



LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY

Annual Performance Plan 2016/17

Date of tabling

10 March 2016

FOREWORD BY THE LIMPOPO MEMBER OF THE EXECUTIVE COUNCIL FOR FINANCE

As we plan for this 2016/17 budget cycle, we have to face the current backdrop of a negative economic outlook of the South African economy. This outlook requires that we escalate the level of financial prudence as well as putting further austerity measures in place in order to do more with less resources. We also 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) continue to provide direction towards achieving Vision 2030.

Provincial Treasury will continue with the implementation of the following key priorities as we manoeuvre the current tough economic environment:

- 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 the remaining Section 100 sustainability projects

In view of the above economic outlook, the Provincial Treasury will play a leading role in ensuring that departments, municipalities and public entities with the province exercise adequate financial management controls and good governance, as well as monitoring the implementation further austerity measures within the province without compromising service delivery needs of the citizens of our province. It is within this context that we further commit ourselves to the 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.



RWN Tooley (MPL)

EXECUTIVE AUTHORITY

OFFICIAL SIGN-OFF

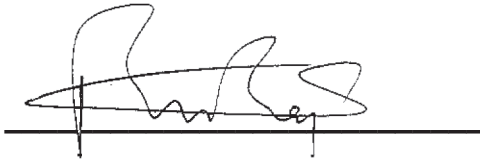
It is hereby certified that this Annual Performance Plan was developed by the management of Limpopo Provincial Treasury under the guidance of the MEC RWN. Tooley

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 2016/17.

MP Raphesu

Signature:



DDG: CORPORATE GOVERNANCE

HM Mawela

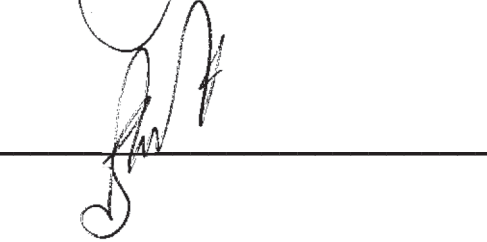
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CHIEF FINANCIAL OFFICER

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ACCOUNTING OFFICER

Approved by:

RWN Tooley (MPL)

Signature:



EXECUTIVE AUTHORITY

TABLE OF CONTENTS	PAGE
<i>LIST OF ACRONYMS</i>	6
<i>PART A: STRATEGIC OVERVIEW</i>	9
1. <i>UPDATED SITUATIONAL ANALYSIS</i>	9
1.1 Performance delivery environment	9
1.2 Organisational environment	23
2. <i>REVISIONS TO LEGISLATIVE AND OTHER MANDATES</i>	25
3. <i>OVERVIEW OF 2016/17 BUDGET AND MTEF ESTIMATES</i>	26
3.1 Expenditure estimates	26
3.2 Relating expenditure trends to strategic outcome oriented goals	27
<i>PART B: PROGRAMME AND SUBPROGRAMME PLANS</i>	29
<i>Budget Structure</i>	29
4. <i>PROGRAMMES</i>	30
4.1 PROGRAMME 1: ADMINISTRATION	30
4.1.1 PROGRAMME 1 STRATEGIC OBJECTIVES ANNUAL TARGETS FOR 2016/17	31
4.1.2 PROGRAMME 1 PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2016/17 – 2018/19	32
4.1.3 PROGRAMME 1 QUARTERLY TARGETS FOR 2016/17	36
4.1.4 RISK MANAGEMENT	38
4.1.5 Reconciling performance targets with the Budget and MTEF	39
4.2 PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT	40
4.2.1 PROGRAMME 2 STRATEGIC OBJECTIVES ANNUAL TARGETS FOR 2016/17	41
4.2.2 PROGRAMME 2 PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2016/17 – 2018/19	42
4.2.3 PROGRAMME 2 QUARTERLY TARGETS FOR 2016/17	45
4.2.4 RISK MANAGEMENT	47
4.2.5 Reconciling performance targets with the Budget and MTEF	48
4.3 PROGRAMME 3: ASSETS, LIABILITIES AND SUPPLY CHAIN MANAGEMENT (INCLUDING FINANCIAL SYSTEMS)	49
4.3.1 PROGRAMME 3 STRATEGIC OBJECTIVES ANNUAL TARGETS FOR 2016/17	50
4.3.2 PROGRAMME 3 PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2016/17 – 2018/19	51
4.3.3 PROGRAMME 3 QUARTERLY TARGETS FOR 2016/17	53
4.3.4 RISK MANAGEMENT	55
4.3.5 Reconciling performance targets with the Budget and MTEF	56
4.4 PROGRAMME 4: FINANCIAL GOVERNANCE	57
4.4.1 PROGRAMME 4 STRATEGIC OBJECTIVES ANNUAL TARGETS FOR 2016/17	58
4.4.2 PROGRAMME 4 PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2016/17 – 2018/19	59
4.4.3 PROGRAMME 4 QUARTERLY TARGETS FOR 2016/17	62
4.4.4 RISK MANAGEMENT	65
4.4.5 Reconciling performance targets with the Budget and MTEF	66

<i>PART C: LINKS TO OTHER PLANS</i>	<i>67</i>
5. Links to the long term infrastructure and other capital plans	67
6. Conditional grants	67
7. Public entities	67
8. Public-private partnerships	67
<i>ANNEXURES</i>	<i>68</i>
ANNEXURE 1: TECHNICAL INDICATORS FOR PROGRAMME 1	68
Technical Indicator Definitions	68
ANNEXURE 2: TECHNICAL INDICATORS FOR PROGRAMME 2	86
Technical Indicator Definitions	86
ANNEXURE 3: TECHNICAL INDICATORS FOR PROGRAMME 3	92
Technical Indicator Definitions	92
ANNEXURE 4: TECHNICAL INDICATORS FOR PROGRAMME 4	100
Technical Indicator Definitions	100

LIST OF ACRONYMS

Acronym	Description
AET	Adult Education and Training
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
CL	Clean
D	Disclaimer
DDG	Deputy Director-General
DORA	Division of Revue Act
FG	Financial Governance
FINEST	Financial Efficiency Strategic Planning System
GDP	Gross Domestic Product
GITO	Government Information Technology Office
HOD	Head of Department
HR	Human Resource
HRD	Human Resource Development
HRM	Human Resource Management
IBM	International Business Machines
ICT	Information and Communication Technology
IDIP	Infrastructure Delivery Improvement Programme
IDMS	Infrastructure Development Management System
IDP	Integrated Development Plan
IT	Information Technology
IYM	In Year Monitoring
LDP	Limpopo Development Plan
LOGIS	Logistics Information System
LPT	Limpopo Provincial Treasury
M&E	Monitoring & Evaluation
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
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
N/A	Not Applicable
NACH	National Crime Hotline
NDP	National Development Plan
OHSA	Occupational Health and Safety Act
PAIA	Promotion of Access to Information Act
PAJA	Promotion of Administrative Justice Act
PDPs	Personal Development Plans
PERSAL	Personnel Salary
PFMA	Public Finance Management Act
PMDS	Performance Management and Development System
PPP	Public Private Partnership
PSC	Public Service Commission
PT	Provincial Treasury
Q	Qualified
Q1	Quarter 1
Q2	Quarter 2
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
SDIP	Service Delivery Improvement Plan
SITA	State Information Technology Agency
SLA	Service Level Agreement
SP	Strategic Plan
SRM	Sustainable Resource Management
STATSSA	Statistics South Africa
TR	Treasury Regulations

U
WSP

Unqualified
Workplace Skills Plan

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 planning sessions, the team conducted a situational analysis using analysis reports from various stakeholders on Limpopo Provincial Treasury's performance on several areas. The following key stakeholders made their presentations during the Strategic Planning session: Auditor General, Public Service Commission, Office of the Premier and Provincial Internal Audit.

1.1.1 Public Service Commission

The Public Service Commission presented the State of governance and Provincial Performance on Constitutional values and principles governing the public administration. Public Service Commission indicated that Limpopo Provincial Treasury is not complying with over and under expenditure requirements and no evidence was provided to validate that the department complied with 40 days referrals, finalisation of referred cases through NACH, financial misconduct, disciplinary procedures and promoting public participation.

The Limpopo Province Financial Misconduct as at 2014/15 was reflected as per table 1 below:

Table 1: Indicator : Financial Misconduct (Limpopo Province) 2014/15

DEPARTMENT	AMOUNT INVOLVED	AMOUNT RECOVERED	AMOUNT CONSIDERED "NO LOSS TO THE STATE"	AMOUNT NOT RECOVERED
Agriculture	R 136 707.97	R 0.00	R 0.00	R 136 707.97
COGHSTA	R 1 203 582.28	R 826 152.13	R 91 381.00	R 286 049.15
LEDET	R 1 158 289.01	R 157 212.04	R 159 918.00	R 841 158.97
Education	R 1 519 627.61	R 205 871.00	R 0.00	R 1 313 756.61
Health	R 1 081 733.74	R 85 565.07	R 6 420.00	R 989 748.67
Office of the Premier	R 158 513.22	R 94 587.97	R 39 127.38	R 24 797.87
Provincial Treasury	R 2 126.83	R 2 126.83	R 0.00	R 0.00
Public Works, Roads and Infrastructure	R 113 983.22	R 55 789.75	R 0.00	R 58 213.47
Safety, Security and Liaison	R 22 397.37	R 0.00	R 22 397.37	R 0.00
Social Development	R 180 316.50	R 20 000.00	R 0.00	R 140 316.50
Sport, Arts and Culture	R 178 436.05	R 9 500.00	R 0.00	R 168 936.05
Transport	R 1 163.52	R 0.00	R 0.00	R 1 163.52
TOTAL	R 5 736 877.32	R 1 456 784.79	R 319 243.75	R 3 960 848.78

Recommendations and issues for considerations made by Public Service Commission for Limpopo Provincial Treasury were as follows:

- **Possible areas of improvement or solution for consideration:**

- High irregular appointment reported to the PSC in the province (potential reversal of appointment – litigation and cases lost = money lost to the state).
- High number of cases relating to irregularities in Supply Chain Management and PT need to play a strategic role in assisting provincial departments to improve in this regard (provincially).
- Improvement by PT to provide access to information in terms of PAIA; development of disciplinary measures and promotion of public participation.
- Engagements of SMS members on Financial Disclosure findings by the Executive Authority need to be improved, specifically the 2013/14 non-compliance.
- Signing of Head of Department Performance Agreement before 31 May 2015 by the Executive Authority need improvement.
- Is Provincial Treasury monitoring the implementation of PFMA specified sanctions of Financial Misconduct? – High verbal and written warning issues even for serious offences.
- What role is Provincial Treasury playing in partnership with Provincial M&E unit to address anomalies of high budget expenditure by department but low APP targets achieved?

1.1.2. Office of the Premier

Office of the Premier presented on MPAT 1.4 final results and MPAT 1.5 new Evaluation standard. The presentation on MPAT 1.4 outcomes was putting more focus on Limpopo Provincial Treasury's shortcomings, especially on standards where Treasury did not perform well. Office of the Premier also made a presentation on Limpopo Development Plan, where Provincial Treasury's role was outlined.

Table 2: Comparison of MPAT 1.3 and MPAT 1.4 outcomes

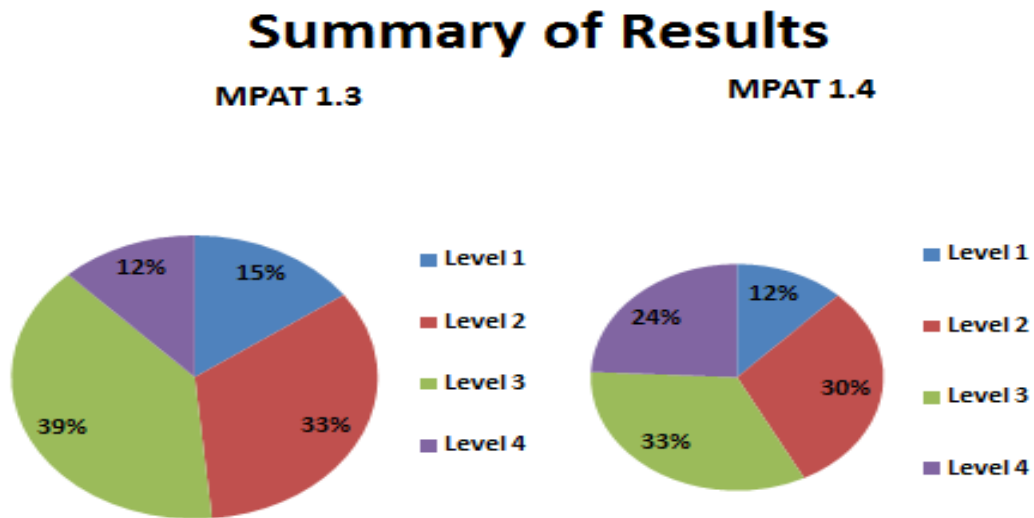
Summary of Results

MPAT 1.3					MPAT 1.4				
Total No. of KPAs	KPA at level 1	KPA at level 2	KPA at level 3	KPA at level 4	Total No. of KPAs	KPA at level 1	KPA at level 2	KPA at level 3	KPA at level 4
33	5	11	13	4	33	4	10	11	8

2

The graphical representations of the above summary results for MPAT 1.3 and MPAT 1.4 are on Figure 1 below:

Figure 1: Comparison of MPAT 1.3 and MPAT 1.4 outcomes



2

1.1.3. Auditor General

Auditor General presented Provincial Audit Outcomes and Treasury's role in Improving "GOOD" Governance in the Province.

The presentation outlined the following as key challenges identified in the Provincial Government:

- **Financial Statement**

- Material adjustments made to submitted AFS to achieve fair presentation;
- Accounting for Property, infrastructure, plant and equipment is still a challenge;
- Accounting for revenue/ accrued departmental revenue is still a challenge.

- **Annual Performance Report**

- Usefulness of SP/IDP when evaluated for Consistency, Relevance, Measurability and Presentation is still a challenge;
- Reliability of reported performance when evaluated for validity, accuracy and completeness is still a challenge.

- **Compliance with Legislation**

- High number of findings due to non - adherence to regulatory requirements.

- **Controls & Capacity**

- Leadership culture; documented process , strong daily & monthly controls;
- Good human resource & culture of review and monitoring.

- **Use of Consultants**

- No end to the tunnel- no transfer of skills, poor performance management and monitoring, inadequate planning and appointment process.

- **Use of Grants**

- Impact of these grants in achieving the intended objectives;
- Under spending - risk of fiscal dumping.

- **Unauthorised ,Irregular ,Fruitless & Wasteful expenditure**

- Re-occurrence rate high- zero learning curve

(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.

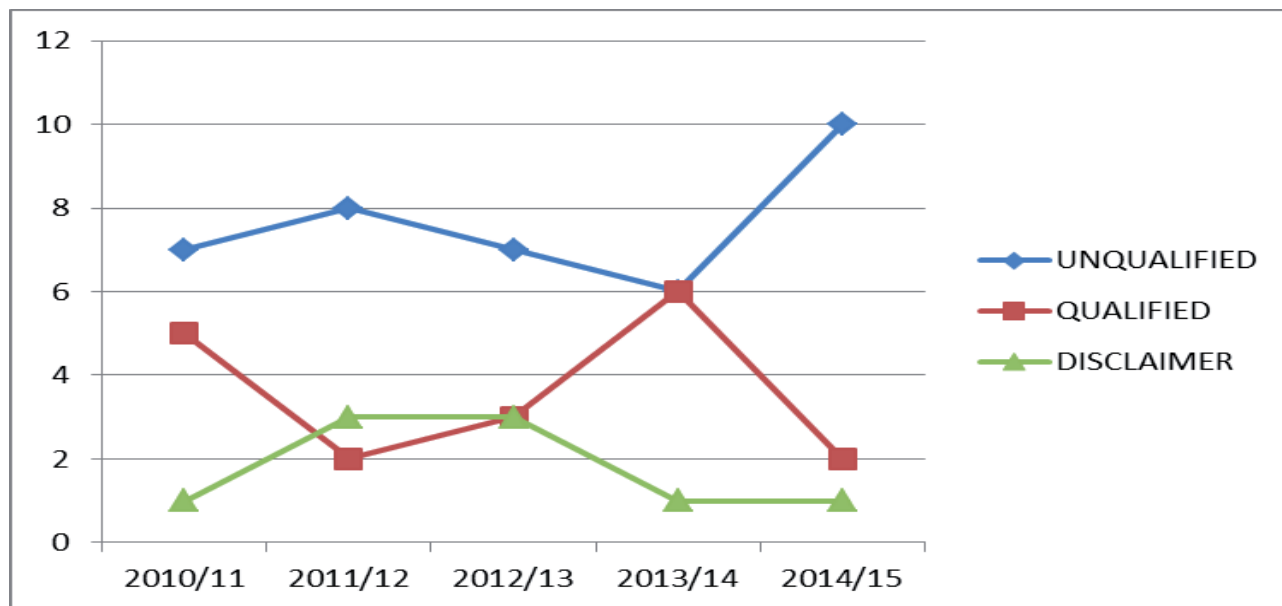
The current status of the province's financial management position in relation to audit outcomes is represented in the information that follows.

Table 3: Audit outcomes of Limpopo Provincial Departments: 2010/11 – 2014/15

Vote No	DEPARTMENT	2010/11	2011/12	2012/13	2013/14	2014/15	TREND
1	Premier	UQ	UQ	UQ	UQ	CL	↑
2	Legislature	UQ	UQ	UQ	UQ	UQ	→
3	Education	Q	D	D	D	D	→
4	Agriculture	CL	UQ	Q	Q	UQ	↑
5	Treasury	UQ	UQ	UQ	UQ	UQ	→
6	Economic Development	UQ	UQ	UQ	Q	UQ	↑
7	Health	D	D	D	Q	UQ	↑
8	Roads & Transport	Q	Q	UQ	UQ	UQ	→
9	Public Works	Q	D	D	Q	Q	→
10	Safety, Security & Liaison	UQ	UQ	UQ	UQ	UQ	→
11	Co-Operative Governance, Housing Settlements & Traditional Affairs	CL	UQ	UQ	UQ	UQ	↑ →
12	Social Development	Q	UQ	Q	Q	UQ	↑
13	Sport, Arts & Culture	Q	Q	Q	Q	Q	→

The graphical representations of the above statistics are on Figure 2 below:

Figure 2: Audit Outcomes of Limpopo Provincial Departments (2010/11 – 2014/15)



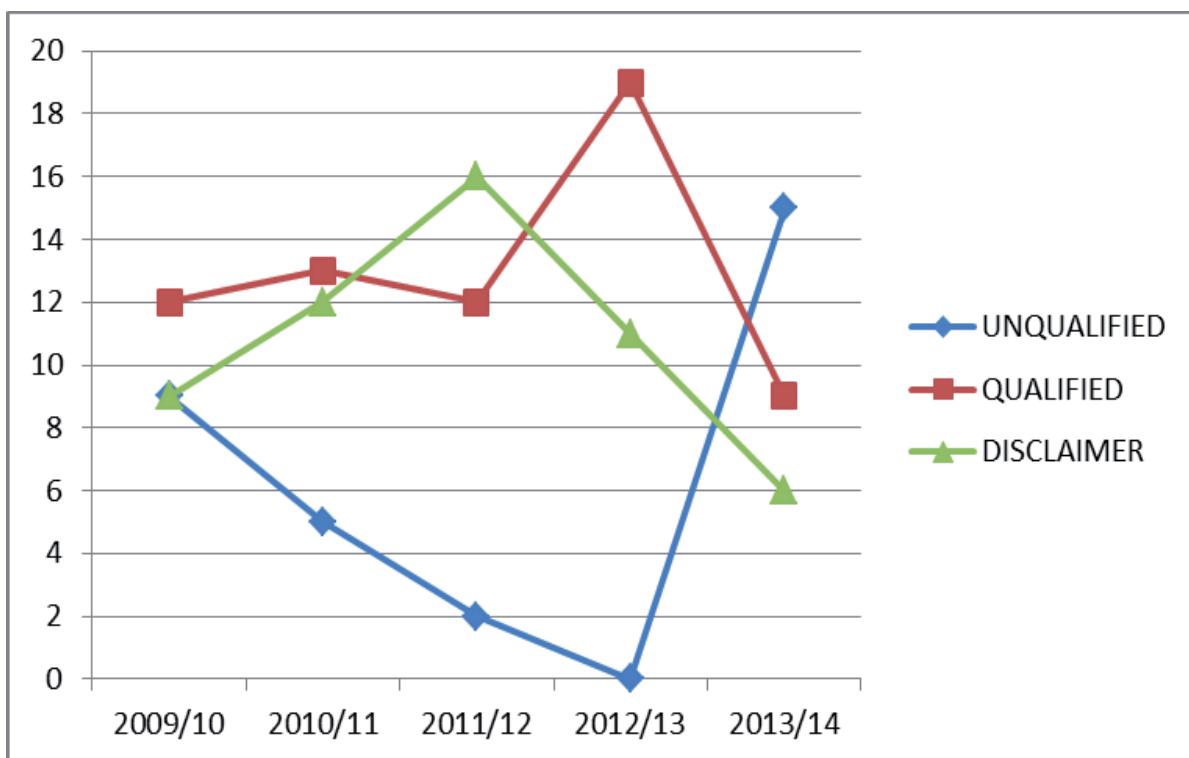
It is clear from the above graph that audit outcomes which reflect on internal controls within departments have not been stable in Limpopo Province and has seen some improvement, particularly in the number of departments that receive unqualified audit opinions and reduction in the number of departments with qualified audit opinions. There is however signs of recurrence 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 Annual Performance Plan has taken these factors into consideration in determining our priorities.

Table 4: 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 3 below:

Figure 3: 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 5: Audit outcomes of Limpopo Provincial Public Entities: 2010/11 – 2014/15

PUBLIC ENTITY	2010/11	2011/12	2012/13	2013/14	2014/15	TREND
Limpopo Economic Development Agency (LEDA)	Q	Q	Q	UQ	UQ	
Limpopo Agri-business Development Corporation (LADC)	A	Q	N/A	N/A	N/A	N/A
Limpopo Tourism and Parks Board (LTPB)	D	D	D	Q	Q	
Trade Investment Limpopo (TIL)	Q	Q	N/A	N/A	N/A	N/A
Limpopo Gambling	UQ	UQ	UQ	UQ	UQ	
Roads Agency Limpopo (RAL)	CL	UQ	D	A	A	
Gateway Airport Authority Limited (GAAL)	UQ	Q	Q	D	Q	
Limpopo Business Support Agency (LIBSA)	Q	Q	N/A	N/A	N/A	N/A

The graphical representations of the above statistics are on Figure 4 and 5 below:

Figure 4: Audit Outcomes of Limpopo Provincial Public Entities (2009/10 – 2011/12)

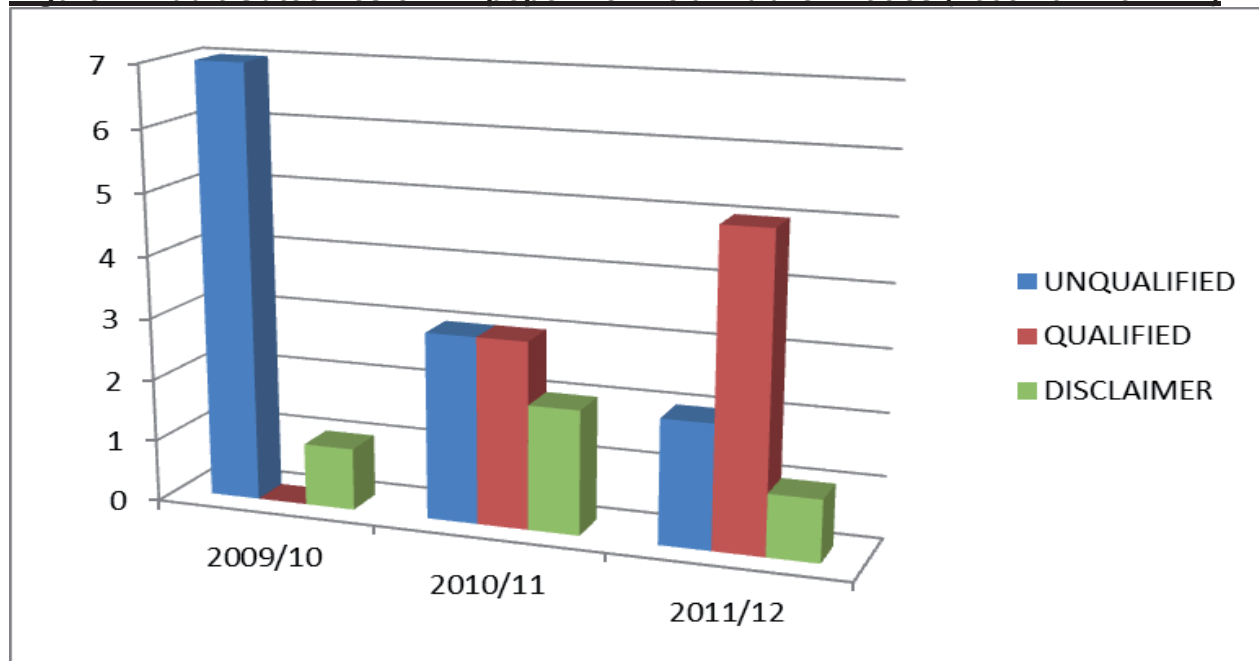
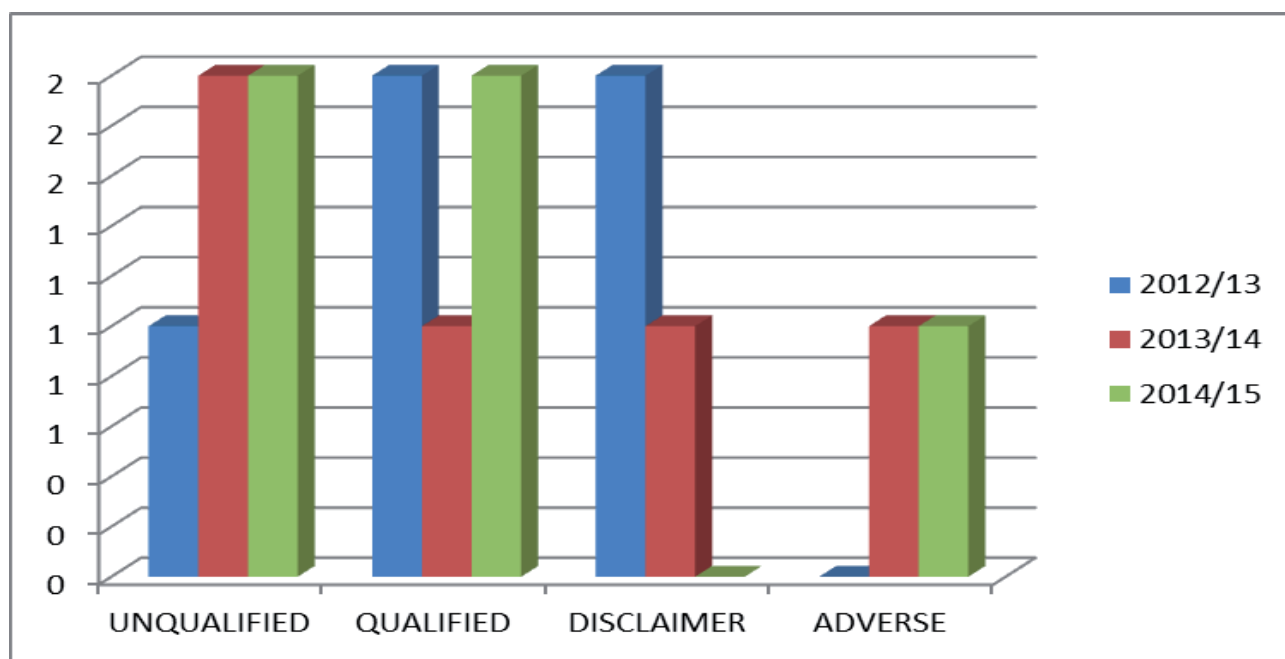


Figure 5: Audit Outcomes of Limpopo Provincial Public Entities (2012/13 – 2014/15)



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%.

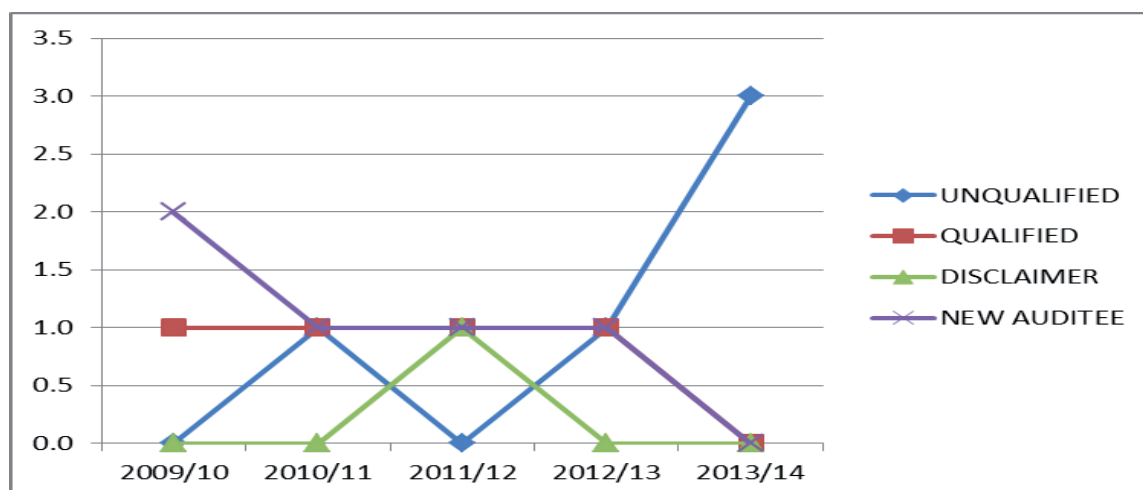
After the amalgamation of the 8 public entities into 5, improvement trend continued at a lesser rate, however, entity (GAAL) has improved from disclaimer in 2013/14 to qualified audit opinion in 2014/15.

Table 6: 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 6 below:

Figure 6: Audit Outcomes of Limpopo Provincial Municipal Entities (2009/10 – 2013/14)



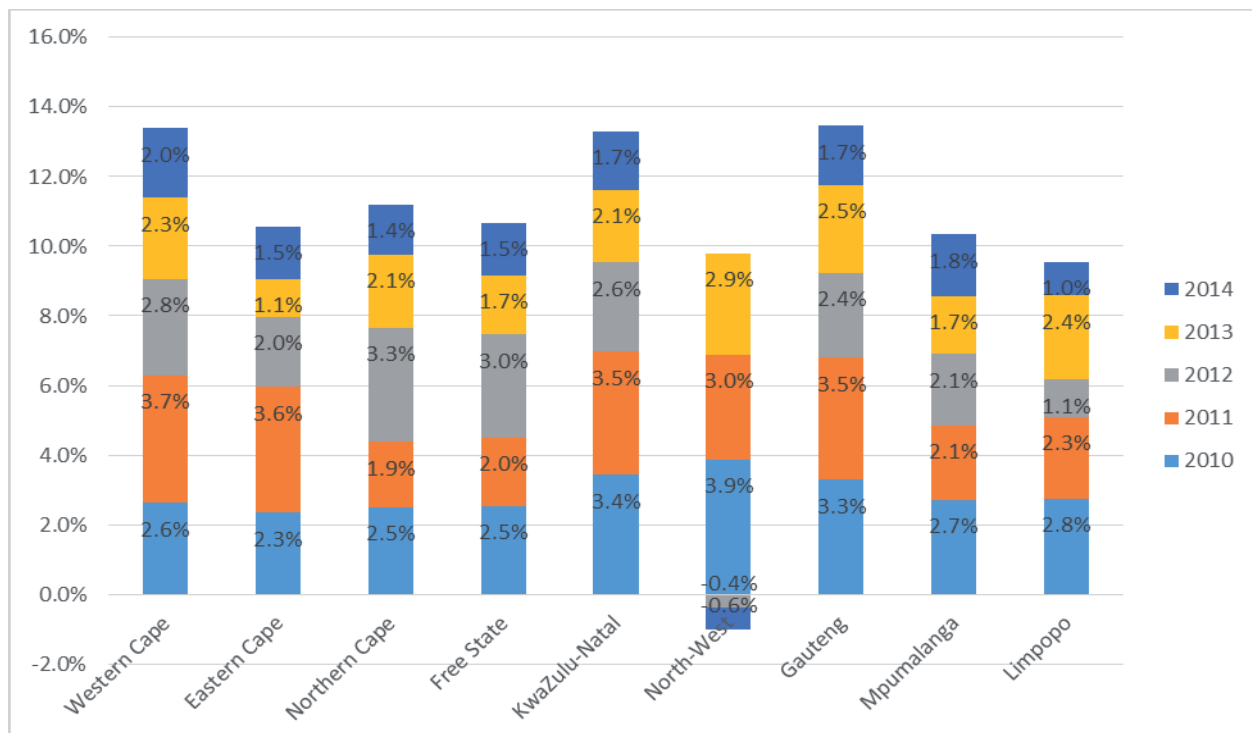
There is good improvement of audit outcomes in the 3 municipal entities, where all 3 received unqualified audit outcomes in 2013/14 financial year.

(ii) Limpopo Economy

Limpopo's economy managed to maintain positive growth from the period 2010 to 2014, though in 2014 the growth contracted to 1.0 percent and this was caused among others by the decline in the mining sector due to deteriorate in mineral price, inconsistent electricity supply, labour unrest, low agriculture production, slow growth in the manufacturing industries and construction sectors. Community services and trade sectors continued to grow in in the period under review.

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 lowest with growth of 1.0 percent in 2014 due to decline in the mineral price as Limpopo's economy is driven by mining sector. Western Cape, Mpumalanga and Gauteng were the highest at 2.0, 1.8 and 1.7 percent respectively.

Figure 7: Economic growth per Province



Source: Global Insight 2015.

Labour Market in Limpopo

Employment creation in the province is the pillar of government's growth and Limpopo Development Plan. The labour force has increased by 230 thousand or 16.1 percent year on year and 70 thousand or 4.4 percent between the second quarter of 2015 and the third quarter of 2015. The employment increased by 147 thousand or 12.3 percent year on year and improved between the second quarter of 2015 and third quarter of 2015 by 59 thousand or 4.6 percent. More increase was experienced in the informal non-Agricultural sector at 62 thousand or 9.5 percent year on year.

The unemployed increased by 84 thousand or 36.5 percent year on year and 10 thousand or 3.5 percent between the second quarter of 2015 and third quarter of 2015. Increase in unemployment emanate from the loss of jobs experienced between the two quarters as observed earlier. At the same breath unemployment rate deteriorate from 18.9 percent in second quarter of 2014 to 18.8 percent in third quarter of 2015 which represents an overall decline of 0.1 percent quarter on quarter and increase of 2.9 percent year on year.

The province recorded the lowest unemployment of all the nine provinces in all the quarters of 2015. The labour absorption rate, which is the percentage of the working-age population employed, has also risen from 36.3 percent to 37.9 between second quarter of 2015 and third quarter of 2015. The not economically active population declined by 54 thousand or 2.8 percent quarter on quarter and 169 thousand or 8.2 percent year on year.

Of the not economically active population, 43 thousand decline represents discouraged work seekers when considering quarter on quarter change and 39 thousand when considering year on year change. Other not economically active declined by 11 thousand quarter on quarter and 130 thousand year on year. Included in this category are students, home makers, pensioners and any other individuals that receive government aid.

Table 7: Limpopo labour market

	Limpopo						
	Q:3 2014	Q:2 2015	Q:3 2015	Qtr to Qtr change	Y on Y change	Qtr to Qtr change %	Y on Y change %
Population 15-34 yrs.	3513	3558	3574	15	61	0.4	1.7
Labour Force	1434	1595	1665	70	230	4.4	16.1
Employed	1206	1293	1353	59	147	4,6	12.3
Formal sector (non-Agric)	652	680	714	34	62	5	9.5
Informal sector (non-Agric)	340	347	372	25	32	7.1	9.4
Agriculture	111	145	145	0	34	0	30.6
Private Households	103	121	122	1	19	0.4	18.7
Unemployed	229	302	312	10	84	3.5	36.5
Not economically active	2078	1963	1909	-54	-169	-2.8	-8.2
Discouraged work-seekers	419	423	380	-43	-39	-10.2	-9.4
Other(not economically active)	1659	1540	1529	-11	-130	-0.7	-7.8
Rates (%)							
Unemployment rate	15.9	18.9	18.8	-0.1	2.9		
Absorption rate	34.3	36.3	37.9	1.6	3.6		
Labour force participation rate	40.8	44.8	46.6	1.8	5.8		

Source: Statssa 2015

Inflation

In December 2015 Limpopo inflation was lower than the headline inflation at 5.2 percent. Limpopo inflation was higher than all provinces as well the headline in all quarters of 2015.

The index of communication has recovered from negative 3.1 in quarter 4 of 2014 to positive 0.1 in Q4 of 2015. The index of Education is the highest and has increased from 9.6 in Q4 of 2014 to 10.1 in Q4 of 2015 followed by food and non-alcoholic beverages which has declined from 8.3 in Q4 of 2014 to 7.1 in Q4 of 2015. Other baskets whose index was high in Q4 of 2015 were clothing and footwear as well as Health and restaurant which had index of 6.9, 6.0 and 5.5 respectively.

Table 8. Limpopo Inflation

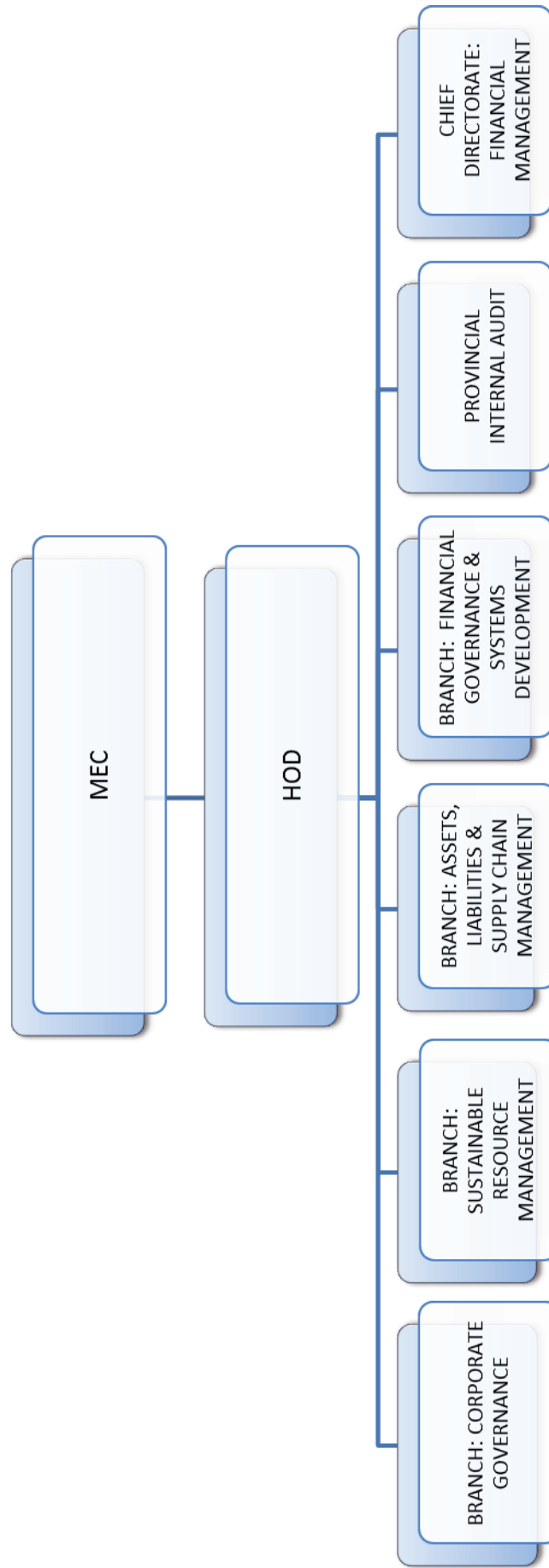
CPI	2014Q:4	2015Q:1	2015Q:2	2015Q:3	2015Q:4
Food & non alcoholic beverages	8.3	5.8	4	2.8	7.1
Alcoholic beverages & tobacco	7.1	6.3	6	4.5	1.7
Clothing and footwear	7.3	5.6	6.7	7.9	6.9
Housing and utilities	4.7	3.8	4	5.3	4.3
Household contents and services	4.2	2.6	3.6	1.1	0.3
Health	4.5	5.6	6.2	6.3	6
Transport	2.5	-1	0	-0.9	1.4
Communication	-3.1	-2.6	-2.2	-1.3	0.1
Recreation and culture	1.5	2.4	1.7	2.1	3
Education	9.6	10.1	10.1	10.1	10.1
Restaurants and hotels	6.9	6	5.4	5.9	5.5
Miscellaneous goods and services	7.4	7.6	7.8	6.3	5.4

Source: Statssa 2016

1.2 Organisational environment

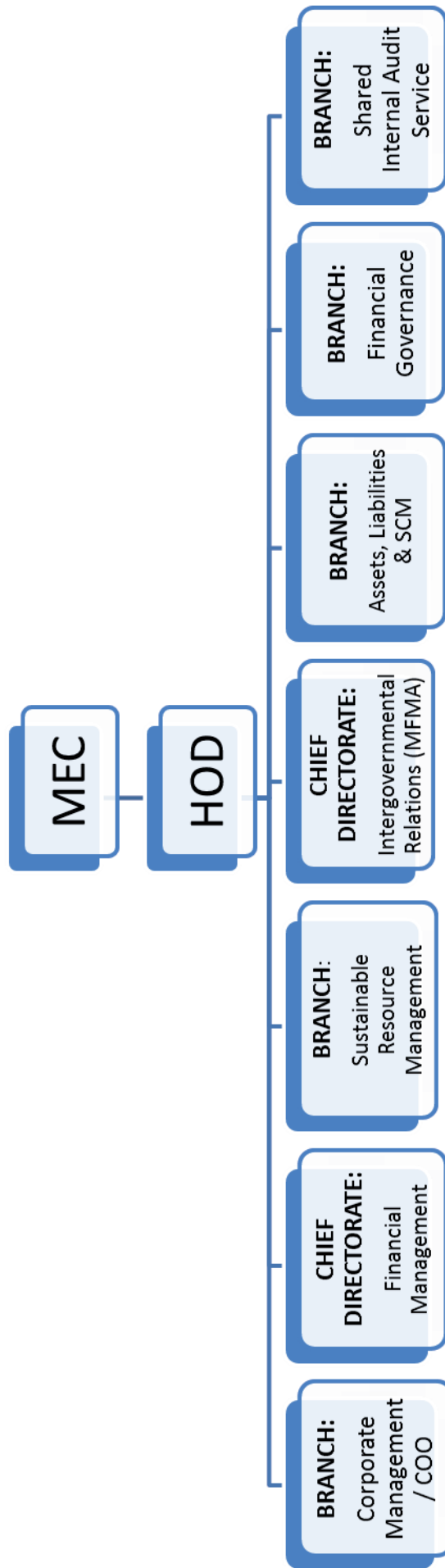
The current Departmental Organisational Structure presented below, is in its final stages of review to align it to the Generic Provincial Treasuries.

Figure 9; Limpopo Provincial Treasury Organisational Structure



The proposed departmental organisational structure in Figure 10 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 10: 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 the 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 2016/17 BUDGET AND MTEF ESTIMATES

3.1 Expenditure estimates

DEPARTMENTAL SUMMARY

The budget for Provincial Treasury is divided among four main programmes namely Administration, Sustainable Resource Management, Assets, Liabilities & SCM and Financial Governance.

The allocated budget will be responsible amongst others to help the department in achieving the following main services:

- Prepare the Provincial Budget;
- Exercise control over the implementation of the Provincial Budget;
- Promote and enforce transparency and effective management in respect of revenue, expenditure, assets and liabilities of Provincial Government Institutions and Public Entities;
- Develop and implement Fiscal Policies in the Province that are consistent with National Macroeconomic and Fiscal objectives;
- Enforce implementation of National and Provincial Treasury norms and standards in the Province, including prescribed procurement systems, standards and Generally Recognized Accounting Practice, uniformly classified systems, provisioning, banking, cash management and investment frame-work policies;
- Implement Treasury norms and standards provided for in the PFMA and MFMA;

Key assumptions

- Some of the main assumptions underpinning the MTEF budget are as follows:
- Salary increases was estimated at 6.2 per cent in 2016/17, 5.8 per cent in 2017/18 and 5.8 per cent in 2018/19
- With an effective date of 1st April in 2016/17.
- A provision of 1 per cent of total compensation of employees has been set aside to assist in staff development.

Table 5.2.1 : Summary of payments and estimates by programme: Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
1. Administration	121 307	128 246	141 382	160 234	154 182	147 782	166 325	179 279	186 249
2. Sustainable Resource Management	42 677	43 987	47 811	62 327	53 675	50 591	77 371	78 973	82 448
3. Assets, Liabilities & Scm	129 049	70 790	72 650	79 380	83 899	83 899	79 340	87 932	93 032
4. Financial Governance	63 463	139 950	102 372	83 239	82 572	88 286	89 568	92 260	97 611
Total payments and estimates	356 496	382 973	364 215	385 180	374 328	370 558	412 604	438 444	459 340

Table 5.2.2 : Summary of provincial payments and estimates by economic classification: Provincial Treasury

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Current payments	344 058	372 869	352 046	372 201	359 579	354 850	400 600	424 952	445 067
Compensation of employees	194 997	203 323	227 247	278 125	253 227	241 696	292 682	312 794	327 509
Goods and services	149 061	169 546	124 799	94 076	106 352	113 154	107 918	112 158	117 557
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	5 857	4 052	5 199	6 479	6 479	7 438	6 204	6 291	6 656
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private entities	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	5 857	4 052	5 199	6 479	6 479	7 438	6 204	6 291	6 656
Payments for capital assets	6 581	6 052	6 970	6 500	8 270	8 270	5 800	7 200	7 618
Buildings and other fixed structures	220	-	-	-	-	-	-	-	-
Machinery and equipment	6 361	6 052	6 970	6 500	8 270	8 270	3 300	7 200	7 618
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	2 500	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	356 496	382 973	364 215	385 180	374 328	370 558	412 604	438 444	459 340

3.2 Relating expenditure trends to strategic outcome oriented goals

There is an overall increase of 7 per cent on 2016/17 budget of R412 million as compared to the main allocation of R385 million in 2015/16, and this is attributed to amongst others a 7 per cent general salary increase during 2015/16 and also funds allocated to Municipal finance to employ staff who will assist municipalities with better financial management.

Compensation of Employees has increased by 5 per cent from R278 million in 2015/16 to R293 million in 2016/17 and this allocation will be used to fund critical vacant posts and cover general salary increase.

Goods & Services increased by 13 Per cent from R94 million in 2015/16 to R 108 million in 2016/17 and this increase is attributed to an amount of R13 339 million for Government Technical Advisory Centre (GTAC), whereas the other increase will fund contractual obligations for the department.

Transfers & Subsidies is for funding external bursary holders for the department, leave gratuities for employees who will retire in the coming financial year.

Payment for capital assets has decreased by 12 per cent from R6.5 million 2015/16 to R5.8 million in 2016/17 and this will be used to purchase office furniture and working equipment's for newly appointed staff amongst others.

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 2016/17

Programme 1 Strategic objectives:	5 Year Strategic Plan Target	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
		2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
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 2019/20.								
Strategic outcome oriented Goal 1: Strategic partnership that enables effective execution of the department's legislative mandate by the 4 departmental programmes.								
Departmental average MPAT score	4	2.1	2.5	2.5	3	3.5	4	4

4.1.2 PROGRAMME 1 PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2016/17 – 2018/19

Programme 1 Performance indicators	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
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.							
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 (only in the first quarter)	4	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 development/revision of business processes	New indicator	New indicator	4	4	4	4
4	Number of AET programs implemented in the department	New indicator	New indicator	New indicator	4	4	4
5	Number of key services monitored in implementation of	No baseline	No baseline	3	3	3	3

Programme 1 Performance indicators	Audited/Actual performance				Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15	2016/17		2017/18	2018/19	
SDIP								
6	Number of facilities monitored on implementation of Risk Assessment recommendations	No baseline	No baseline	9	9	9	9	9
7	Number of programmes monitored and supported in mitigation of the prioritised risks to provide reasonable assurance on the achievement of set objectives.	4	4	4	4	4	4	4
8	Number of programmes monitored and supported on implementation of Records Management Systems	New Indicator	New Indicator	4	4	4	4	4
9	Number of buildings provided with auxiliary services in line with User Asset	9	4	9	9	9	9	9

Programme 1 Performance indicators	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
Management Plan							
10 Number of programmes monitored and supported on compliance to Corporate Identity Manual and the Communication Policy	New Indicator	New Indicator	4	4	4	4	4
11 Number of prioritised ICT projects implemented in line with ICT Plan	New Indicator	New Indicator	4	4	4	4	4
12 Number of programmes monitored and supported in implementation of MISS and Investigation Strategy to ensure compliance with National Security Prescripts	New Indicator	New Indicator	4	4	4	4	4
13 Number of IYM reports compiled in line with National Treasury	12	12	12	12	12	12	12

Programme 1 Performance indicators	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
prescripts.							
14 Number of budget documents compiled and submitted	New Indicator	New Indicator	New Indicator	4	4	4	4
15 Number of financial statements compiled and submitted for review by Provincial Treasury in line with the reporting framework	New Indicator	New Indicator	New Indicator	4	4	4	4
16 % of supplier's valid invoices paid within 30 days	New Indicator	New Indicator	100% of supplier's valid invoices paid within 30 days	100%	100%	100%	100%
17 Number of departmental plans and performance reports developed and analysed in line with National Treasury Frameworks	8	8	8	8	8	8	8
18 Number of reconciliations done on the asset and inventory	New Indicator	New Indicator	New Indicator	New Indicator	12	12	12

Programme 1 Performance indicators	Audited/Actual performance		Estimated performance 2015/16	Medium-term targets	
	2012/13	2013/14		2014/15	2016/17
registers					

4.1.3 PROGRAMME 1 QUARTERLY TARGETS FOR 2016/17

Programme 1 Performance indicators	Reporting period	Annual target 2016/17	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	Quarterly	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 AET programs implemented in the department	Quarterly	4	4	4	4
5	Number of key services monitored in implementation of SDIP	Quarterly	3	3	3	3
6	Number of facilities monitored on implementation of Risk Assessment recommendations	Quarterly	9	9	9	9
7	Number of programmes supported and monitored in mitigation of the prioritised risks to provide reasonable	Quarterly	4	4	4	4

Programme 1 Performance indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
assurance on the achievement of set objectives.						
8 Number of programmes monitored and supported on implementation of Records Management Systems	Quarterly	4	4	4	4	4
9 Number of buildings provided with auxiliary services in line with User Asset Management Plan	Quarterly	9	9	9	9	9
10 Number of programmes monitored and supported on compliance to Corporate Identity Manual and the Communication Policy	Quarterly	4	1	1	1	1
11 Number of prioritised ICT projects implemented in line with ICT Plan	Quarterly	4	0	0	0	4
12 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	1
13 Number of IYM reports compiled in line with National Treasury prescripts.	Monthly	12	3	3	3	3
14 Number of budget documents compiled and submitted	Quarterly	4	0	1	2	1
15 Number of financial statements compiled and submitted for review by	Quarterly	4	1	1	1	1

Programme 1 Performance indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
Provincial Treasury in line with the reporting framework						
16 % of supplier's valid invoices paid within 30 days	Monthly	100%	100%	100%	100%	100%
17 Number of departmental plans and performance reports developed and analysed in line with National Treasury Frameworks	Quarterly	8	2	2	2	2
18 Number of reconciliations done on the asset and inventory registers	Quarterly	12	3	3	3	3

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.	Appoint service provider to design and assist with implementation of BCP Implement recruitment in terms of HR Plan.

4.1.5 Reconciling performance targets with the Budget and MTEF

Expenditure estimates

Table 5.3.2 : Summary of payments and estimates by economic classification: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Current payments	110 473	121 857	132 642	149 372	141 550	135 150	158 423	167 247	173 519
Compensation of employees	61 027	69 180	80 016	96 328	89 306	81 966	105 652	111 410	114 445
Goods and services	49 446	52 677	52 626	53 044	52 244	53 184	52 771	55 837	59 074
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	5 127	1 978	3 061	4 362	4 362	4 362	4 602	4 832	5 112
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and acco	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and intern	-	-	-	-	-	-	-	-	-
Public corporations and private	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	5 127	1 978	3 061	4 362	4 362	4 362	4 602	4 832	5 112
Payments for capital assets	5 707	4 411	5 679	6 500	8 270	8 270	3 300	7 200	7 618
Buildings and other fixed structu	220	-	-	-	-	-	-	-	-
Machinery and equipment	5 487	4 411	5 679	6 500	8 270	8 270	3 300	7 200	7 618
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible as	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	121 307	128 246	141 382	160 234	154 182	147 782	166 325	179 279	186 249

Performance and expenditure trends

Compensation of Employees increased by 10 per cent from R96 million in 2015/16 to R107 million in 2016/17, and this will be used to cover general salary increases, pay progression as well as performance bonuses.

There is no increase on Goods & Services budget of R53 million allocated in 2015/16 and R53 million also allocated in 2016/17, and this budget will only cater for contractual obligations for the department which are amongst others: Leases of Office buildings and Security services.

Transfers and subsidies increased by 5 per cent from R4.3 million in 2015/16 to R4.6 million in 2016/17. The budget will be used to cover bursaries for external students, leave gratuities for employees who will retire from the public service.

Payments for capital assets decreased by 97 per cent from R6.5 million in 2015/16 to R3.3 million in 2016/17, the budget will be used to procure IT equipment's which has reached its life span as well as for those 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, revenue 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 2016/17

Programme Strategic objectives 1: To achieve 98 percent provincial annual expenditure during 2015/16 to 2019/20	5 Year Strategic Plan Target	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
		2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
Strategic outcome oriented Goal 2: Responsive, accountable, effective and efficient provincial and local government system								
% provincial annual expenditure achieved	98%	95.4%	96.6%	97.9%	98%	98%	98%	98%
Programme Strategic objectives 2: To achieve annual improvement on financial management and effective governance in 30 municipalities and 3 municipal entities by 2019/20	5 Year Strategic Plan Target	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
Number of municipalities and entities with unqualified audit opinions	27 municipalities and 3 municipal entities	2 Municipalities and 1 municipal entity	15 Municipalities and municipal entities	18 municipalities and municipal entities received unqualified audit opinion	21 municipalities and municipal entities	21 municipalities and municipal entities	25 municipalities and municipal entities	27 municipalities and municipal entities

4.2.2 PROGRAMME 2 PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2016/17 – 2018/19

Programme 2 performance indicators	Audited/Actual performance		Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14		2014/15	2016/17	2017/18
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 Provincial Own Revenue reports produced in line with section 28 and 40 of the PFMA to ensure collection of budgeted revenue	New Indicator	New Indicator	12	12	12
3	Number of budget documents compiled, tabled and gazetted in line with the set standards and National Treasury guidelines (Main	2	2	2	2	2

Programme 2 performance indicators	Audited/Actual performance				Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15	2016/17		2017/18	2018/19	
Appropriation Bill and Adjustment Budget)								
4 Number of consolidated provincial in year monitoring reports produced in line section 32 of PFMA.	12	12	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 Number of infrastructure departments monitored and supported in the implementation of the Infrastructure Delivery Management System to improve infrastructure service delivery	3	9	9	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 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
6 Number of Municipalities and Municipal Entities monitored and supported on financial management and governance	30	30	30	33	30	30	30

4.2.3 PROGRAMME 2 QUARTERLY TARGETS FOR 2016/17

Programme 2 Performance indicators	Reporting period	Annual target 2016/17	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	Quarterly	7	1	1	2	3
2	Number of Provincial Own Revenue reports produced in line with section 28 and 40 of the PFMA to ensure collection of budgeted revenue	Quarterly	12	3	3	3	3
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)	Quarterly	2	0	0	1	1
4	Number of consolidated provincial in year monitoring reports produced in line section 32 of PFMA.	Quarterly	12	3	3	3	3

Programme 2 Performance indicators	Reporting period	Annual target 2016/1	Quarterly targets			
			1 st	2 nd	3 rd	4 th
5 Number of infrastructure departments monitored and supported in the implementation of the Infrastructure Delivery Management System 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 201 /20						
6 Number of Municipalities monitored and Municipal Entities supported on financial management and governance	Quarterly	30	30	30	30	30

4.2.4 RISK MANAGEMENT

Programme 2: Sustainable Resource Management		
Strategic Objective	Strategic Risk	Mitigation
1. To achieve 98 percent provincial expenditure during 2015/16 to 2019/20	Underspending in the province due to non-compliance to prescripts by departments, and public entities	Provision of continuous support and close monitoring
2. To achieve annual improvements in audit outcomes in 30 municipalities and 3 municipal entities by 2019/20	Ineffective advice to municipalities due to lack of skills	Continuous professional development and relevant updates.

4.2.5 Reconciling performance targets with the Budget and MTEF

Expenditure estimates

Table 5.4.2 : Summary of payments and estimates by economic classification: Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Current payments	42 127	43 333	47 811	61 910	53 258	49 796	76 931	78 732	82 194
Compensation of employees	35 558	38 499	42 840	56 415	47 763	44 725	58 030	62 494	66 119
Goods and services	6 569	4 834	4 971	5 495	5 495	5 071	18 901	16 238	16 075
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	400	586	-	417	417	795	440	240	254
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and acco	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and intern	-	-	-	-	-	-	-	-	-
Public corporations and private	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	400	586	-	417	417	795	440	240	254
Payments for capital assets	150	68	-	-	-	-	-	-	-
Buildings and other fixed structu	-	-	-	-	-	-	-	-	-
Machinery and equipment	150	68	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible as	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	42 677	43 987	47 811	62 327	53 675	50 591	77 371	78 973	82 448

Performance and expenditure trends

The budget for Sustainable Resource Management increased by 19 per cent from R62 million in 2015/16 main appropriation to R77 million in 2016/17 and this budget will be used to fill the posts within Municipal Finance sub directorate amongst others.

Goods and Services budget increased by 29 per cent and this will be used in assisting the branch officials when offering support to departments and municipalities as well as printing of budget books and within this allocation, there is an amount of R13 339 million for Government Technical Advisory Centre (GTAC).

The funds allocated under Transfers and subsidies are for paying leave gratuities for officials who will retire during the financial year.

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 2016/17

Programme 3 Strategic objectives: 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.	5 Year Strategic Plan Target	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
		2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
Strategic outcome oriented Goal 2: Responsive, accountable, effective and efficient provincial and local government and development								
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 LDP focus area of Building a Developmental State.								
Number of Votes and Public Entities complying with Assets and Inventory management prescripts	13 votes and 5 public entities	Not measured	Not measured	Not measured	13 votes and 5 public entities	12 votes and 5 public entities	12 votes and 5 public entities	12 votes and 5 public entities
Number of Votes and Public Entities complying with Banking and Cash Management prescripts	13 votes and 5 public entities	Not measured	Not measured	Not measured	13 votes and 5 public entities	13 votes and 5 public entities	13 votes and 5 public entities	13 votes and 5 public entities
Number of Votes and Public Entities complying with SCM prescripts	13 votes and 5 public entities	Not measured	Not measured	Not measured	12 votes and 5 public entities	12 votes and 5 public entities	12 votes and 5 public entities	12 votes and 5 public entities

4.3.2 PROGRAMME 3 PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2016/17 – 2018/19

Programme 3 Performance Indicators	Audited/Actual performance				Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15	2016/17		2017/18	2018/19	
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 contribute to the MTSF Outcome 12 and NDP objective 13 of building an efficient, effective and development oriented public service as well as LDP focus area of Building a Developmental State								
1 Number of Votes and Public Entities monitored and supported on Asset Management to improve the effectiveness, efficiency and economical Asset Management	13	13	13	18	17	17	17	17
2 Number of Votes and Public Entities monitored and supported on banking, cash and liability management	13	18	18	18	18	18	18	18
3 Number of Votes and Public Entities monitored and supported on SCM processes	20	17	17	17	17	17	17	17
4 Number of transversal bids facilitated	Not measured	Not measured	2	3	2	2	2	2
5 Number of votes monitored and	Not measured	Not measured	12	12	12	12	12	12

Programme 3 Performance Indicators	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
supported on transversal contracts utilization.							
6 Number of Votes and public entities supported on supplier development	Not measured	Not measured	Not measured	12	17	17	17
7 Number of votes supported and monitored on financial systems utilisation	Not measured	Not measured	Not measured	13	13	13	13
8 Number of LOGIS sites implemented	Not measured	60% (in 1 site)	17 (in one site)	3	30	35	24

4.3.3 PROGRAMME 3 QUARTERLY TARGETS FOR 2016/17

Programme 3 Performance indicators	Reporting period	Annual target 2016/17	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	Quarterly	17	17	17	17	17
2 Number of Votes and Public Entities monitored and supported on banking, cash and liability management	Quarterly	18	18	18	18	18
3 Number of Votes and Public Entities monitored and supported on SCM processes	Quarterly	17	17	17	17	17
4 Number of transversal bids facilitated	Quarterly	2	0	0	0	2
5 Number of votes monitored and supported on	Quarterly	12	12	12	12	12

Programme 3 Performance indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
transversal contracts utilization.						
6 Number of Votes and public entities supported on supplier development	Quarterly	17	17	17	17	17
7 Number of votes supported and monitored on financial systems utilisation	Annually	13	13	13	13	13
8 Number of LOGIS sites implemented	Annually	30	0	0	0	30

4.3.4 RISK MANAGEMENT

Programme 3 : Assets, Liabilities, Financial Systems and Supply Chain Management		
STRATEGIC OBJECTIVE	STRATEGIC RISK	MITIGATION
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.	Non-compliance with legislative mandate due to lack of enforcement to regulatory framework	Develop and implement support and monitoring methodologies including enforcement mechanisms

4.3.5 Reconciling performance targets with the Budget and MTEF

Expenditure estimates

Table 5.5.2 : Summary of payments and estimates by economic classification: Assets, Liabilities & Scm

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Current payments	128 496	68 640	69 699	78 780	83 299	83 088	78 706	87 600	92 680
Compensation of employees	46 194	45 752	46 440	57 125	51 576	51 560	55 000	63 279	66 949
Goods and services	82 302	22 888	23 259	21 655	31 723	31 528	23 706	24 320	25 731
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	330	603	1 660	600	600	811	634	332	352
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and acc	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and intern	-	-	-	-	-	-	-	-	-
Public corporations and private	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	330	603	1 660	600	600	811	634	332	352
Payments for capital assets	223	1 547	1 291	-	-	-	-	-	-
Buildings and other fixed structu	-	-	-	-	-	-	-	-	-
Machinery and equipment	223	1 547	1 291	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible as	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	129 049	70 790	72 650	79 380	83 899	83 899	79 340	87 932	93 032

Performance and expenditure trends

Compensation of Employees has decreased by 2 per cent from R57 million in 2015/16 to R56 million in 2016/17 financial year and this was after it was realized that more funds than necessary were allocated for CoE hence the reduction in the coming financial year, general salary increase, pay progression and performance bonuses for employees will be covered by this allocation.

Goods and Services budget has seen an increase of 9 per cent from R22 million in 2015/16 to R24 million in 2016/17 and these funds will be used to pay for SITA mainframe usage and LOGIS implementation.

Transfer and subsidies funds have been allocated to cater for leave gratuities for retiring employees.

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 transversal policies development; and support of oversight structures/bodies as well as to ensure that all Departments and public entities have implemented effective risk management and internal control processes, and lastly to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight.

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.
 - Ensuring that there is effective 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 for timely and accurate financial reporting;
 - Monitoring compliance with the PFMA and Treasury regulations and other relevant policies and prescripts.
 - Support of oversight structures/bodies
 - Coordinating financial management training and provide transversal systems training in the province

- Provincial Internal Audit is responsible for:
 - Providing effective Internal Audit services in Provincial Departments.

4.4.1 PROGRAMME 4 STRATEGIC OBJECTIVES ANNUAL TARGETS FOR 2016/17

Programme 4 Strategic objectives:	5 Strategic Target	Audited/Actual performance			Estimated performance	Medium-term targets		
		2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
To achieve annual improvements in audit outcomes in 12 votes and 5 public entities by 2019/20.					2015/16			
Strategic outcome oriented Goal 2: Responsive, accountable, effective and efficient provincial and local government system								
Number of votes and public entities with unqualified audit opinions	12 votes and 5 public entities	7 votes and 1 public entity	6 votes and 2 public entities	10 votes and 2 public entities	No target	11 votes and 4 public entities	12 votes and 4 public entities	12 votes and 5 public entities

4.4.2 PROGRAMME 4 PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2016/17 – 2018/19

Programme 4 Performance indicators	Audited/Actual performance		Estimated performance 2015/16	Medium-term targets			
	2012/13	2013/14		2014/15	2016/17	2017/18	2018/19
Strategic Objective: To achieve annual improvements in audit outcomes in 12 votes and 5 public entities 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 LDP focus area of Building a Developmental State.							
1	Number of courses conducted on transversal systems in line with National Treasury standards	100	55	78	65	65	65
2	Number of financial management short courses co-ordinated in line with SAQA requirements	8	6	9	4	8	8
3	Number of long-term financial management qualification programmes coordinated in Provincial Departments	New Indicator	New Indicator	2	2	2	2
4	Number of Votes and Public Entities monitored and supported in resolving AG audit findings to improve audit outcomes	13	13	12	17	17	17

Programme 4 Performance indicators	Audited/Actual performance				Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15	2016/17		2017/18	2018/19	
5 Number of audit committee meetings supported to improve governance in departments	52	18	65	65	65	65	65	
6 Number of Votes and Public Entities supported in preparing financial statements in line with the PFMA.	13 (votes) 5 (public entities)	13 (votes) 5 (public entities)	13 (votes) and 5 (public entities)	17 (12 votes and 5 public entities)	17 (12 votes and 5 public entities)	17 (12 votes and 5 public entities)	17 (12 votes and 5 public entities)	
7 Number of consolidated Annual financial statements for Votes and for Public Entities prepared in line with PFMA and submitted for audit	0 AFS (Votes)	2 AFS (Votes)	3 AFS (Votes) 2011/12, 2012/13 & 2013/14	2 (1 vote & 1 for public entity)	2	2	2	
	0 AFS (Public Entities)	3 AFS (Public Entities)	1 AFS (Public Entity)					
8 Number of provincial risk profiles developed	New Indicator	New Indicator	New Indicator	New Indicator	1	1	1	
9 Number of votes and public entities assessed on Risk Management Performance	17	17	17	17	17	17	17	
10 Number of votes that automated risk	New	New	New Indicator	New Indicator	12	0	0	

Programme 4 Performance indicators	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
management processes	Indicator	Indicator					
11 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	No baseline	No baseline	12	12	12	12	12
12 Number of votes audited as per approved annual audit plans to improve the internal control, risk management and governance processes.	12	12	12	12	12	12	12
13 Number of annual internal Assurance Improvement Programme (QAIP) Implementation Report prepared to improve the quality of client services.	New Indicator	New Indicator	1	1	1	1	1

4.4.3 PROGRAMME 4 QUARTERLY TARGETS FOR 2016/17

Programme 4 Performance indicators	Reporting period	Annual target 2016/17	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	65	14	19	16	16
2	Number of financial management short courses co-ordinated in line with SAQA	8	2	2	2	2
3	Number of long-term financial management qualification programmes coordinated in Provincial Departments	2	0	0	2	2
4	Number of Votes and Public Entities monitored and supported in resolving AG audit findings to improve audit outcomes	17	17	17	17	17
5	Number of audit committee meetings supported to improve governance in	65	13	26	13	13

Programme 4 Performance indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
departments						
6 Number of Votes and Public Entities supported in preparing financial statements in line with the PFMA.	Quarterly	17	17	17	17	17
7 Number of consolidated Annual financial statements for Votes and for Public Entities prepared in line with PFMA and submitted for audit	Annually	2	0	0	2	0
8 Number of provincial risk profiles developed	Annually	1	0	0	0	1
9 Number of votes and public entities assessed on Risk Management Performance	Quarterly	17	12	17	17	17
10 Number of votes that automated risk management processes	Quarterly	12	0	2	4	6

Programme 4 Performance indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
11 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	Annually	12	12	0	0	0
12 Number of votes audited as per approved annual audit plans to improve the internal control, risk management and governance processes.	Quarterly	12	12	12	12	12
13 Number of annual internal Quality 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 and Public Entities due to shortage of skills and personnel	<ul style="list-style-type: none"> • Officials to undergo training. • Provision of additional posts

4.4.5 Reconciling performance targets with the Budget and MTEF

Expenditure estimates

Table 5.6.2 : Summary of payments and estimates by economic classification: Financial Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2015/16	Revised estimate	Medium-term estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
Current payments	62 962	139 039	101 894	82 139	81 472	86 816	86 540	91 374	96 674
Compensation of employees	52 218	49 892	57 951	68 257	64 582	63 445	74 000	75 611	79 997
Goods and services	10 744	89 147	43 943	13 882	16 890	23 371	12 540	15 763	16 677
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	885	478	1 100	1 100	1 470	528	886	938
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and acc	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and intern	-	-	-	-	-	-	-	-	-
Public corporations and private	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	885	478	1 100	1 100	1 470	528	886	938
Payments for capital assets	501	26	-	-	-	-	2 500	-	-
Buildings and other fixed structu	-	-	-	-	-	-	-	-	-
Machinery and equipment	501	26	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible as	-	-	-	-	-	-	2 500	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	63 463	139 950	102 372	83 239	82 572	88 286	89 568	92 260	97 611

Performance and expenditure trends

Compensation of Employee's budget increased from R68.3 million in 2015/16 to R74 million in 2016/17 which equates to 8 per cent and will cover filling of posts in the branch as well as catering for general salary increases.

Goods and Services decreased by 11 per cent from R14 million in 2015/16 to R13 million in 2016/17 and it will cater for audit committee members fees and travel and subsistence for Internal Audit staff while conducting audit in the province, and the decrease can be attributed to once off allocations which were meant for Sec 100 intervention in the previous financial years.

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 by sending out requests for submission of implementation reports and making follow-ups on non-compliance (as outlined in the institutional arrangement document) within the four programmes (Administration, SRM, ALSCM & 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
New indicator	No
Desired performance	All structures are monitored for compliance to institutional arrangements
Indicator responsibility	Director: HoD Support Services

Indicator number	2
Indicator title	Number of programmes monitored and supported on compliance to PMDS policies
Short definition	Monitor and support all four programmes (Administration, SRM, and ALSCM & FG) through assessment of individual performance, providing support through consultations and workshops, conducting quality assurance, ensuring submission compliance as well as coordination of training and development of employees in line with Workplace Skills Plan 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
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
New indicator	No
Desired performance	All programmes are monitored and supported on implementation of PMDS Policy and procedures
Indicator responsibility	Chief Director: 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 by conducting support sessions with branches or sub-branches.
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
New indicator	No
Desired performance	All programmes are supported on development or review of business processes.
Indicator responsibility	Chief Director: Corporate Services

Indicator number	4
Indicator title	Number of AET programs implemented in the department
Short definition	This indicator is attached to Pillar One of the HRD Strategy which involves capacity building of employees and potential employees.
Purpose/importance	Importance of the indicator is to ensure constant development of employees across all levels and provide necessary experience to potential employees that will contribute to the goal of Professionalization of the Public Service.
Source/collection of data	WSP, HRD implementation plan, HRD strategy, PDPs,
Method of calculation	Simple count
Data limitations	No limitations
Type of indicator	Output indicator
Calculation type	Performance is non-cumulative
Reporting cycle	Reported quarterly and annually
New indicator	Yes
Desired performance	Actual or higher performance is desirable
Indicator responsibility	Director: HRD

Indicator number	5
Indicator title	Number of key services monitored in implementation of SDIP
Short definition	Monitor the following three key services through site visits to branches or sub-branches rendering the key services. The key services are as follows: Support and Monitor Departments to improve on their expenditure, Monitor payment of invoices within 30 days and Support to municipalities to improve audit outcomes.
Purpose/importance	To track progress on the identified services for service delivery improvement
Source/collection of data	Data collected from provincial departments and municipalities on quarterly basis
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 three key services monitored to ensure improved service delivery.
Indicator responsibility	Director: Transformation Services

Indicator number	6
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 by conducting site visits to check progress made in implementation of recommendations and compile a report.
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
New indicator	No
Desired performance	All Departmental facilities monitored on quarterly basis
Indicator responsibility	Director: Transformation Services

Indicator number	7
Indicator title	Number of programmes supported and monitored in mitigation of the prioritized risks to provide reasonable assurance on the achievement of set objectives.
Short definition	Support through consultations with branches where feedback on analysis conducted with regard to progress reports on prioritized risks and monitor through requests for submissions of progress reports on prioritized risks by all four programmes
Purpose/importance	To mitigate the prioritized risks in order to limit the effect of risks and 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
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	Director: Enterprise Risk Management

Indicator number	8
Indicator title	Number of programmes monitored and supported on implementation of Records Management Systems
Short definition	Monitor Administration, SRM, ALSM & FG programmes by conducting surveys with branches to track compliance rate and support branches by engaging with them on compliance matters through workshops or consultation sessions in implementation of Records Management systems i.e. File plans, Records Management Policy, Registry Procedure Manual, PAIA and PAJA manual
Purpose/importance	To monitor compliance on implementation of Records Management Systems
Source/collection of data	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	Director: Records Management & Auxiliary Services

Indicator number	9
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	Director: Records Management & Auxiliary Services

Indicator number	10
Indicator title	Number of programmes monitored and supported on compliance to Corporate Identity Manual and the Communication Policy
Short definition	Monitor through site visits to inspect and document compliance rate within branches and support Administration, SRM, ALSCM & FG branches on non-compliance matters through workshops and consultation sessions with branches and individuals with regards to Corporate Identity Manual and Communication Policy
Purpose/importance	To ensure that four programmes are monitored and 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	Director: Communication Services

Indicator number	11
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 through completion of activities and tasks as outlined in the ICT / Operational 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	Director: GITO

Indicator number	12
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 through workshops on MISS and Investigation Strategy in order to minimize security risks.
Purpose/importance	Four programmes monitored by conducting security audits to check compliance to prescripts and supported on non-compliance matters
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	Director: Security and Investigation Services

Indicator number	13
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	Director: Management Accounting

Indicator number	14
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	No
Desired performance	4 budget documents compiled and submitted to Treasury.
Indicator responsibility	Director: Management Accounting

Indicator number	15
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
New indicator	No
Desired performance	4 sets of financial statements compiled and submitted for audit purposes
Indicator responsibility	Director: Financial Accounting

Indicator number	16
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	Director: Financial Accounting

Indicator number	17
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
New indicator	No
Desired performance	3 departmental performance plans and 5 performance reports are developed in line with National Treasury Frameworks
Indicator responsibility	Director: Strategic Operations and Policy Coordination

Indicator number	18
Indicator title	Number of reconciliations done on the asset and inventory registers
Short definition	Monthly Reconciled asset and inventory registers
Purpose/importance	To control and safeguard state owned assets
Source/collection of data	LOGIS, Vulindlela, 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
New indicator	Yes
Desired performance	Actual performance is desirable
Indicator responsibility	Director: 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	Quarterly
New indicator	No
Desired performance	All 7 research documents produced to align the Provincial Fiscal Policy
Indicator responsibility	Director: Macro Economic Analysis

Indicator number	2
Indicator title	Number of Provincial Own Revenue reports produced in line with section 28 and 40 of the PFMA to ensure collection of budgeted revenue
Short definition	Monitor through analysis of revenue collected by departments and public entities and support 13 Departments and 5 Public Entities through consultation meetings to ensure collection of revenue and recovery of debts in the province
Purpose/importance	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
New indicator	Yes
Desired performance	Actual Performance is desirable
Indicator responsibility	Director: 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, tabled 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
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	Director: 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	Director: Public Finance

Indicator number	5
Indicator title	Number of infrastructure departments monitored and supported in the implementation of the Infrastructure Delivery Management System to improve infrastructure service delivery
Short definition	Monitor requesting reports from infrastructure departments and conduct analysis on implementation of Infrastructure Delivery Management System and support infrastructure departments by providing feedback and technical support through Monthly site visit meetings and bilateral engagements.
Purpose/importance	To 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	Quarterly
New indicator	No
Desired performance	Infrastructure Departments adopt IDIP and IDMS methodologies in infrastructure delivery.
Indicator responsibility	Director: Infrastructure Management

Indicator number	6
Indicator title	Number of Municipalities and Municipal Entities monitored and supported on financial management and governance
Short definition	Monitor compliance with MFMA through analysis of reports received from municipalities and municipal entities and support municipalities and municipal entities through provision of feedback and consultation meetings on identified challenges.
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 27 Municipalities and 3 Municipal Entities are monitored and supported on financial management and governance
Indicator responsibility	Chief Director: MFMA

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 votes and Public Entities through analysis of reports, inspection and site visits and support all 13 Votes and 5 public entities on the maintenance, management and safeguarding of assets through provision of feedback reports and support / consultation meetings.
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	Director: Provincial Asset Management

Indicator number	2
Indicator title	Number Votes and Public Entities monitored and supported on cash, banking and liabilities management.
Short definition	Monitor 13 Votes and 5 public entities on cash, banking and liabilities management through analysis of reports and financial statements and support 13 Votes and 5 public entities on cash, banking and liabilities management through provision of feedback and support / consultation meetings.
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	Director: Banking and Cash-flow Management

Indicator number	3
Indicator title	Number of Votes and Public Entities monitored and supported on SCM processes
Short definition	Monitor performance of 12 Votes and 5 public entities on compliance with SCM prescripts through analysis SCM records and reports and support 12 Votes and 5 public entities on compliance with SCM prescripts through support / consultation meeting to provide feedback and hands on support on challenges identified through during analysis process.
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	Director: SCM Policy Development and Implementation

Indicator number	4
Indicator title	Number of transversal bids facilitated
Short definition	Facilitation of transversal bids for adjudication in the province
Purpose/importance	To facilitate transversal contracts in order to leverage on costs by providing secretariat services and coordination of all SCM processes for the transversal contracts
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 two (2) bids evaluated
Indicator responsibility	Director: Demand & Acquisition Management

Indicator number	5
Indicator title	Number of votes and public entities monitored and supported on transversal contracts utilization.
Short definition	Monitor 12 votes and 5 public entities on the execution and utilization of the transversal contracts through analysis of reports and support 12 votes and 5 public entities through provision of feedback and consultation / support meetings on identified challenges for corrective measures.
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	Director: Demand & Acquisition Management

Indicator number	6
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 through capacity building workshops and trainings.
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	No
Desired performance	All Votes and Public Entities supported on SCM supplier development
Indicator responsibility	Director: SCM Advice Centre

Indicator number	7
Indicator title	Number of votes supported and monitored on financial systems utilization
Short definition	Monitor votes on financial systems utilization through analysis of reports and support votes on utilization of financial systems through workshops, forums and support meeting on identified challenges during analysis process
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	Director: Systems Administration

Indicator number	8
Indicator title	Number of LOGIS sites implemented
Short definition	Implementation of LOGIS in 30 sites through performance of activities as outlined in the LOGIS implementation plan
Purpose/importance	To coordinate the implementation of financial systems in the province
Source/collection of data	Project progress reports, Asset Register (delete)
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	Director: 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 & SCOA)
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	Director: 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 2014/15 audited annual reports of departments and public entities) such as GRAP, IFRS, 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	Director: 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 facilitated through arrangement of a 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	Director: 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 votes and public entities in resolving AG audit findings through analysis of votes and public entities' Audit Action Plans and support them through provision of feedback reports and guidance on implementing mitigations for exceptions raised by Auditor General in 12 votes and 5 public entities
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	Director: Norms & Standards

Indicator number	5
Indicator title	Number of Audit Committee meetings supported to improve governance in votes
Short definition	Support Audit Committee meetings by scheduling, arranging logistics and provision of secretariat support.
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	Director: Norms & Standards

Indicator number	6
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 of Annual Financial Statements in line with PFMA through analysis of financial statements and provision of feedback reports as well as consultation / support meetings and / or workshops
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	Director: Provincial Financial Reporting

Indicator number	7
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	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	Director: Provincial Financial Reporting

Indicator number	8
Indicator title	Number of provincial risks profile developed
Short definition	Development of a provincial risk register
Purpose/importance	To enable identification of the province's prioritised risks to enable effective management of provincial risks so that the province can achieve its objectives as outlined in the LDP.
Source/collection of data	LDP, Strategic Plans and APP's, Annual reports, Internal Audit reports and Annual risk assessment reports
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
New indicator	Yes
Desired performance	1 x provincial risk profile developed
Indicator responsibility	Director : Transversal Risk Management

Indicator number	8
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 through inspection and analysis of risk management reports from 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
New indicator	No
Desired performance	All 12 votes and 5 public entities assessed on risk management performance
Indicator responsibility	Director: Transversal Risk Management

Indicator number	9
Indicator title	Number of votes that automated risk management processes
Short definition	Implement transversal risk management IT system within 12 votes
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	LDP; APPs; Departmental and public entities automated risk registers;
Method of calculation	Simple count
Data limitations	Integrity and timeous submission of data is dependent on the submissions by votes. Common language of risks within the departments
Type of indicator	Output indicator
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Automated risk management processes within 12 votes
Indicator responsibility	Director: Transversal Risk Management

Indicator number	10
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	11
Indicator title	Number of votes audited as per approved annual audit plans to improve the internal control, risk management and governance processes.
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	12
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

