012/13		2013/14	2015/16	2016/17
Strategic Objective 1: To achieve 98 percent provincial annual expenditure during 2015/16 to 2019/20						
Indicators contribute towards MTSF Outcome 9 and National Development Plan objective 13: Building a capable developmental state as well as LDP Objectives: Sound Financial and Administrative; and Increase the number of unqualified audit opinions in departments, public entities and municipalities						
1	Number of Research documents produced to align the Provincial Fiscal Policy	7	7	7	7	7
2	Number of Departments and Public Entities supported and monitored in provincial own revenue enhancement to ensure achievement of set target	New Indicator	New Indicator	New Indicator	18	18
3	Number of budget documents compiled, tabled and gazetted in line with the set standards and National Treasury guidelines (Main Appropriation Bill and Adjustment Budget)	2	2	2	2	2

Programme 2 performance indicators	Audited/Actual performance			Estimated performance 2014/15	Medium-term targets		
	2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
4	13	12	12	12	12	12	12
Indicators 5 contributes towards the MTSF Outcome 6 and National Development Plan objective number 4: Economic Infrastructure as well as LDP focus area on Infrastructure Development							
5	7	3	9	9	9	9	9
6	New Indicator	8	9	9	9	9	9
Strategic Objective 2: To achieve annual improvements in audit outcomes in 30 municipalities and 3 municipal entities by 2019/20							
Indicator 7 contributes towards MTSF Outcome 9 and National Development Plan objective 13: Building a capable developmental state							

Programme 2 performance indicators	Audited/Actual performance			Estimated performance 2014/15	Medium-term targets		
	2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
7 Number of Municipalities monitored and Municipal Entities supported on financial management and governance	30	30	30	30	33	33	33

4.2.3 PROGRAMME 2 QUARTERLY TARGETS FOR 2015/16

Programme 2 Performance indicators	Reporting period	Annual target 2015/16	Quarterly targets			
			1 st	2 nd	3 rd	4 th
Strategic Objective 1: To achieve 98 percent provincial annual expenditure during 2015/16 to 2019/20						
1	Number of Research documents produced to align the Provincial Fiscal Policy	7	1	1	2	3
2	Number of Departments and Public Entities supported and monitored in provincial own revenue enhancement to ensure achievement of set target	17	17	17	17	17
3	Number of budget documents compiled, tabled and gazetted in line with the set standards and National Treasury guidelines (Main Appropriation Bill and Adjustment Budget)	2	0	0	1	1
4	Number of consolidated provincial in year monitoring reports produced in line section 32 of PFMA.	12	3	3	3	3
5	Number of infrastructure departments monitored and supported in the implementation of the Infrastructure Delivery Management System	9	9	9	9	9

Programme 2 Performance indicators	Reporting period	Annual target 2015/16	Quarterly targets			
			1 st	2 nd	3 rd	4 th
6 Number of departments monitored on infrastructure expenditure to improve infrastructure service delivery	Quarterly	9	9	9	9	9
Strategic Objective 2: To achieve annual improvements in audit outcomes in 30 municipalities and 3 municipal entities by 2019/20						
7 Number of Municipalities monitored and Municipal Entities supported on financial management and governance	Quarterly	33	33	33	33	33

4.2.4 RISK MANAGEMENT

Programme 2: Sustainable Resource Management		
Strategic Objective	Strategic Risk	Mitigation
<p>1. To achieve 98 percent provincial annual expenditure during 2015/16 to 2019/20</p> <p>2. To achieve annual improvements in audit outcomes in 30 municipalities and 3 municipal entities by 2019/20</p>	Inadequate support and monitoring due to lack of documented support methodologies leading to the inability to fulfil the legislative mandate.	Document Support Methodologies including enforcement mechanisms.

4.2.5 Reconciling performance targets with the Budget and MTEF

Expenditure estimates

Table 5.4(b): Summary of provincial payments and estimates by economic classification: Programme 2: Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2015/16	2016/17	2017/18
	2011/12	2012/13	'2013/14	2014/15					
Current payments	33 457	34 532	41 968	49 923	47 811	47 811	61 909	65 314	68 580
Compensation of employees	29 628	31 843	37 742	42 840	42 840	42 840	56 414	59 517	62 493
Goods and services	3 829	2 689	4 226	7 083	4 971	4 971	5 495	5 797	6 087
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	791	436	586	-	-	-	417	440	462
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	791	436	586	-	-	-	417	440	462
Payments for capital assets	122	89	70	319	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	122	89	67	319	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	3	-	-	-	-	-	-
Total economic classification	34 370	35 057	42 624	50 242	47 811	47 811	62 326	65 754	69 042

Performance and expenditure trends

The budget for Sustainable Resource Management increased by 23.3 per cent from R47.8 million in 2014/15 main appropriation to R62.3 million in 2015/16.

There is an increase of 24.1 per cent in Compensation of employees from R42, 8 million in 2014/15 to R56, 4 million in 2015/16 and will be used to fund new appointments to be made in the branch, to accommodate salary increases as well as pay progression and performance bonuses and within this allocation, there is an amount of R9 million allocated to Municipal Finance for capacity building in municipalities. Goods and services have seen an increased from R4, 9 million in 2014/15 to R5, 4 million in 2015/16.

The Branch monitors the implementation of the budget in both provincial departments and municipalities. The increase on goods and services budget is to provide support and training activities in provincial departments and municipalities. Other cost drivers relate to research, travelling and printing of budget books as well as gazettes.

4.3 PROGRAMME 3: ASSETS, LIABILITIES AND SUPPLY CHAIN MANAGEMENT (INCLUDING FINANCIAL SYSTEMS)

The programme aims to provide policy direction and facilitate the effective and efficient management of assets, liabilities, financial systems and provincial supply chain processes.

The Branch is comprised of the following Sub-programmes:

- Asset and Liabilities Management which is responsible for:
 - Monitoring and supporting Departments and Public Entities on management of Physical Assets, Cash and Liabilities.
- Supply Chain Management is responsible for:
 - Monitoring SCM Compliance and providing support to Provincial Departments and Public Entities as well as supplier development
- Financial Systems is responsible for:
 - Implementing Financial Systems and provide support to Provincial Departments.

4.3.1 PROGRAMME 3 STRATEGIC OBJECTIVES ANNUAL TARGETS FOR 2015/16

Programme 3 Strategic objectives	Audited/Actual performance			Estimated performance 2014/15	Medium-term targets			
	2011/12	2012/13	2013/14		2015/16	2016/17	2017/18	
Strategic outcome oriented Goal 2: Responsive, accountable, effective and efficient provincial and local government system								
Goal and Objective contributes to the MTSF Outcome 12 and NDP objective 13 of building an efficient, effective and development oriented public service as well as Draft LDP focus area of Building a Developmental State.								
1	To provide policy direction and support to 13 votes and 5 public entities on Assets, Liabilities, Supply Chain Management and Financial Systems to ensure improvement of audit outcomes by 2019/20.	Asset Management Policy Implementation monitored in 13 departments to decrease the number of departments qualified on assets from 4 to 3	Asset Management Policy Implementation monitored in 13 departments and 5 Public Entities to improve on the management of assets	Asset Management Policy Implementation monitored in 13 departments and 5 Public Entities to improve on the management of assets	Asset Management Policy Implementation monitored in 13 departments and 5 Public Entities to improve on the management of assets	13 votes and 5 public entities comply with Assets and Inventory management prescripts	13 votes and 5 public entities comply with Assets and Inventory management prescripts	13 votes and 5 public entities comply with Banking, Cash and Liabilities Management prescripts

Programme 3 Strategic objectives	Audited/Actual performance			Estimated performance 2014/15	Medium-term targets		
	2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
Strategic outcome oriented Goal 2: Responsive, accountable, effective and efficient provincial and local government system							
Goal and Objective contributes to the MTSF Outcome 12 and NDP objective 13 of building an efficient, effective and development oriented public service as well as Draft LDP focus area of Building a Developmental State.							
	100% compliance to SCM guidelines and prescripts to ensure transparent, equitable, fair, competitive and cost-effective procurement system in the province	44% compliance to SCM prescripts achieved	44% compliance to SCM prescripts achieved to ensure transparent, equitable, fair, competitive and cost-effective procurement system in the province	100% compliance to SCM prescripts to ensure transparent, equitable, fair, competitive and cost-effective procurement system in the province	12 votes and 5 public entities comply with SCM prescripts	12 votes and 5 public entities comply with SCM prescripts	12 votes and 5 public entities comply with SCM prescripts

4.3.2 PROGRAMME 3 PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2015/16 – 2017/18

Programme 3 Performance Indicators	Audited/Actual performance		Estimated performance 2014/15	Medium-term targets			
	2011/12	2012/13		2013/14	2015/16	2016/17	2017/18
Strategic objective: To provide policy direction and support to 13 votes and 5 public entities on Assets, Liabilities, Supply Chain Management and Financial Systems to ensure improvement of audit outcomes by 2019/20.							
Indicators contributes to the MTSF Outcome 12 and NDP objective 13 of building an efficient, effective and development oriented public service as well as Draft LDP focus area of Building a Developmental State							
1	Number of Votes and Public Entities monitored supported on Asset Management to improve the effectiveness, efficiency and economical Asset Management	New Indicator	New Indicator	13	18	18	18
2	Number of Votes and Public Entities monitored supported on Inventory Management to improve the effectiveness, efficiency and economical Inventory Management	New Indicator	New Indicator	13	18	18	18
3	Number of Votes and Public Entities monitored supported on cash, banking and liabilities management.	New Indicator	New Indicator	18	18	18	18
4	Number of Votes and Public Entities monitored	18 (12 Provincial Departments)	20	17	17	17	17

Programme 3 Performance Indicators	Audited/Actual performance			Estimated performance 2014/15	Medium-term targets		
	2011/12 and 6 Public Entities)	2012/13	2013/14		2015/16	2016/17	2017/18
supported on SCM processes.							
5 Number of strategic procurement/transversal bids facilitated for adjudication in the province	New indicator	New indicator	New indicator	2	3	3	3
6 Number of Votes and supported transversal contracts	New Indicator	New Indicator	New Indicator	12	12	12	12
7 Number of Votes and Public Entities supported on SCM supplier development	New indicator	New indicator	New indicator	17	17	17	17
8 Number of Votes and supported monitored on financial systems utilization.	New indicator	New indicator	New indicator	13	13	13	13
9 Number of LOGIS sites implemented	New indicator	New indicator	100% in 3 sites	17 in two sites	3	3	3

4.3.3 PROGRAMME 3 QUARTERLY TARGETS FOR 2015/16

Programme 3 Performance indicators	Reporting period	Annual target 2015/16	Quarterly targets			
			1 st	2 nd	3 rd	4 th
Strategic objective: To provide policy direction and support to 13 votes and 5 public entities on Assets, Liabilities, Supply Chain Management and Financial Systems to ensure improvement of audit outcomes by 2019/20.						
1 Number of Votes and Public Entities monitored and supported on Asset Management to improve the effectiveness, efficiency and economical Asset Management	Monthly	18	18	18	18	18
2 Number of Votes and Public Entities monitored and supported on Inventory Management to improve the effectiveness, efficiency and economical Inventory Management	Monthly	18	18	18	18	18
3 Number of Votes and Public Entities monitored and supported on	Monthly	18	18	18	18	18

Programme 3 Performance indicators	Reporting period	Annual target 2015/16	Quarterly targets			
			1 st	2 nd	3 rd	4 th
cash, banking and liabilities management.						
4 Number of Votes and Public Entities monitored and supported on SCM processes.	Monthly	17	17	17	17	17
5 Number of strategic procurement/transversal bids facilitated for adjudication in the province	Quarterly	3	1	1	0	1
6 Number of Votes monitored and supported on transversal contracts	Quarterly	12	12	12	12	12
7 Number of Votes and Public Entities supported on SCM supplier development	Quarterly	17	5	5	4	3

Programme 3 Performance indicators	Reporting period	Annual target 2015/16	Quarterly targets			
			1 st	2 nd	3 rd	4 th
8 Number of Votes supported and monitored on financial systems utilization	Quarterly and Annually	13	13	13	13	13
9 Number of LOGIS sites implemented	Quarterly	3	0	0	0	3

4.3.4 RISK MANAGEMENT

Programme 3 : Assets, Liabilities, Financial Systems and Supply Chain Management	
STRATEGIC OBJECTIVE	MITIGATION
<p>STRATEGIC RISK</p> <p>Inadequate support and monitoring due to lack of documented support methodologies and non-enforcement of prescripts leading to the inability to fulfil the legislative mandate.</p>	<p>STRATEGIC RISK</p> <p>Document support methodologies including enforcement mechanisms.</p>
<p>STRATEGIC OBJECTIVE</p> <p>To provide policy direction and support to 13 votes and 5 public entities on Assets, Liabilities, Supply Chain Management and Financial Systems to ensure improvement of audit outcomes by 2019/20.</p>	

4.3.5 Reconciling performance targets with the Budget and MTEF

Expenditure estimates

Table 5.5(b): Summary of payments and estimates by economic classification: Programme 3: Asset and Liability Management

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2015/16	2016/17	2017/18
	2011/12	2012/13	2013/14	2014/15					
Current payments	59 264	73 392	64 841	75 018	69 799	69 799	78 780	83 113	87 269
Compensation of employees	39 864	43 219	44 456	49 054	46 540	46 540	57 125	60 267	63 280
Goods and services	19 400	30 173	20 385	25 964	23 259	23 259	21 655	22 846	23 988
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	243	1 320	603	-	1 660	1 660	600	633	665
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	243	1 320	603	-	1 660	1 660	600	633	665
Payments for capital assets	35	37	1 436	164	1 291	1 291	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	35	37	1 434	164	1 291	1 291	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	2	-	-	-	-	-	-
Total economic classification	59 542	74 749	66 880	75 182	72 750	72 750	79 380	83 746	87 933

Performance and expenditure trends

The budget for the branch increased by 8.4 per cent from R72, 8 million in 2014/15 to R 79, 4 million in 2015/16. Compensation of employees' allocation increased by 19 per cent in the 2015/16 financial year.

Goods and services budget decreased from R 23, 3 million in 2014/15 to R 21, 2 million in 2015/16 which also makes 7 per cent and this will be used to fund SITA payments, LOGIS implementation and Bank Charges amongst others.

4.4 PROGRAMME 4: FINANCIAL GOVERNANCE

The purpose of the programme is 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, and also ensure that all Departments and public entities have implemented effective risk management and internal control processes and lastly to provide internal audit services to all Limpopo provincial departments in compliance with the approved internal audit plans.

The Branch is comprised of the following sub-programmes:

- Programme Support is responsible for:
 - Administering Accounting Services, Internal Audit and Risk Management in Provincial Departments and Public Entities.

- Accounting Services is responsible for:
 - Providing support to provincial departments and public entities on accounting standards and frameworks
 - Monitoring compliance with the PFMA and Treasury regulations and other relevant policies and prescripts.
 - Coordinating financial management training and provide transversal systems training in the province
 - Ensuring that there is effective Risk Management in Provincial Departments and Public Entities.

- Provincial Internal Audit is responsible for:
 - Providing value added assurance and consulting services to the Provincial Departments.

4.4.1 PROGRAMME 4 STRATEGIC OBJECTIVES ANNUAL TARGETS FOR 2015/16

Programme 4 Strategic objectives	Audited/Actual performance			Estimated performance 2014/15	Medium-term targets		
	2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
Strategic outcome oriented Goal 2: Responsive, accountable, effective and efficient provincial and local government system							
1	To achieve annual improvements in audit outcomes in 12 votes and 5 public entities by 2019/20.	No baseline	Supported 12 votes on financial management and the financial management capability level of 2 was achieved	Supported 12 votes on financial management for improved financial management capability level of 3+	Support 12 votes on financial management for improved financial management capability level of 3+	Annual improvements in financial management from level 2 to level 3 of FMCMM	Annual improvements in financial management from level 3+ to level 4 of FMCMM

4.4.2 PROGRAMME 4 PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2015/16 – 2017/18

Programme 4 Performance indicators	Audited/Actual performance			Estimated performance 2014/15	Medium-term targets		
	2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
Strategic Objective: To achieve annual improvements in audit outcomes in 12 votes and 5 public entities by 2019/20.							
Indicators contribute to the MTSF Outcome 12 and NDP objective 13 of building an efficient, effective and development oriented public service as well as Draft LDP focus area of Building a Developmental State.							
1	Number of courses conducted on transversal systems in line with National Treasury standards	99	100	55	78	78	78
2	Number of financial management short courses coordinated in line with SAQA requirements	9	8	6	9	9	9
3	Number of long-term financial management qualification programmes coordinated in Provincial Departments	New Indicator	New Indicator	New Indicator	2	2	2
4	Number of Votes and Public Entities monitored and supported in resolving AG audit findings to improve	13	13	13	12	17	17

Programme 4 Performance indicators	Audited/Actual performance			Estimated performance 2014/15	Medium-term targets		
	2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
audit outcomes							
5 Number of audit committee meetings supported to improve governance in departments	23	52	18	65	65	65	65
6 Number of Votes monitored and supported with regards to SCOPA matters	13	13	13	12	12	12	12
7 Number of Votes and Public Entities supported in preparing financial statements in line with the PFMA.	13 (votes) 8 (public entities)	13 (votes) 5 (public entities)	13 (votes) 5 (public entities)	13 (votes) and 5 (public entities)	17	17	17
8 Number of consolidated Annual financial statements for Public Votes and for Public Entities prepared in line with PFMA and submitted for audit	0 AFS (Votes) 0 AFS (Public Entities)	0 AFS (Votes) 0 AFS (Public Entities)	2 AFS (Votes) 3 AFS (Public Entities)	3 AFS (Votes) 2011/12, 2012/13 & 2013/14 1 AFS (Public Entity)	4	4	4
9 Number of Votes and Public Entities assessed on Risk Management	13 votes	17	17	17	17	17	17

Programme 4 Performance indicators	Audited/Actual performance			Estimated performance 2014/15	Medium-term targets		
	2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
10	1	1	1	17	17	17	17
11	New Indicator	New Indicator	New Indicator	New Indicator	1	0	0
12	No baseline	No baseline	No baseline	12	12	12	12
13	12	12	12	12	12	12	12
14	No baseline	No baseline	No baseline	1	1	1	1

Programme 4 Performance indicators	Audited/Actual performance			Estimated performance 2014/15	Medium-term targets		
	2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
internal Quality Assurance Improvement Programme (QAIP) Implementation Report prepared to improve the quality of client services.							

4.4.3 PROGRAMME 4 QUARTERLY TARGETS FOR 2015/16

Programme 4 Performance indicators	Reporting period	Annual target 2015/16	Quarterly targets				
			1 st	2 nd	3 rd	4 th	
Strategic Objective: To achieve annual improvements in audit outcomes in 12 votes and 5 public entities by 2019/20.							
1	Number of courses conducted on transversal systems in line with National Treasury standards	Quarterly	78	18	26	18	16
2	Number of financial management short courses co-ordinated in line with SAQA	Quarterly	9	2	3	2	2
3	Number of long-term financial management qualification programmes coordinated in Provincial Departments	Quarterly	2	2	2	2	2
4	Number of Votes and Public Entities monitored and supported in resolving AG audit findings to improve audit outcomes	Quarterly	17	17	17	17	17

Programme 4 Performance indicators	Reporting period	Annual target 2015/16	Quarterly targets				
			1 st	2 nd	3 rd	4 th	
5	Number of audit committee meetings supported to improve governance in departments	Quarterly	65	13	26	13	13
6	Number of votes monitored and supported with regards to SCOPA matters	Quarterly	12	12	12	12	12
7	Number of Votes and Public Entities supported in preparing financial statements in line with the PFMA.	Quarterly	17	17	17	17	17
8	Number of consolidated Annual financial statements for Votes and for Public Entities prepared in line with PFMA and submitted for audit	Annually	4	2	2	0	0
9	Number of Votes and Public Entities assessed on Risk Management Performance	Quarterly	17	17	17	17	17

Programme 4 Performance indicators	Reporting period	Annual target 2015/16	Quarterly targets			
			1 st	2 nd	3 rd	4 th
10 Number of Votes and Public Entities monitored on their risks within the Provincial Risk Profile	Quarterly	17	17	17	17	17
11 Number of transversal risk management systems Implemented	Quarterly	1	0	0	0	1
12 Number of three year strategic rolling and annual audit plans prepared by Provincial Internal Audit and approved by the Audit Committee for the financial year 2015/16	Annual	12	12	0	0	0
13 Number of votes audited as per approved annual audit plans to improve the internal control environment	Quarterly	12	12	12	12	12

14	Programme 4 Performance indicators	Reporting period	Annual target 2015/16	Quarterly targets			
				1 st	2 nd	3 rd	4 th
	Number of annual internal Assurance Improvement Programme (QAIP) Implementation Report prepared to improve the quality of client services.	Annual	1	0	0	0	1

4.4.4 RISK MANAGEMENT

Programme 4: Financial Governance		
Strategic Objective	STRATEGIC RISK	MITIGATION
To achieve annual improvements in audit outcomes in 12 votes and 5 public entities by 2019/20.	Inadequate support to departments, public entities and municipalities caused by inadequate support methodologies, lack of technical skills, vacant funded posts and inadequate resources (capacity)	<ul style="list-style-type: none"> Implement Financial and transversal support skills assessment and provide training to close identified skill gaps. Facilitate filling of funded vacant posts with required experience skills.
	Failure to effectively attract, develop and retain the people necessary to sustain and achieve the LPIA's service delivery mandate.	<ul style="list-style-type: none"> Develop a staff rotation policy for employees in and out LPIA. Certification Programme CIA; CGAP etc.
	Failure to foster consistent and effective communications between the various LPIA's clients and stakeholders may result in misunderstandings that cause lack of compliance with policies, laws and regulations.	<ul style="list-style-type: none"> Attend all executive management meetings including Audit Steering as well as Strategic meetings.

4.4.5 Reconciling performance targets with the Budget and MTEF

Expenditure estimates

Table 5.6(b): Summary of payments and estimates by economic classification: Programme 4. Financial Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2015/16	2016/17	2017/18
	2011/12	2012/13	'2013/14	2014/15					
Current payments	53 026	52 163	126 442	96 530	104 336	103 957	82 139	85 568	89 847
Compensation of employees	42 177	44 840	49 838	61 696	57 851	57 472	68 257	69 894	73 389
Goods and services	10 849	7 323	76 604	34 834	46 485	46 485	13 882	15 674	16 459
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	416	23	884	-	36	415	1 100	1 161	1 219
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	416	23	884	-	36	415	1 100	1 161	1 219
Payments for capital assets	94	282	32	142	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	94	282	26	142	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	6	-	-	-	-	-	-
Total economic classification	53 536	52 468	127 358	96 672	104 372	104 372	83 239	86 729	91 066

Performance and expenditure trends

The allocation for the branch decreased by 25 per cent from R104, 4 million in 2014/15 to R83, 2 million in 2015/16.

Compensation of employees' budget increased from R57, 9 million in 2014/15 to R66, 3 million in 2015/16 which equates to 13 per cent and will cover filling of posts in the branch and in Internal Audit sub programme which has the highest staff turnover in the department.

A decrease in Goods and Services from R 46, 5 million in 2014/15 to R 13, 9 million in 2015/16 is due to Intervention projects coming to an end. The budget will fund training of officials as part of LOGIS implementation as well as payment for audit committee members.

PART C: LINKS TO OTHER PLANS

5. Links to the long term infrastructure and other capital plans

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

6. Conditional grants

The Department does not administer any conditional grants.

7. Public entities

The department does not oversee any public entities.

8. Public-private partnerships

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

ANNEXURES

ANNEXURE 1: TECHNICAL INDICATORS FOR PROGRAMME 1

Technical Indicator Definitions

Strategic outcome oriented Goal 1: Strategic partnership that enables effective execution of the department's legislative mandate.

Indicator number	1
Indicator title	Number of programmes monitored for compliance to institutional arrangements
Short definition	Monitor compliance of all structures (as outlined in the institutional arrangement document) within the four programmes (Administration, SRM, ALSM & FG).
Purpose/importance	To ensure that all structures as outlined in the institutional arrangement document are monitored in order to enhance governance and service delivery.
Source/collection of data	Minutes of all structure meetings, schedules, resolutions
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Quarterly and Annually
New indicator	No
Desired performance	All structures are monitored for compliance to institutional arrangements
Indicator responsibility	Senior Manager: HoD Support Services

Indicator number	2
Indicator title	Number of programmes monitored and supported on compliance to PMDS policy and procedures
Short definition	Monitor and support all four programmes (Administration, SRM, ALSCM & FG) on implementation of PMDS policy and procedures in respect of performance and employee development.
Purpose/importance	To ensure that all 4 programmes comply to the PMDS Policy and procedures by assessment of individual performance and development of employees
Source/collection of data	Performance Agreements and Performance Review Discussion, PMDS Policy and Procedures
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Quarterly and annually
New indicator	No
Desired performance	All programmes are monitored and supported on implementation of PMDS Policy and procedures
Indicator responsibility	General Manager: Corporate Services

Indicator number	3
Indicator title	Number of programmes supported on development/review of business processes
Short definition	Support all four programmes (Administration, SRM, ALSCM & FG) on implementation or review of business processes.
Purpose/importance	To ensure that all 4 programmes have up-to-date documented business processes in place.
Source/collection of data	Business processes and procedure manuals
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Quarterly and annually
New indicator	No
Desired performance	All programmes are supported on development or review of business processes.
Indicator responsibility	General Manager: Corporate Services

Indicator number	4
Indicator title	Number of key services monitored in implementation of SDIP
Short definition	Monitor the following three key services: Support Departments and municipalities to improve audit outcomes, monitor 30 days payment cycle and implement financial management systems.
Purpose/importance	To track progress on the identified services for service delivery improvement
Source/collection of data	Data collected from identified Branches on quarterly basis
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non - Cumulative
Reporting cycle	Quarterly and annually
New indicator	No
Desired performance	All three key services monitored to ensure improved service delivery.
Indicator responsibility	Senior Manager: Transformation Services

Indicator number	5
Indicator title	Number of facilities monitored on implementation of Risk Assessment recommendations
Short definition	Monitor all nine facilities (Ismini, Finance House, Internal Audit, 4 District Offices, Warehouse & Lebowakgomo Training Centre) at head office and district level for compliance to OHSA
Purpose/importance	Tracks compliance to OHSA in all Departmental facilities to ensure healthy and safe environment
Source/collection of data	Monitoring and inspection reports through developed checklist
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non - Cumulative
Reporting cycle	Quarterly and Annually
New indicator	No
Desired performance	All Departmental facilities monitored on quarterly basis
Indicator responsibility	Senior Manager: Transformation Services

Indicator number	6
Indicator title	Number of programmes supported and monitored in mitigation of the prioritised risks to provide reasonable assurance on the achievement of set objectives.
Short definition	Monitor progress on mitigation of prioritised departmental risks and provide support to the 4 programmes (Administration, SRM, ALSCM & FG).
Purpose/importance	To support and monitor all four programmes to mitigate the prioritised risks in order to limit the effect of risks to enhance service delivery.
Source/collection of data	Progress reports by programmes, Departmental Risk Register
Method of calculation	Simple count
Data limitations	Risks may be incorrectly identified by risk owners
Type of indicator	Output
Calculation type	Non - cumulative
Reporting cycle	Quarterly and annually
New indicator	No
Desired performance	All four programmes are monitored and supported in mitigating the prioritised risks to provide reasonable assurance on the achievement of set objectives.
Indicator responsibility	Senior Manager: Enterprise Risk Management

Indicator number	7
Indicator title	Number of programmes monitored and supported on implementation of Records Management Systems
Short definition	Monitor and support all four departmental programmes (Administration, SRM, ALSCM & FG) in implementation of Records Management systems i.e. File plans, Records Management Policy, Registry Procedure Manual, PAIA and PAJA manual
Purpose/importance	To track progress and improve compliance in the implementation of Records Management Systems
Source/collection of data	All four programmes utilizing Inspection / monitoring checklist
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	All four programmes are monitored and supported in implementation of Records Management Systems
Indicator responsibility	Senior Manager: Records Management & Auxiliary Services

Indicator number	8
Indicator title	Number of buildings provided with auxiliary services in line with User Asset Management Plan
Short definition	Facilitation and provisioning of auxiliary services that includes cleaning services, building maintenance and allocation of offices
Purpose/importance	To provide necessary support to departmental clients on cleaning services, building maintenance and allocation of offices
Source/collection of data	Cleaning routine forms, registers for building maintained and plan on office allocation
Method of calculation	Simple count
Data limitations	None
Type of indicator	Out-put
Calculation type	Non - cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	All buildings provided with auxiliary services in line with User Asset Management Plan
Indicator responsibility	Senior Manager: Records Management & Auxiliary Services

Indicator number	9
Indicator title	Number of programmes monitored and supported on compliance to Corporate Identity Manual and the Communication Policy
Short definition	Monitor and support all four programmes (Administration, SRM, ALSCM & FG) to comply with the Corporate Identity Manual and Communication Policy
Purpose/importance	To ensure that four programmes are monitored and supported on compliance to Corporate Identity Manual and Communication Policy for effective communication and brand management within the department
Source/collection of data	Internal Memos, inspections, emails and submissions
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	All programmes monitored and supported on compliance to Corporate Identity Manual and the Communication Policy
Indicator responsibility	Senior Manager: Communication Services

Indicator number	10
Indicator title	Number of prioritised ICT projects implemented in line with ICT Plan
Short definition	Implementation of prioritized ICT projects in line with ICT Plan
Purpose/importance	Implementation of prioritized ICT projects in line with ICT Plan to improve management of information within the department
Source/collection of data	Branches in the department, IT Steering Committee and SITA
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non - cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	All four prioritized ICT projects implemented in line with ICT Plan
Indicator responsibility	Senior Manager: GITO

Indicator number	11
Indicator title	Number of programmes monitored and supported in implementation of MISS and Investigation Strategy to ensure compliance with National Security prescripts
Short definition	Support four programmes (Administration, SRM, ALSCM & FG) in implementation of MISS and Investigation Strategy
Purpose/importance	Four programmes monitored and supported to implement MISS and Investigation Strategy Intended to minimize security risks.
Source/collection of data	Analysis/Assessment Reports, requests from branches
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Four programmes monitored and supported in implementation of MISS and Investigation Strategy to ensure compliance with National Security prescripts
Indicator responsibility	Senior Manager: Security and Investigation Services

Indicator number	12
Indicator title	Number of IYM reports compiled in line with National Treasury prescripts.
Short definition	Reporting on expenditure trends against the allocated budget.
Purpose/importance	Monitor expenditure trends to track possible areas of under/over - spending.
Source/collection of data	BAS, Vulindlela & PERSAL reports
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Monthly
New indicator	No
Desired performance	12 IYM reports compiled monthly in line with National Treasury prescripts and submitted by the 15 th of every month.
Indicator responsibility	Senior Manager: Management Accounting

Indicator number	13
Indicator title	Number of budget documents compiled and submitted
Short definition	Budget allocation documents submitted to Treasury .
Purpose/importance	To indicate budget allocations to programmes in the department.
Source/collection of data	BAS, Vulindlela & PERSAL reports
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	4 budget documents compiled and submitted to Treasury.
Indicator responsibility	Senior Manager: Management Accounting

Indicator number	14
Indicator title	Number of financial statements compiled and submitted for review by Provincial Treasury in line with the reporting framework
Short definition	Reporting on bookkeeping in compliance with prescripts
Purpose/importance	To report on how the department accounts for its transactions
Source/collection of data	BAS, Vulindlela & PERSAL reports
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Quarterly and Annually
New indicator	Yes
Desired performance	4 sets of financial statements compiled and submitted for audit purposes
Indicator responsibility	Senior Manager: Financial Accounting

Indicator number	15
Indicator title	% of supplier's valid invoices paid within 30 days
Short definition	This is the percentage of valid invoices paid within 30 days
Purpose/importance	This performance indicator indicates how effectively the department pays its supplies
Source/collection of data	Invoice Register and BAS Reports
Method of calculation	% of invoices paid = Number of invoices paid/total number of valid invoices received
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	All valid invoices paid within 30 days
Indicator responsibility	Senior Manager: Financial Accounting

Indicator number	16
Indicator title	Number of departmental plans and performance reports developed in line with National Treasury Frameworks
Short definition	Departmental Performance Plans and Reports developed in line with National Treasury Frameworks
Purpose/importance	Department's compliance to the planning and performance information frameworks and to ensure that there is integrated planning and outcomes based performance monitoring for effective and efficient service delivery
Source/collection of data	Strategic Plan, Annual Performance Plan, Quarterly and Annual Reports
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Quarterly and Annually
New indicator	No
Desired performance	3 departmental performance plans and 5 performance reports are developed in line with National Treasury Frameworks
Indicator responsibility	Senior Manager: Strategic Operations and Policy Coordination

Indicator number	17
Indicator title	Number of strategic sourcing, maintenance and disposal plans implemented in line with SCM prescripts
Short definition	Facilitate procurement of goods and services, Maintenance of asset register and Management of fleet (Demand and Acquisition Management Plans, Disposal and Transport Management Plans and financial systems)
Purpose/importance	To ensure effective implementation of strategic sourcing, maintenance and disposal plans in line with SCM prescripts
Source/collection of data	BAS and Finest
Method of calculation	Simple count
Data limitations	Unavailability of integrated SCM systems (Procurement, Asset and Inventory)
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Monthly and Quarterly
New indicator	No
Desired performance	5 strategic sourcing, maintenance and disposal plans are implemented in line with SCM prescripts
Indicator responsibility	Senior Manager: Supply Chain Management

ANNEXURE 2: TECHNICAL INDICATORS FOR PROGRAMME 2

Technical Indicator Definitions

Strategic outcome oriented Goal 2: Responsive, accountable, effective and efficient provincial and local government system

Indicator number	1
Indicator title	Number of Research documents produced to align the Provincial Fiscal Policy
Short definition	Conduct research on Provincial Socio-Economic status to produce 1 Socio Economic Review and Outlook, 4 quarterly Economic bulletins, 1 Medium Term Budget Policy Statement and 1 Budget Overview
Purpose/importance	To ensure that Provincial resources are allocated according to the needs of the province
Source/collection of data	Statistics South Africa and Quantec Research Pty Ltd
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annual and Quarterly
New indicator	No
Desired performance	All 7 research documents produced to align the Provincial Fiscal Policy
Indicator responsibility	Senior Manager: Macro Economic Analysis

Indicator number	2
Indicator title	Number of Departments and Public Entities supported and monitored in provincial own revenue enhancement to ensure achievement of set target
Short definition	Monitor and support 13 Departments and 5 Public Entities to ensure collection of revenue and recovery of debts in the province
Purpose/importance	To ensure that all 13 Departments and 5 Public Entities are monitored and supported to maximize revenue generation by maintaining current revenue and identification of sustainable new sources and recovery of debts in the province
Source/collection of data	Monthly and quarterly reports from departments and public entities
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly and Annually
New indicator	No
Desired performance	All 13 Departments and 5 Public Entities supported and monitored in provincial own revenue enhancement
Indicator responsibility	Senior Manager: Fiscal Development

Indicator number	3
Indicator title	Number of budget documents compiled, tabled and gazetted in line with the set standards and National Treasury guidelines (Main Appropriation Bill and Adjustment Budget)
Short definition	Main Appropriation Bill and Adjustment Budget documents compiled, table and gazetted
Purpose/importance	To compile, table and gazetted Main Appropriation Bill and Adjustment Budget documents in order to improve provincial budgets credibility and alignment of budget to priorities
Source/collection of data	Budget documents (Budget Statements, Appropriation Bills and Schedules, Citizen Guides, etc.)
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Quarterly and Annually
New indicator	No
Desired performance	Compiled, tabled and gazetted Main Appropriation Bill and Adjustment Budget documents in line with the set standards and National Treasury guidelines
Indicator responsibility	Senior Manager: Budget Management

Indicator number	4
Indicator title	Number of consolidated provincial in year monitoring reports produced in line section 32 of PFMA
Short definition	12 monthly provincial IYMs produced in line section 32 of PFMA to ensure that 13 departments spend within 100% of their allocated budgets
Purpose/importance	To ensure that 13 departments spend within 100% of their allocated budgets
Source/collection of data	In year monitoring reports and Budget Book
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Monthly
New indicator	No
Desired performance	That all 12 monthly provincial IYMs are produced for 13 departments
Indicator responsibility	Senior Manager: Public Finance

Indicator number	5
Indicator title	Number of infrastructure departments monitored and supported in the implementation of the Infrastructure Delivery Management System.
Short definition	Monthly meetings and Interventions through Technical Assistants in the implementation of established and systematic Infrastructure Delivery Management Systems. Consolidated progress reports and analysis.
Purpose/importance	Promote efficient and effective infrastructure delivery methodologies, budget alignment, HR capacity, and improved procurement systems.
Source/collection of data	IDIP Governance Structure Meetings/minutes and Infrastructure Meetings minutes
Method of calculation	Quantitative and Qualitative
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Monthly and quarterly
New indicator	No, this is a new indicator
Desired performance	Infrastructure Departments adopt IDIP and IDMS methodologies in infrastructure delivery.
Indicator responsibility	Senior Manager: Infrastructure Management

Indicator number	6
Indicator title	Number of departments monitored on infrastructure expenditure to improve infrastructure service delivery
Short definition	Monitored all 8 infrastructure departments on infrastructure expenditure
Purpose/importance	To Track infrastructure spending in 8 departments in order to address the challenges of under / over spending.
Source/collection of data	Monthly and quarterly IRM reports
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Monthly and quarterly
New indicator	No
Desired performance	That 8 Infrastructure Departments are monitored on infrastructure expenditure
Indicator responsibility	Senior Manager: Infrastructure Management

Indicator number	7
Indicator title	Number of Municipalities and Municipal Entities monitored and supported on financial management and governance
Short definition	Monitor compliance with MFMA
Purpose/importance	Ensure compliance with MFMA and guidelines
Source/collection of data	Analysis Reports
Method of calculation	Simple calculations
Data limitations	Establishment and disestablishment of municipalities
Type of indicator	Activity
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	That all 30 Municipalities and 3 Municipal Entities are monitored and supported on financial management and governance
Indicator responsibility	MFMA Coordinator

ANNEXURE 3: TECHNICAL INDICATORS FOR PROGRAMME 3

Technical Indicator Definitions

Strategic outcome oriented Goal 2: Responsive, accountable, effective and efficient provincial and local government system

Indicator number	1
Indicator title	Number of Votes and Public Entities monitored and supported on Asset Management to improve the effectiveness, efficiency and economical Asset Management
Short definition	Monitor and support all 13 Votes and 5 public entities on the maintenance, management and safeguarding of assets.
Purpose/importance	To ensure effective, efficient and economical Asset Management
Source/collection of data	Provincial departments and public entities
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non - cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	All 12 votes and 5 public entities monitored and supported on Asset Management
Indicator responsibility	Senior Manager: Provincial Asset Management

Indicator number	2
Indicator title	Number of Votes and Public Entities monitored and supported on Inventory Management to improve the effectiveness, efficiency and economical Inventory Management
Short definition	Monitor and support all 13 Votes and 5 public entities on the maintenance, management and safeguarding of inventories.
Purpose/importance	To ensure effective, efficient and economical Inventory Management
Source/collection of data	Provincial departments and public entities
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non - cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	All 12 votes and 5 public entities monitored and supported on Inventory Management
Indicator responsibility	Senior Manager: Provincial Asset Management

Indicator number	3
Indicator title	Number Votes and Public Entities monitored and supported on cash, banking and liabilities management.
Short definition	Monitored and supported 13 Votes and 5 public entities on cash, banking and liabilities management.
Purpose/importance	To ensure that departments and public entities have bank accounts, cash flows plans as well as processes to spend their budgets in line with their service delivery plans.
Source/collection of data	Government financial systems, annual financial statements, bank statements (provincial banker and SA Reserve Bank), banking contract and SLA, budget statements, IYM, PFMA, Treasury Regulations, DoRA and National Payment Schedule.
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non - cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	All 13 votes and 5 public entities monitored and supported on cash, banking and liabilities management.
Indicator responsibility	Senior Manager: Banking and Cash-flow Management

Indicator number	4
Indicator title	Number of Votes and Public Entities monitored and supported on SCM processes
Short definition	Monitoring performance of 12 Votes and 5 public entities on compliance with SCM prescripts
Purpose/importance	To increase SCM compliance on SCM prescripts
Source/collection of data	Vouchers, Contracts, Bid Documents, Procurement Plans, Bid Committee Minutes and reports from Provincial Votes and public entities
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non- Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	All 12 votes and 5 public entities monitored and supported to increase SCM compliance
Indicator responsibility	Senior Manager: SCM Policy Development and Implementation

Indicator number	5
Indicator title	Number of strategic procurement / transversal bids facilitated for adjudication in the province
Short definition	Facilitation of transversal bids for adjudication in the province
Purpose/importance	To facilitate transversal contracts in order to leverage on costs
Source/collection of data	<u>Source</u> : Departmental needs analysis; spend analysis, market assessments, and statutory body's quality standards.
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	The aim is to get the three (3) bids evaluated
Indicator responsibility	Senior Manager: Demand & Acquisition Management

Indicator number	6
Indicator title	Number of Votes monitored and supported on transversal contracts
Short definition	Monitoring the execution by 12 Votes of the awarded transversal contracts as well as performance by supplier as per Service Level Agreements, this will include facilitation of new transversal contracts for cost effective procurement.
Purpose/importance	To monitor execution of transversal contracts by departments to avoid deviations which lead to unnecessary litigations emanating from signed Service Level Agreements
Source/collection of data	Vouchers, Contracts and Reports on utilisation of transversal contracts from Provincial Votes
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	That 12 votes are monitored and supported on transversal contracts
Indicator responsibility	Senior Manager: Demand & Acquisition Management

Indicator number	7
Indicator title	Number of Votes and Public Entities supported on SCM supplier development
Short definition	Suppliers in 12 Votes and 5 Public entities are capacitated on SCM processes and compliance thereof
Purpose/importance	To support and develop Suppliers to ensure that they comply with SCM Prescripts
Source/collection of data	Provincial votes and public entities supplier databases
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	All Votes and Public Entities supported on SCM supplier development
Indicator responsibility	Senior Manager: SCM Advice Centre

Indicator number	8
Indicator title	Number of Votes supported and monitored on financial systems utilization
Short definition	Supporting and monitoring of all 13 Votes on utilization of financial systems
Purpose/importance	To track the financial systems utilization in 13 Votes to ensure effective usage
Source/collection of data	HRM Reports, Trial Balance, User Account Management Reports, SITA and IBM SLAs
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non - cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	All 13 votes monitored and supported on financial systems utilization
Indicator responsibility	Senior Manager: Systems Administration

Indicator number	9
Indicator title	Number of LOGIS sites implemented
Short definition	Implementation of LOGIS in 3 sites
Purpose/importance	To coordinate the implementation of financial systems in the province
Source/collection of data	Project progress reports, Asset Register
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non - cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	All identified LOGIS sites implemented
Indicator responsibility	Senior Manager: Systems Development

ANNEXURE 4: TECHNICAL INDICATORS FOR PROGRAMME 4

Technical Indicator Definitions

Strategic outcome oriented Goal 2: Responsive, accountable, effective and efficient provincial and local government system

Indicator number	1
Indicator title	Number of courses conducted on transversal systems in line with National Treasury standards
Short definition	Financial management capacity building through training courses. Training of departmental officials on transversal systems (BAS & PERSAL)
Purpose/importance	Improve skills of officials on utilization of transversal systems in order to improve financial management in the province
Source/collection of data	Departmental nomination list, number of trainers, number and availability of training venues, availability of the system.
Method of calculation	Simple count.
Data limitations	Non-availability of trainers, training venues, network and the system
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Actual performance that is higher than targeted performance is desirable
Indicator responsibility	Senior Manager: Financial Training

Indicator number	2
Indicator title	Number of financial management short courses co-ordinated in line with SAQA requirements
Short definition	Financial management capacity building through short courses in problem areas identified by Auditor General (in the 2013/14 audited annual reports of Departments and Public Entities) such as inadequate internal control, inadequate expenditure management, etc.
Purpose/importance	To improve financial management skills in the province
Source/collection of data	Service Providers, Training schedules, Nomination list of officials, attendance registers
Method of calculation	Simple count
Data limitations	Non availability of participants to the programme
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Actual performance that is higher than targeted performance is desirable
Indicator responsibility	Senior Manager: Financial Training

Indicator number	3
Indicator title	Number of long-term financial management qualification programmes coordinated in Provincial Departments
Short definition	Financial management capacity building through long term financial management programme to finance officials in Provincial Departments.
Purpose/importance	Improve financial management skills in the province.
Source/collection of data	Service Providers, Training schedules, Nomination list of officials and attendance registers,
Method of calculation	Simple count
Data limitations	Non availability of participants to the programme
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Actual performance that is higher than targeted performance is desirable
Indicator responsibility	Senior Manager: Financial Training

Indicator number	4
Indicator title	Number of votes and public entities monitored and supported in resolving AG audit findings to improve audit outcomes
Short definition	Monitor and provide guidance on implementing mitigations for exceptions raised by Auditor General in Office of the Premier, Agriculture, Provincial Treasury, Transport, safety, security and Liaison, Roads Agency Limpopo, Limpopo Tourism Agency, Limpopo Gambling Board, Limpopo Economic Development Agency and Gateway Airports Authority Limited.
Purpose/importance	Improved audit outcomes for votes and public entities
Source/collection of data	Submission of quarterly progress report by votes and public entities
Method of calculation	Simple count
Data limitations	Non availability of progress reports and limitation of skills to review and provide advice on submitted progress reports
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Actual performance that is higher than targeted performance is desirable
Indicator responsibility	Senior Manager: Norms & Standards

Indicator number	5
Indicator title	Number of Audit Committee meetings supported to improve governance in votes
Short definition	Schedule, arrange logistics and provide secretariat support to Audit Committee meetings
Purpose/importance	Ensures that meetings of the Audit Committee take place as planned
Source/collection of data	Audit Committee packs, attendance registers, minutes and Audit Committee reports
Method of calculation	Simple count
Data limitations	None submission of information by votes
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	All 65 meetings of the Audit Committee should be supported
Indicator responsibility	Senior Manager: Norms & Standards

Indicator number	6
Indicator title	Number of votes monitored and supported with regards to SCoPA matters
Short definition	Support and monitor votes on implementation of SCoPA resolutions
Purpose/importance	Ensure that resolutions of the Legislature (SCoPA) are implemented
Source/collection of data	Monthly support progress report by Provincial Treasury
Method of calculation	Simple count
Data limitations	Unavailability of key personnel from Provincial Treasury and votes
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	All 12 votes should be monitored and supported
Indicator responsibility	Senior Manager: Norms & Standards

Indicator number	7
Indicator title	Number of votes and public entities supported in preparing financial statements in line with the PFMA
Short definition	Support votes and public entities in preparation and submission of Annual Financial Statements in line with PFMA
Purpose/importance	To ensure that all 12 votes and 5 public entities are adequately supported so that public funds are properly and timely accounted for.
Source/collection of data	Financial Reports
Method of calculation	Simple count
Data limitations	Non submission of AFS by votes and public entities
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	All 13 votes and five public entities are supported in line with PFMA
Indicator responsibility	Senior Manager: Provincial Financial Reporting

Indicator number	8
Indicator title	Number of consolidated Annual financial statements for votes and for public entities prepared in line with PFMA and submitted for audit
Short definition	Consolidated AFS for votes and for public entities are prepared and submitted for audit within the prescribed PFMA timeframes
Purpose/importance	To ensure that votes and public entities AFS are consolidated and submitted to AG.
Source/collection of data	Audited votes, public entities and Provincial Revenue Fund AFS
Method of calculation	Simple count
Data limitations	Delays in preparation and audit of the AFS
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	All Annual financial statements for votes and for public entities are consolidated and submitted to AG as per target
Indicator responsibility	Senior Manager: Provincial Financial Reporting

Indicator number	9
Indicator title	Number of votes and public entities assessed on Risk Management Performance
Short definition	Assessment of implementation of risk management principles by 12 x votes and 5 x public entities
Purpose/importance	To conduct an assessment in order to evaluate the progress made in implementing risk management within our provincial departments and public entities. This then enables the provincial treasury to make its recommendations towards enhancing risk management processes within these institutions.
Source/collection of data	Strategic Plans and APP's, Annual reports, Internal Audit reports; Annual risk assessment reports and implementation plans; Quarterly risk management progress reports votes and public entities.
Method of calculation	Simple count
Data limitations	Integrity and timeous submission of data is dependent on the submissions by votes and public entities
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly and annually
New indicator	No
Desired performance	All 12 votes and 5 public entities assessed on risk management performance
Indicator responsibility	Senior Manager: Transversal Risk Management

Indicator number	10
Indicator title	Number of Votes and Public Entities monitored on their risks within the Provincial Risk Profile
Short definition	This is about the monitoring of departmental and public entities risk profiles to ensure that high risks are mitigated adequately
Purpose/importance	To ensure that departmental and public entities' prioritised risks are adequately mitigated in order to enable these institutions to meet their objectives.
Source/collection of data	Strategic Plans and APP's, Annual reports, Internal Audit reports; Annual risk assessment reports and implementation plans; Quarterly risk management progress reports votes and public entities.
Method of calculation	Simple count
Data limitations	Integrity and timeous submission of data is dependent on the submissions by votes and public entities. Lack of transversal risk management IT system.
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly and annually
New indicator	No
Desired performance	All 12 votes and 5 public entities risk profiles monitored
Indicator responsibility	Senior Manager: Transversal Risk Management

Indicator number	11
Indicator title	Transversal risk management IT system
Short definition	Implement transversal risk management IT system within provincial departments and public entities
Purpose/importance	To automate the risk management processes in order to safe guard information and ensure effective monitoring and reporting processes.
Source/collection of data	LEGDP; APPs; Departmental and public entities risk registers;
Method of calculation	Simple count
Data limitations	Integrity and timeous submission of data is dependent on the submissions by votes and public entities. Common language of risks within the departments and public entities
Type of indicator	Output indicator
Calculation type	Non-cumulative
Reporting cycle	Quarterly and annually
New indicator	Yes
Desired performance	Automated risk management processes within 12 votes and 5 public entities
Indicator responsibility	Senior Manager: Transversal Risk Management

Indicator number	12
Indicator title	Number of three year rolling and annual audit plans prepared by Provincial Internal Audit and approved by the Audit Committee for the financial year 2015/16
Short definition	Three year rolling and annual audit plans for the 12 votes approved by the Audit Committee for the financial year 2015/16
Purpose/importance	To agree on the auditable areas for the 12 votes with key stakeholders to ensure a systematic audit process
Source/collection of data	Departmental Risk Profiles and departmental strategic goals
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non - cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	All 12 votes three year rolling and annual audit plans prepared and approved timeously
Indicator responsibility	Chief Audit Executive

Indicator number	13
Indicator title	Number of votes audited as per approved annual audit plans to improve the internal control environment
Short definition	All 12 Limpopo Votes audited by Provincial Internal Audit in accordance with the approved internal audit plan.
Purpose/importance	To audit 12 votes in accordance with the approved internal audit plan to improve the effectiveness of internal controls, risk management and governance in departments.
Source/collection of data	Approved departmental audit plans
Method of calculation	Simple count
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Actual performance that is higher than targeted performance is desirable
Indicator responsibility	Chief Audit Executive

Indicator number	14
Indicator title	Number of annual internal Quality Assurance Improvement Programme (QAIP) Implementation Report prepared to improve the quality of client services.
Short definition	A tool to enhance the independence and credibility of the Internal Audit Activity
Purpose/importance	To prepare annual internal Quality Assurance Improvement Plan to improve the quality of work product of the Internal Audit Activity
Source/collection of data	Institute of Internal Auditor's Standards
Method of calculation	Non - cumulative
Data limitations	None
Type of indicator	Output
Calculation type	Simple count
Reporting cycle	Annually
New indicator	No
Desired performance	Actual performance that is higher than targeted performance is desirable
Indicator responsibility	Chief Audit Executive

