LIMPOPO

PROVINCIAL GOVERNMENT

REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY

ANNUAL PERFORMANCE PLAN

Year 2026/2027

We are the best in what we do

The heartland of southern Africa - development is about people

EXECUTIVE AUTHORITY STATEMENT

Our role as the custodians of financial resources in the province is more than balancing the figures. We are entrusted with making sure that every budget decision reflects the priorities of the National Development Plan, the Medium-Term Development Plan and the Limpopo Development Plan. These frameworks connect our daily work to the provincial government priorities, which is economic growth, job creation, and quality service delivery.

Therefore, this Annual Performance Plan is not a box-ticking exercise. It is the central guide to how, as Limpopo Provincial Treasury, we should fulfil our mandate and discharge our responsibilities. Through the plan, we set out how we will support departments, municipalities and public entities to strengthen sound financial management, improve governance and deliver better services to the people of Limpopo.

We have seen encouraging improvements in the audit outcomes of provincial departments. At the same time, we must face the reality that some public entities have regressed. Provincial Treasury is responding firmly by strengthening institutional arrangements, including a dedicated unit for entities oversight by filling key vacancies to improve accountability.

Unwanted expenditure remains a concern. Progress has been made, but not enough. Departments and entities must close off legacy cases and put in place preventative controls. Treasury will provide support, but we will also act with firmness where compliance is lacking.

These commitments require our users to collaborate to yield intended results, otherwise these commitments mean little if they are not honoured. Provincial Treasury issues instructions for a reason and they must be implemented. Submitting procurement plans while acting contrary to them undermines accountability and service delivery. That culture must change across all departments.

The oversight bodies and the citizens of Limpopo expect more than reports. They expect services, opportunities and accountability. This plan is our undertaking to meet those expectations and ensure that resources are translated into real improvements in people's lives.

I therefore call on every one of us to own this plan with discipline and honesty. Let us guard the gains we have made, tackle the challenges head-on and hold ourselves to the highest standard.

MR KGABO MAHOAI
MEC FOR FINANCE, LIMPOPO

ACCOUNTING OFFICER STATEMENT

It is with a profound sense of duty and optimism that I present the Limpopo Provincial Treasury's 2026/27 Annual Performance Plan for the upcoming Medium-Term Expenditure Framework (MTEF) period. This plan is not merely an operational blueprint; it is a solemn commitment to the people of Limpopo to be prudent custodians of public resources and to accelerate our journey towards a "resilient, vibrant, and prosperous province".

The Limpopo Provincial Treasury operates within a complex and challenging socio-economic landscape. While the province remains a significant contributor to the national economy, accounting for 7.4% of national GDP in 2023, we are acutely aware of the triple challenge of unemployment, inequality, and poverty that continues to impact our communities.

The province has recently demonstrated encouraging economic momentum, with a strong growth rate of 0.9% in 2024. This growth is largely underpinned by the Finance and Personal Services sectors, although the foundational Mining, Agriculture, and Tourism industries remain cornerstones of our economy.

We will continue to prioritise investment in major initiatives, such as the provincial Special Economic Zones (SEZ) and agricultural revitalisation, which are critical for industrialisation and sustainable job creation.

The Limpopo Provincial Treasury is constitutionally mandated by Chapter 13 of the Constitution of the Republic of South Africa and governed primarily by the Public Finance Management Act (PFMA) and the Municipal Finance Management Act (MFMA). Our core function is to prepare the provincial budget and enforce compliance to ensure transparency and accountability in public finances.

Our Strategic Focus for this period is directly aligned with the National Development Plan (NDP), the Medium-Term Development Plan (MTDP) and the Limpopo Development Plan (LDP), centering on the strategic priority 3 to "build a capable, ethical, and developmental state".

The key strategic outcomes for the period are:

1. Sustainable Support Services and Good Governance
2. Developing a sustainable fiscal policy for the province by 2030.
3. Funded municipal budgets
4. Improved governance and sustainable management of the financial resources in provincial departments and public entities.
5. Achieving unqualified audit outcomes for provincial departments, public entities and municipalities by strengthening internal controls and financial reporting.
6. Driving increased economic participation of Limpopo local suppliers, with a focus on empowering Youth, Women, Military Veterans, and Persons with Disabilities.

To deliver on this mandate, we have implemented a comprehensive organisational structure review to strengthen our institutional capacity and efficiency. This review includes the establishment of a dedicated Municipal Finance and Governance Branch, enhanced oversight of Public Entities, and strengthened Internal Audit Services.

Our governance framework is firmly anchored in the principles of transparency, integrity, and sound financial management. The Treasury is committed to targeted strategies across the MTEF period to mitigate risks, enhance operational efficiency, and ensure full compliance with the relevant prescripts.

We call upon all spheres of government, public entities, and our private sector partners to join us in this critical endeavour. Through collective commitment and disciplined execution, the Limpopo Provincial Treasury will ensure that every rand is spent wisely and impacts directly on improving the quality of life for all citizens of the Limpopo Province.

GC Pratt CA (SA)
Accounting Officer
Limpopo Provincial Treasury

OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of Limpopo Provincial Treasury under the guidance of the Executive Authority Mr. KE Mahoai.
- Takes into account all relevant policies, legislations and other mandates for which Limpopo Provincial Treasury is responsible.
- Accurately reflects the Outcomes and Outputs which Limpopo Provincial Treasury will endeavour to achieve over 2026/27 financial year.

Ms. L Ebrahim
Deputy Director General
Corporate Management Services

Ms. PA Semenya
Deputy Director General
Sustainable Resource Management

Ms. MB Rakubu
Acting Deputy Director General
Asset Liabilities & Supply Chain Management

Ms. MMM Thindisa
Acting Deputy Director General
Financial Governance

Mr. M Tshitangano CA (SA)
Chief Audit Executive

Mr. HM Mawela
Chief Financial Officer

Mr. PT Matloa
Director: Strategic Management

Mr. GC Pratt CA (SA)
Accounting Officer

Approved by:

KE Mahoai (MPL)
Executive Authority

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LIST OF ACRONYMS

ACRONYM	DESCRIPTION
AG	Auditor General
AL&SCM	Asset, Liabilities and Supply Chain Management
APP	Annual Performance Plan
BAS	Basic Accounting System
BCP	Business Continuity Plan
CA CFO	Chattered Accountant Chief Financial Officer
CG	Corporate Governance
CIA	Certified Internal Auditor
CBT	Climate Budget Tagging
CoE	Compensation of Employees
CS	Corporate Services
DARD	Department of Agriculture and Rural Development
DoE	Department of Education
DOEL	Department of Employment & Labour
DORA	Division of Revenue Act
DPME	Department of Planning Monitoring and Evaluation
DPWRI	Department of Public Works, Roads and Infrastructure
DPSA	Department of Public Service & Administration
EE	Employment Equity
EXCO	Executive Council
EXCOM	Executive Management Meeting
FG	Financial Governance
GAAL	Gateway Airports Authority Limited
GDP	Gross Domestic Product
GTAC	Government Technical Advisory Council
GRCC	Governance and Risk Compliance Committee
HOD	Head of Department
HR	Human Resource
IAT	Internal Audit Technician
ICT	Information and Communication Technology
IDMS	Infrastructure Delivery Management System
IIA	Institute of Internal Auditors
IRM	Infrastructure Reporting Model
ISA	Infrastructure South Africa

ACRONYM	DESCRIPTION
IT	Information Technology
IYM	In Year Monitoring
LDP	Limpopo Development Plan
LEDA	Limpopo Economic Development Agency
LGB	Limpopo Gambling Board
LPIA	Limpopo Provincial Internal Audit
LPT	Limpopo Provincial Treasury
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act.
MIG	Municipal Infrastructure Grant
MPL	Member of the Provincial Legislature
MPRA	Municipal Public Revenue Act
MTDP	Medium Term Development Plan
MV	Military Veterans
NDP	National Development Plan
OHS	Occupational Health & Safety
OtP	Office of the Premier
PFMA	Public Finance Management Act
PIA	Provincial Internal Audit
PPP	Public Private Partnership
PRF	Provincial Revenue Fund
PSWMW	Public Service Women Week
SALGA	South African Local Government Association
SAICA	South African Institute of Chartered Accountants
SDP	Skills Development Plan
SDG	Sustainable Development Goals
SEZ	Special Economic Zone
SITA	State Information Technology Agency
SLA	Service Level Agreement
SMME	Small, Medium and Micro-Sized Enterprise
SOP	Standard Operating Procedure
STATSSA	Statistics South Africa
SWOT	Strengths, Weaknesses, Opportunities & Threats
TR	Treasury Regulations

PART A: OUR MANDATE

1. Updates to Relevant legislative and policy mandates

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

Section	Function and powers
18 (1)	A Provincial Treasury must:
(a)	Prepare the provincial budget
(b)	Exercise control over the implementation of the provincial budget
(c)	Promote and enforce transparency and effective management in respect of revenue, expenditure, assets and liabilities of provincial departments and provincial public entities; and
(d)	Ensure its fiscal policies do not materially and unreasonably prejudice national economic policies.
18 (2)	A provincial treasury
(a)	Must issue provincial instructions not inconsistent with this Act;
(b)	Must enforce the PFMA and any prescribed national and provincial norms and 9standards, including any prescribed standards of generally recognized accounting practice and uniform classification systems, in provincial departments.
(c)	Must comply with annual DORA and monitor and assess the implementation of that Act in public entities;
(d)	Must monitor and assess implementation in provincial public entities of national and provincial national norms and standards
(e)	May assist provincial departments and provincial public entities in building their capacity for efficient, effective and transparent financial management;
(f)	May investigate any system of financial management and internal control applied by a provincial department or public entity
(g)	Must intervene by taking appropriate steps to address a serious and persistent material breach of the PFMA by a provincial department or a provincial public entity, including withholding of funds.
(h)	Must promptly provide National Treasury with any information required in terms of the PFMA
(i)	May do anything further that is necessary to fulfil its responsibilities effectively.

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

Section	Function and powers
3	A provincial treasury must in accordance with a prescribed framework:
(c)	Assist the National Treasury in enforcing compliance with the measures established in terms of section 216(1) of the Constitution, including those established in terms of this Act.
4	To the extent necessary to comply with subsection (3), a provincial Treasury
(a)	Must monitor: (i) compliance with the MFMA by municipalities and municipal entities in the province; (ii) the preparation by municipalities in the province of their budgets; (iii) the monthly outcome of those budgets; and (iv) the submission of reports by municipalities in the province as required in terms of this Act;
(b)	May assist municipalities in the province in the preparation of their budgets;
(c)	May exercise any powers and must perform any duties delegated to it by the National Treasury in terms of this Act; and
(d)	May take appropriate steps if a municipality or municipal entity in the province commits a breach of this Act.

2. Updates to institutional policies and strategies

The following policies provide the contextual and operational framework within which LPT's strategy is prepared:-

1	**2030 Agenda for Sustainable Development (Sustainable Development Goals)** This global framework, adopted by South Africa, sets key sustainable development goals. Provincial Treasury aligns its strategy with these goals, especially those related to economic growth, social development, and environmental sustainability. It provides a broader context for its activities and helps measure its impact on sustainable development.
2	**Africa Agenda 2063 Goals** These continental goals are vital for South Africa's strategic positioning within the African context. Provincial Treasury considers how its actions contribute to the development and economic integration of the African continent.
3	**Budget Prioritisation Framework** This framework is directly linked to the allocation of resources. It guides how the available funds are allocated to achieve the government's priorities, which is central to Provincial Treasury's role in managing financial resources.

4	**National Evaluation Policy Framework (2019)** Evaluation is critical for assessing the effectiveness of government programs. Provincial Treasury can use this framework to ensure that its strategic initiatives are rigorously evaluated, which is crucial for making informed decisions and improving performance.
5	**Policy Framework for the Government-Wide Monitoring and Evaluation System (2005)** This framework sets the foundation for monitoring and evaluation across government. It's essential for Provincial Treasury to participate in this system to ensure that its strategies are monitored effectively and evaluated for impact.
6	**Revised Framework for Strategic Plans and APPs (2019)** This framework guides government departments in preparing their strategic plans and annual performance plans (APPs). Provincial Treasury aligns its strategy with these guidelines to ensure cohesion and integration within the government's broader planning processes.
7	**Human Resource Development Strategy of South Africa 2010 – 2030** A skilled and motivated workforce is vital to the success of Provincial Treasury's strategy. Aligning with this strategy can help attract, develop, and retain the necessary talent to implement its initiatives effectively.
8	**National Development Plan 2030** The NDP provides a long-term vision for the country's development. Provincial Treasury aligns its strategic outcomes with the goals and targets outlined in this plan to contribute to the nation's development aspirations.
9	**National Development Plan Five-Year Implementation Plan** This plan outlines specific short- to medium-term actions to achieve the NDP's outcomes. Provincial Treasury considers these implementation plans when setting its strategic priorities for the coming years.
10	**Medium-Term Development Plan 2024 - 2029** The MTSF sets out the government's strategic priorities for the medium term. Provincial Treasury integrates its strategies to support and align with these national priorities to ensure cohesion and synergy in government actions.
11	**Spatial Development Frameworks** These frameworks guide spatial planning and development. Provincial Treasury must consider them in its strategy, especially if they aim to support specific areas or regions within the province.
12	**Limpopo Development Plan 2025 -2030** The LDP outlines the strategic priorities which all provincial institutions must closely align, focusing on how they can contribute to the province's development and outcome.
13	**The National Infrastructure Plan 2050** emphasizes developing sustainable infrastructure that enhances service delivery and stimulates economic growth. Provincial Treasury will focus on ensuring sound financial management to facilitate such infrastructure investments in the Province.
14	The National Framework towards the Professionalisation of the Public Sector will guide Provincial Treasury's efforts to strengthen public service integrity, accountability, and capacity building, in an effort to build a professional and capable department.
15	The Gender Responsive Planning, Budgeting, Monitoring, Evaluation, and Auditing Framework and the Employment Equity Act will promote gender equity and inclusivity in financial planning and employment within Provincial Treasury.
16	The Public Procurement Act will enhance transparency and fairness in procurement processes, ensuring efficient use of public funds and supporting local economic

PART B:
STRATEGIC FOCUS

1. Updated Situational Analysis

The Limpopo Provincial Treasury (LPT) has undertaken a structured and rigorous strategic planning process to ensure alignment with its mandate of promoting sound governance and fiscal accountability across the province. This process builds on the achievements of previous strategic cycles while addressing current challenges, including resource constraints, evolving socio-economic demands, and the need for enhanced service delivery. A thorough review of the previous cycle's SWOT analysis provided insights into institutional strengths, such as robust financial management systems and skilled human capital, as well as areas requiring improvement, including enhanced stakeholder engagement and capacity development. Furthermore, the situational analysis as articulated in the 2025–2030 strategic plan was revisited and updated to reflect emerging priorities, risks, and opportunities, ensuring that the Treasury remains adaptive, resilient, and responsive to the evolving needs of the Limpopo province. This comprehensive approach provides a solid foundation for the 2026/27 APP, enabling targeted interventions and strategic decision-making that will enhance service delivery, governance, and fiscal administration.

Limpopo Provincial Treasury plays a central role in strengthening public financial management across the provincial spheres of government. Its mandate encompasses ensuring sound financial management practices within all provincial institutions, including departments, entities, and municipalities. Through the implementation of the Revenue Enhancement Strategy, the Treasury continues to drive improved revenue collection to support fiscal sustainability. Focus is also placed on enhancing audit outcomes by addressing systemic weaknesses, promoting compliance, and embedding accountability across institutions. Furthermore, the Treasury is committed to advancing supply chain management reforms that foster transparency, fairness, and efficiency, while ensuring the timely payment of suppliers within 30 days to support economic activity and improve service delivery.

Despite these efforts, several challenges persist. Audit outcomes across departments, entities, and municipalities continue to reflect weaknesses in financial management, with recurring issues such as irregular expenditure, non-compliance with supply chain prescripts, and poor record-keeping practices. Revenue leakages and limited diversification of revenue sources constrain the full potential of the Revenue Enhancement Strategy, while some municipalities continue to struggle with financial sustainability and poor cash flow management. The timely payment of suppliers within 30 days, although improving, remains a challenge in certain institutions due to inadequate systems, weak controls, and inefficiencies in payment processes.

To ensure alignment with both the approved Medium Term Development Plan (MTDP) and the Limpopo Development Plan (LDP), Priority 3 “A Capable, Ethical, and Developmental State” has been adopted. This priority integrates Strategic Priorities 1 and 2 of the MTDP with Strategic Priorities 8, 9, and 10 of the LDP, namely: transforming the public service for effective and efficient service delivery, investing in human capital to strengthen a developmental state, and advancing digital transformation to enhance operational efficiency. By consolidating these strategic priorities, the Treasury aims to promote ethical governance, build institutional capacity, and leverage technology to improve service delivery and accountability across the province.

The reviewed elements of the Departmental SWOT analysis provide a detailed assessment of the Treasury’s internal strengths and weaknesses, as well as external opportunities and threats. This analysis offers critical insights into factors that influence the Department’s capacity to achieve its outcomes, enhance service delivery, and strengthen governance. By systematically evaluating these elements, the Treasury can identify areas for improvement, leverage institutional strengths, respond proactively to emerging challenges, and capitalise on opportunities to support a capable, ethical, and developmental state.

EXTERNAL ENVIRONMENT	
OPPORTUNITIES	**THREATS**
▪ Early retirement options without pension penalties, which could optimize workforce management. ▪ The Government Technical Advisory Centre (GTAC) Support Programme which offers additional expertise and capacity-building. ▪ The legislative environment, which is conducive to innovation. ▪ Functional Intergovernmental Relations (IGR) structures. ▪ Collaboration with Infrastructure South Africa (ISA), DPWR&I, CoGHSTA and OtP on alternative funding options and providing support to departments and municipalities	▪ Climate change ▪ Illegal immigration due to poor border management control. ▪ Dysfunctional municipalities whereby municipalities are operating with unfunded budgets ▪ Cybercrime exposure ▪ Lack of synergy between the policy mandates and legislation in relation to appointment of youth, women & people with disabilities. ▪ Centralisation of development & review of transversal policies e.g. HR Policies ▪ Slow economic growth. ▪ Litigations / claims against the state ▪ Interference in disposal of assets by various communities and groups Low Debt recovery rate by organs of State

INTERNAL ENVIRONMENT	
STRENGTHS	**WEAKNESSES**
▪ Provision of internal bursaries in line with departmental needs. ▪ Capable human resource. ▪ Approved policies. ▪ Quarterly transversal forums. ▪ Institutionalized Infrastructure Delivery Management System. ▪ Strong system access controls. ▪ Banking contract & service level agreement. ▪ Budget Bi-lateral meetings. ▪ Flexible audit plans to accommodate emerging risks. ▪ Approved Internal Audit Charter. ▪ Engagement at Audit Steering Committee Level. ▪ Professional affiliations. ▪ VPN-RA to access Teammate. ▪ Effective and Efficient Centralised Audit Committees and Risk Management Committees. ▪ Internal Audit Technician (IAT) & Chartered Accountant Academy (CAA) Programmes	▪ Non-adherence to Oath of Secrecy declarations. ▪ Outdated ICT Infrastructure. ▪ Inability to enforce consequence management for non-compliance. ▪ Insufficient financial resources to fill all vacant posts ▪ Approved HRM&D policy limitations. ▪ Underspending of allocated budget ▪ Not using available technology optimally ▪ Low Debt Recovery Rate. ▪ Inadequate capacity to monitor and support departments in management of immovable and biological assets. ▪ Inability to reach the 7% procurement spent target for people with disabilities and military veterans ▪ Hybrid recruitment system (hand delivery & e-recruitment) ▪ Loss of confidence by client departments. ▪ Inadequate Research and Development.

1.1 External Environmental Analysis

The external environment encompasses factors which originates outside Limpopo Provincial Treasury (LPT) that have ability to negative affect achievement of outcomes. The factors are out of LPT's reach but must be considered for the planning processes. The factors first involve the opportunities that presents favourable conditions which the department can capitalize on to grow and succeed and threats that have the potential to limit the department success in carrying out its mandate.

To analyse the inputs developed through the SWOT analysis technique, the department employed the PESTEL analysis method. PESTEL analysis is described as a framework used to conduct an external environmental analysis, examining various macro-environmental factors that may impact Limpopo Provincial Treasury.

The components of PESTEL analysis are described as follows:

Political Environment

The political environment within which Limpopo Provincial Treasury operates is characterised by a high level of policy coherence, strong intergovernmental governance architecture, and a well-established legislative and institutional framework that supports public financial management and cooperative governance. Functional Intergovernmental Relations (IGR) structures, national support platforms such as the Government Technical Advisory Centre (GTAC), and collaboration with institutions such as Infrastructure South Africa (ISA), the Department of Public Works, Roads and Infrastructure (DPWR&I), the Office of the Premier (OtP), and the Department of Co-operative Governance, Human Settlements and Traditional Affairs (CoGHSTA) create a conducive political environment for coordinated planning, fiscal alignment, and integrated service delivery. These structures provide a stable platform for policy harmonisation, collective problem-solving, and the implementation of national reform agendas at provincial and municipal levels.

However, despite this enabling political architecture, the system is constrained by governance fragilities that undermine implementation effectiveness. Centralisation of transversal policies, policy–legislation misalignment in transformation and employment equity frameworks, interference in the disposal of state assets, increasing litigation against the state, and weaknesses in border management governance create operational instability and institutional risk. These challenges are compounded by internal limitations in consequence management, enforcement capacity, and accountability mechanisms, which weaken the Treasury's ability to translate political intent into consistent institutional practice.

Economic Environment

The economic context of Limpopo Province is defined by sustained fiscal pressure, slow economic growth, constrained revenue generation, and rising service delivery demands. Structural economic challenges, including unemployment, poverty, and inequality, continue to place pressure on public finances, while underperforming revenue collection at national level constrains provincial fiscal space. Dysfunctional municipalities, unfunded municipal budgets, weak debt recovery, and revenue leakages further exacerbate fiscal instability and create systemic risks that undermine long-term financial sustainability.

At the same time, the environment presents strategic economic opportunities through national infrastructure reforms, alternative funding mechanisms, public–private partnerships, blended finance instruments, and the implementation of provincial revenue enhancement and retention strategies. Collaboration with national institutions, access to technical fiscal support, and infrastructure financing reforms create opportunities for diversifying funding sources, improving expenditure efficiency, and strengthening fiscal resilience.

Strategically, the economic environment signals a shift from resource mobilisation to resource optimisation. The central planning challenge is no longer increasing budget allocations, but maximising value for money, strengthening spending efficiency, improving revenue integrity, and managing fiscal risk. The Treasury's strategic posture must therefore prioritise fiscal governance, budget credibility, revenue leakage control, asset productivity, and expenditure efficiency as core pillars of a sustainable developmental state.

Socio-Cultural Environment

The socio-cultural environment is characterised by increasing social vulnerability, demographic pressure, and rising demand for public services, driven by persistent poverty, unemployment, inequality, and migration pressures. These dynamics place sustained pressure on provincial and municipal systems, increasing the demand for social services, infrastructure, and public expenditure while simultaneously constraining fiscal capacity.

Opportunities exist through workforce renewal initiatives such as early retirement without pension penalties, skills regeneration strategies, youth employment pathways, and professionalisation of the public service. These interventions create space for institutional renewal, generational transition, and the development of a future-oriented public administration aligned to digital transformation and modern governance requirements.

This environment reflects a shift in the role of the Provincial Treasury from a purely financial institution to a strategic social risk manager, where budgeting, planning, and fiscal prioritisation directly influence social stability, inclusion, and development outcomes. The Treasury's role increasingly extends into managing the social consequences of fiscal decisions, positioning financial governance as a tool for social stability and inclusive development.

Technological

The technological environment presents both transformative opportunities and systemic vulnerabilities. National digital transformation initiatives, DPSA ICT directives, cybersecurity frameworks, cloud governance standards, and integrated digital platforms provide a strong enabling environment for modernising public financial management, strengthening governance systems, and enhancing operational efficiency.

Internally, the Treasury benefits from established system access controls, transversal digital platforms, centralised audit structures, and secure remote access systems. These strengths provide a foundation for digital governance and system integration. However, outdated ICT infrastructure, minimum use of available technologies, hybrid recruitment systems, and weak system optimisation limit the full realisation of digital transformation benefits.

Cybercrime exposure further intensifies technological risk, positioning digital vulnerability as an institutional risk rather than a technical issue. This shifts technology from a support function to a core governance and risk management area.

Strategically, ICT governance must therefore be repositioned as a strategic function central to compliance, accountability, risk management, and operational sustainability. Digital transformation must be embedded into governance systems, not treated as an auxiliary operational project.

Environmental

Environmental risks, particularly climate change, increasingly translate into fiscal and governance risks. Climate-related disasters, resource scarcity, and environmental shocks impose unplanned fiscal pressures, disrupt service delivery, and strain infrastructure systems. These dynamics transform environmental risk into budgetary risk and planning instability.

At the same time, opportunities exist through climate governance reforms, climate finance frameworks, and initiatives such as Climate Budget Tagging (CBT), which create institutional mechanisms for integrating climate considerations into fiscal planning and budget management. Budgeting processes must consider incorporating climate risk modelling, resilience planning, disaster-risk financing, and climate expenditure classification systems. The Treasury’s role expands into climate fiscal governance, positioning environmental sustainability as a core dimension of public financial management rather than a peripheral policy concern.

Legal

The legal environment is categorised by a compressed and evolving regulatory framework governing public finance management, procurement, infrastructure delivery, digital governance, and institutional accountability. Legislative reforms and regulatory modernisation create an enabling framework for transparency, accountability, and governance innovation.

However, this regulatory density is undermined by weak enforcement capacity, fragmented accountability, compliance fatigue, and limited consequence management. Litigation against the state, regulatory fragmentation, and policy–legislation misalignment further weakens the effectiveness of legal frameworks.

This creates a system in which compliance is formally required but weakly enforced, resulting in governance systems that are rule-heavy but accountability-light. The strategic challenge is therefore not regulatory development but regulatory institutionalisation.

Legal frameworks must be operationalised through institutional discipline, consequence management, and governance accountability structures to ensure that regulatory compliance translates into real governance outcomes.

1.1.1 Opportunities

The Provincial Treasury operates within a dynamic and evolving environment that presents both challenges and opportunities for strengthening financial governance, improving service delivery, and advancing the developmental agenda of the province. While fiscal constraints remain a persistent reality, a wide range of strategic opportunities exist that, if effectively harnessed, can transform the way the Department delivers on its mandate. These opportunities cut across digital innovation, research collaboration, budget reforms, infrastructure funding, legislative reforms, intergovernmental coordination, and workforce management.

The following sections outline the identified opportunities for the 2026/27 to 2028/29 planning cycle, together with the targeted actions designed to ensure that each opportunity is fully leveraged. These interventions are structured to deliver immediate results while also laying the groundwork for transformative impact over the medium to long term: -

(a) Early Retirement without Penalisation of Pension Benefits

The introduction of early retirement without penalisation of pension benefits forms part of a broader national public service reform agenda aimed at workforce renewal, fiscal sustainability, and institutional modernisation. This creates an external opportunity for the province to align with national objectives of public sector transformation, skills regeneration, youth employment pathways, and long-term sustainability of the public service. The reform enables provincial institutions to respond to changing governance, digital transformation, infrastructure financing, and financial management demands within the broader public sector environment. It further supports national priorities of creating space for new skills, innovation, and generational renewal within government, contributing to improved institutional responsiveness and service delivery capability across the public sector system. To maximise this opportunity, the Department will ensure that sufficient funds are available to cover the pension penalties that would ordinarily apply, if necessary, thereby protecting the retirement security of affected employees. Financial assessments will be conducted over the planning period to establish and strengthen funding allocations, ensuring sustainability of the initiative while creating space for the recruitment of younger professionals and addressing skills renewal and succession planning in the public service.

(b) The Government Technical Advisory Centre (GTAC) Support Programme

The availability of national technical support through the Government Technical Advisory Centre (GTAC) represents a strategic external opportunity to strengthen provincial and municipal public finance systems. This national support environment enables access to specialised expertise in spending reviews, expenditure analysis, supply chain management reform, mSCOA implementation, and asset management, enhancing value-for-money outcomes across government. Through this national programme, the province is positioned to benefit from system-wide public finance reforms, technical innovation, and capacity development initiatives that strengthen fiscal discipline, improve expenditure efficiency, and enhance service delivery outcomes beyond institutional boundaries. The Department intends to leverage GTAC's expertise through joint initiatives, skills transfer, and advisory services to build internal capacity

+jy and improve analytical skills, ensuring that provincial spending delivers maximum value for money.

(c) Collaboration with Infrastructure South Africa (ISA), DPWR&I, CoGHSTA and OtP on Alternative Funding Options and Providing Support to Departments and Municipalities

The national infrastructure drive and public sector investment reform agenda create a strategic external opportunity for the province to access alternative funding mechanisms, blended finance instruments, development finance support, and public private partnership models. Collaboration with Infrastructure South Africa (ISA) and key sector departments forms part of a broader national effort to mobilise infrastructure financing, improve project preparation, and strengthen infrastructure delivery systems. These external financing and governance frameworks enable the province to leverage national programmes, institutional partnerships, and development finance ecosystems to unlock infrastructure investment, stimulate economic growth, and strengthen service delivery capacity at provincial and municipal levels. The Department will establish Project Steering Committees, convene bi-yearly municipal infrastructure planning workshops, and coordinate across departments and municipalities to create institutionalised mechanisms for joint planning, resource mobilisation, and effective infrastructure delivery.

(d) Enabling Legislative Environment

The evolving national legislative and regulatory framework governing public finance management, procurement reform, infrastructure delivery, digital governance, and institutional accountability provides a strategic external opportunity to modernise provincial financial governance systems. Continuous reforms led by National Treasury, DPSA, and other national institutions create an enabling environment for improved fiscal discipline, regulatory coherence, transparency, and governance innovation. The Department will actively participate in legislative reform processes, monitor proposed amendments, and integrate updated requirements into its financial management practices, ensuring alignment with national directives. Embedding these reforms will strengthen compliance, improve consistency and credibility of financial management systems, and position the Provincial Treasury as a forward-looking custodian of public resources.

(e) National interventions.

Collaboration with national institutions such as the Special Investigating Unit (SIU) enhances the capacity of government to investigate, recover and prevent irregular or fraudulent claims that place pressure on public finances. Through the SIU’s investigative mandate, departments can identify systemic weaknesses in claims management processes, address instances of fraud or corruption, and implement corrective measures to prevent recurrence.

The implementation of a national debt collection contract provides a coordinated mechanism to recover outstanding funds owed to the state. This intervention ensures that claims and debts are actively pursued through structured legal and administrative processes, thereby improving revenue recovery and reducing financial losses to government. However such interventions are managed & coordinated by the National Department after proclamation is issued by the SIU. The combination of investigative support and structured debt recovery mechanisms strengthens accountability, promotes prudent financial management, and contributes to the overall objective of safeguarding public resources.

(f) Functional Intergovernmental Relations (IGR)

The strengthening of national and provincial intergovernmental governance systems presents an external opportunity to enhance policy alignment, coordinated planning, fiscal integration, and collective problem-solving across spheres of government. National and provincial IGR platforms create an enabling governance environment for addressing systemic service delivery pressures, fiscal risks, and developmental challenges through cooperative governance and shared accountability frameworks. The Department will maximise these opportunities by participating in key platforms such as the HODs Forum, Governance and Administration Cluster, Provincial Intergovernmental Forum (PIGF), Municipal MinMec (MUNMEC), and technical forums including CFOs, Risk Managers, and Internal Auditors. Over the planning period, consistent engagement will foster stronger collaboration, address systemic challenges, and improve financial governance outcomes across government.

(g) DPSA Directives on ICT Matters

The national digital government transformation agenda, driven through DPSA ICT directives, cybersecurity frameworks, cloud governance standards, and digital service delivery policies, creates an external opportunity for provinces to modernise governance systems. This national digital ecosystem enables the adoption of secure digital platforms, interoperable systems, data governance frameworks, and technology-enabled public services. The Department will review and align provincial ICT policies with national directives, particularly in cybersecurity, cloud adoption, and digital governance, and implement updated frameworks across all departments during the planning period. Progressive alignment to DPSA directives will strengthen ICT governance, safeguard sensitive information, enhance digital readiness, and enable adoption of innovative technologies that improve efficiency, service delivery, and compliance with national norms and standards.

1.1.2 Threats

The provincial fiscal and governance environment continues to be influenced by a range of external and internal threats that have the potential to undermine effective service delivery and financial management. These threats, if not managed, may compromise the province's ability to achieve its developmental outcomes as outlined in the Medium-Term Development Plan (MTDP) and the Limpopo Development Plan (LDP). The Annual Performance Plan therefore identifies key risks and outlines targeted interventions to mitigate their impact over the 2026/27 to 2028/29 Medium-Term Expenditure Framework (MTEF) period.

(a) **Climate change** continues to pose a significant threat to service delivery and fiscal sustainability, as extreme weather patterns and climate-induced disasters place additional strain on provincial resources. The department will implement the Climate Budget Tagging (CBT) for the tracking and monitoring of climate related expenditures. To mitigate these risks, the department will allocate funds for disaster response strategies in line with the National Disaster Management Framework. This will ensure proactive preparedness and resilience in addressing climate-related challenges throughout the 2026/27 to 2028/29 MTEF period. The department remains fully committed to CBT as a key budget reform, it is currently not being rolled to municipalities as it is in the process of being piloted by National Treasury, and it is still in a testing and refinement phase at the provincial level, including Limpopo. As such, CBT processes, coverage, and data quality are not yet sufficiently mature to be institutionalised as a formal performance indicator but will instead be used during the MTEF to build internal capacity, improve the consistency of climate-related classifications, and inform future integration of climate priorities into the provincial budget and planning framework as the reform is scaled up.

(b) **Dysfunctional Municipalities-** Persistent dysfunctionality in municipalities continues to undermine effective financial management, governance, and the delivery of basic services, with direct implications for poverty reduction and socio-economic development. This challenge is intrinsically linked to MTDP Priority 2 (Reducing Poverty), as municipal financial distress directly compromises the provision of essential services such as water, sanitation, electricity, refuse removal, and indigent support programmes, which disproportionately affect poor and vulnerable households.

Municipal financial failure further exacerbates the triple challenge of unemployment, inequality, and poverty, particularly impacting women, youth, and persons with disabilities (WYPD). Weak revenue management, poor budgeting practices, and non-compliance with financial management prescripts result in reduced service delivery capacity, limited implementation of indigent support policies, and constrained access to economic opportunities for designated groups within local economies.

To address this systemic risk, non-compliance and financial governance failures will be escalated through Intergovernmental Relations (IGR) structures and to National Treasury for coordinated intervention, support, and stabilisation. This approach will strengthen accountability, improve municipal financial sustainability, enhance governance outcomes, and support the restoration of service delivery capability, thereby contributing directly to poverty reduction, inclusive economic participation, and improved socio-economic outcomes for vulnerable communities.

(c) **Slow Economic Growth** - The slow pace of economic growth in both national and provincial contexts has direct implications for revenue generation, budget planning, and overall fiscal stability. This creates risks of reduced allocations and constrained service delivery. To counter this, the department will conduct regular assessments of national, provincial, and local economic conditions to inform budget planning and allocation. Furthermore, collaboration with key stakeholder departments during engagements with municipalities will be strengthened to ensure a coordinated response to economic challenges.

(d) **Cybercrime exposure -** The rapid evolution of cybercrime presents a growing threat to information security, financial systems, and the integrity of government operations. Recognizing the risks associated with cyberattacks, the department will conduct ICT security risk assessments and implement awareness campaigns across the 2026/27 to 2028/29 planning cycle. These activities will safeguard information assets, reduce vulnerabilities, and build a culture of cyber resilience.

(e) **Misalignment of Employment Equity Targets** - The misalignment between Employment Equity (EE) sectoral targets and Cabinet decisions or pronouncements poses risks to compliance and transformational outcomes. To mitigate this, the department will engage continuously with the Office of the Premier (OTP), Department of Public Service and Administration (DPSA), and Department of Employment and Labour (DoE&L) on policy reviews and updates to ensure alignment with national directives and promote workplace inclusivity.

(f) **Interference in the Disposal of Assets by various communities and groups** - The interference of criminal syndicates in the disposal of government assets threatens transparency, credibility, and compliance in asset management. To mitigate this, matters will be escalated to higher authorities for intervention. Departments will also be encouraged to invite the South

African Police Service (SAPS) to participate in auctions, thereby strengthening security, reducing manipulation, and safeguarding the integrity of the disposal process.

(g) **Low Debt Recovery Rate by Organs of State** - The low recovery rate of debts owed to the State negatively affects cash flow, revenue targets, and financial sustainability. To address this challenge, one-on-one engagements will be held with departments to determine the root causes of poor recovery performance. In the outer years, mitigation measures will be implemented based on these findings, with continuous monitoring of activities to ensure improved recovery rates.

(h) **Illegal immigration due to poor border management control** – Systemic weaknesses in national border management and migration governance continue to generate indirect fiscal and service-delivery pressures on provincial and municipal systems. These pressures manifest as unplanned and unfunded demand for public services, particularly within healthcare, housing, education and basic services, with direct consequences for budget credibility, planning integrity, and long-term fiscal sustainability. While border management remains a national mandate, the Provincial Treasury will focus on fiscal risk identification, planning assurance, and intergovernmental fiscal coordination to ensure that the budgetary and service-delivery impacts arising from migration-related pressures are managed through appropriate national–provincial engagement and fiscal governance mechanisms, without incorporating unlawful presence into formal planning baselines or resource allocation frameworks.

Table 1: Stakeholder Analysis

Stakeholder	Reason for collaboration	Collaboration Description	Challenges	Proposed interventions
State Information Technology Agency (SITA).	Custodians of ICT Service in Government as per SITA Act.	Implementation of new systems. Hosting of transversal systems. Maintenance of Transversal systems. ICT technical Skills. ICT Project Management Skills.	Nonadherence to SLA's. Budgetary Constraints. Involvement of additional Stakeholders from SITA in the process.	Effect penalty clauses as per SLA. Lobby for additional funding during M TEF hearings. Increase FMIS capacity. Update own SLA to incorporate usage of third parties by SITA.
Auditor General of South Africa (AGSA).	AGSA Conduct external audit to the department and generate a report on the outcomes of the audit.	In the process of conducting external AGSA collaborates with assurance providers such as Internal Audit and other transversal functions within Provincial Treasury.	Slow implementation of Combine Assurance.	Expedite implementation of Combined Assurance.

Stakeholder	Reason for collaboration	Collaboration Description	Challenges	Proposed interventions
All Departments.	Effective Utilization of transversal systems.	Adherence to transversal user accounts management policies.	Nonadherence to user accounts management policy. System Controllers are incorrectly placed as per generic structure of CFO's office.	Revoke IDs of non-complying System Controllers. Centralise the function of System Controllers in Limpopo Treasury.
All Departments and Public Entities.	Effective Budget Planning and implementation.	Compliance with budget guideline framework and performance reporting standards.	Poor implementation of budgets and procurement plans.	Enhance capacity building mechanisms
National Treasury	Custodians of PFMA and its prescripts. Custodian of Transversal Systems.	Financial Reporting Frameworks Risk Management framework Annual Reporting Framework Instruction Notes and Guidelines. Systems policies and Procedures. Transversal system support.	Reporting Templates are not error free. AMD and MCS are not aligned to the templates. Outdated Frameworks. Limited training capacity.	Automation of the reporting template. Alignment of templates to AMD and MCS. Regular review of the frameworks. Capacitate Financial Training Capacity Building Directorate.
National Treasury.	Custodians of PFMA and its prescripts.	Budget planning and financial reporting frameworks. Treasury Instruction Notes and Guidelines.	Budget cuts and tight deadlines on budget submissions.	Strengthen measures to contain provincial costs, maximise own revenue; and capacitate Province to be proactive in budget planning.
Department of Co-operative Governance, Human Settlements and Traditional Affairs (CoGHSTA).	CoGHSTA is responsible for Municipal Property Rates Act (MPRA), DoRA, Systems Act and other sections of the MFMA.	CoGHSTA is responsible for MPRA which affects revenue, DoRA on conditional grants to municipalities, Municipal Systems Act on revenue by-laws and appointment of officials, MFMA on non-adoption of the budgets, reporting on unauthorised, irregular & fruitless and wasteful expenditure in municipalities and annual financial statements.	Weak integration of work performed by both departments.	Strengthen governance structures and collaboration between COGHSTA and Provincial Treasury.

Stakeholder	Reason for collaboration	Collaboration Description	Challenges	Proposed interventions
Municipalities.	Improvement of municipal audit outcomes.	Compliance with National and Provincial Treasury budget planning; reporting standards; and financial management prescripts in line with MFMA, DoRA and other legislations.	Non-adherence to legislative prescripts.	Enhance capacity building strategies. Escalation of non-compliance to highest authority.

The stakeholder analysis confirms that Limpopo Provincial Treasury operates within a highly interdependent governance ecosystem in which institutional performance, service delivery outcomes, and fiscal sustainability are collectively determined by the strength of coordination, collaboration, and system integration across stakeholders. While a comprehensive regulatory framework and clearly defined institutional mandates exist, governance outcomes are not shaped by institutional design alone, but by the quality of inter-institutional relationships, implementation discipline, and shared accountability mechanisms.

The central strategic imperative for the 2026/27–2028/29 planning period is therefore the institutionalisation of collaborative governance. This requires a deliberate shift from silo-based institutional operations towards integrated system governance, in which planning, oversight, support, and accountability functions are aligned across the stakeholder landscape. Limpopo Provincial Treasury must position itself not only as a fiscal authority, but as a governance integrator and system coordinator that facilitates alignment, coherence, and collective accountability across spheres of government.

Strategic success will depend on the consolidation of structured engagement platforms, the strengthening of formal coordination and escalation mechanisms, the integration of assurance and oversight systems, and the embedding of shared governance standards across institutions. Through this approach, the Treasury will strengthen institutional resilience, enhance governance effectiveness, improve service delivery outcomes, and contribute to the realisation of a capable, ethical, and developmental state.

PERFORMANCE DELIVERY ENVIRONMENT

Limpopo Provincial Treasury monitors and supports Provincial Departments, Public Entities, Municipalities and Municipal Entities on implementation of the PFMA and MFMA. The Provincial

Institutions that are monitored and supported by Limpopo Provincial Treasury in line with the PFMA and MFMA are as follows:

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

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

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

PROVINCIAL OWN REVENUE

Provinces play a crucial role in collecting their own revenue to supplement the Provincial Equitable Share, especially given the country's sluggish economic growth and underperforming national revenue collection. The economy's slow growth puts pressure on the national budget, with funds being redirected to address pressing issues such as the electricity crisis, climate change disasters, debt servicing costs, and core service delivery funding. To mitigate underperforming national revenue collection, provinces are developing funding models to supplement the dwindling Provincial Share of Revenue.

Limpopo Province, under the leadership of the Provincial Treasury, has developed and implemented revenue enhancement strategies to boost the revenue collection baseline, which contributes to the Provincial Equitable Share. Provincial Treasury supports new and existing viable initiatives by departments and public entities to maximize own revenue collection through revenue enhancement budget allocation. Furthermore, departments and public entities that exceed the set targets are offered incentives, such as revenue retention in line with the Revenue Retention Strategy. Quarterly bilateral meetings are held to identify new revenue streams and monitor project implementation. These revenue assessment and enhancement interventions also support the MTDP priority of inclusive economic growth by strengthening provincial fiscal sustainability and institutional capacity, enabling the province to fund infrastructure development, service delivery programmes, and economic stimulation initiatives that support broad-based economic participation, particularly in rural and township economies.

Over a five-year period, Provincial Own Revenue collected a total amount of R8.892 billion which reflects an average collection of R1.7 billion per annum. The revenue collection has since improved as compared to R1.442 billion in 2019/20 and R2.428 billion in 2024/25 financial year. This strengthened revenue base enhances the province fiscal resilience and its ability to finance infrastructure investment, service delivery programmes, and economic development interventions without excessive reliance on national transfers. Financially stable public institutions create an enabling environment for investment attraction by improving service reliability, infrastructure maintenance, and institutional credibility, thereby reducing investment risk, strengthening investor confidence, and supporting the development of business-friendly local economies.

Departments of Transport; Health and LEDET remains the potential revenue generating departments through Revenue Enhancement Allocation. Provincial interest earned on bank balances by the Provincial Treasury is not a reliable source of revenue owing to its volatile nature. Also, DPWR&I remains a challenge in optimally collecting house rentals fees from tenants which requires necessary attention. Provincial Treasury provides support to DPWR&I to ensure the development of an effective Rental Collection Turnaround Strategy; and to enter SLA's with implementing collection agencies (Departments) to enhance property rental collection and to assess the possibilities of disposing non-strategic immovable assets. Provincial Treasury has identified the proposed sources of revenue, which include completion of hostel facilities in Tompi Seleka College by the Department of Agriculture and enforcing licensing of government owned vehicles through Provincial Registering Authorities by the Department of Transport. Through these interventions, improved revenue generation and sustainable funding models enable the province to support enterprise development, infrastructure expansion, and employment creation, contributing to job creation, poverty reduction, and inclusive economic growth in line with the MTDP and provincial development priorities.

Planned Interventions over the medium-term period

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

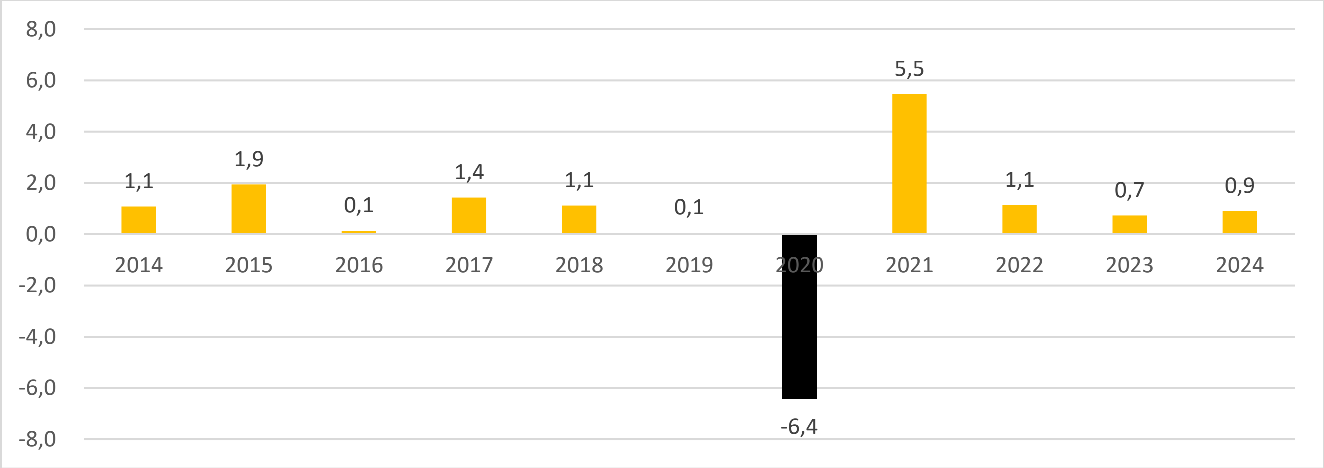
Macro-Economic Analysis

The Macro-Economic Analysis Unit conducts research and delivers economic insights to inform budget decisions at the provincial level. The prevailing economic conditions on global, national, and provincial levels are analysed to provide policy directives. The quarterly economic bulletins are produced, which highlight recent economic trends and offer insights on pressing topics, such as the role of the informal sector in tackling unemployment in Limpopo and innovative approaches to climate change. Although the national fiscal situation is expected to remain tight, affecting provincial budget allocations, IMF projections suggest a more positive outlook in the medium term. Moreover, the unit also conducts research on other topics of finding alternative ways to deal with the socio-economic challenges and exploring the potential of the Sub-Saharan Africa market for Limpopo as the gateway to the African continent, more especially with the current trade war.

Limpopo Economy

The annual economic growth in Limpopo over the past 10 years, as referenced herein, has been lower, although recently there has been continuous positive quarterly growth. This weaker economic growth affects various sectors, including service delivery, unemployment, and crime rates, among others. The performance of the Limpopo provincial economy is crucial in determining its potential to address the triple challenge of unemployment, poverty, and inequality as reflected in the National Development Plan 2030. In a year marked by mixed national economic outcomes, Limpopo emerged as one of South Africa’s top-performing provinces, recording a growth rate of 0.9 percent in 2024, according to the latest provincial GDP estimates from Statistics South Africa. Limpopo's sluggish economic growth, driven by struggles in mining and agriculture, highlights the need for sectoral diversification, which is termed the sunrise sectors, a key focus area in the Limpopo Development Plan 2025-2030. The emerging sunrise sectors are a strategic complement to traditional sectors (agriculture, mining, and tourism), to accelerate economic transformation, support resilience, and unlock inclusive, future-oriented growth, and include automotive, cannabis, renewable energy, digital economy, wild economy, and creative industry.

Figure 1: GDP Average annual growth (Constant 2015 Prices).



Source: StatsSA, GDP, 2025

Overall, the subdued economic performance of the province calls for concerted efforts from the provincial stakeholders to ensure that the provincial economy reaches higher levels of economic growth, as this is a prerequisite to addressing the challenges of unemployment and poverty reduction. The provincial government will also need to ensure that all spheres of government embrace fiscal discipline and implement new budget reforms, such as conducting spending reviews and Targeted and Responsive Savings.

Limpopo poverty rate

Poverty lines are important tools that allow for the statistical reporting of poverty levels and patterns, as well as the planning, monitoring and evaluation of poverty reduction programmes and policies.

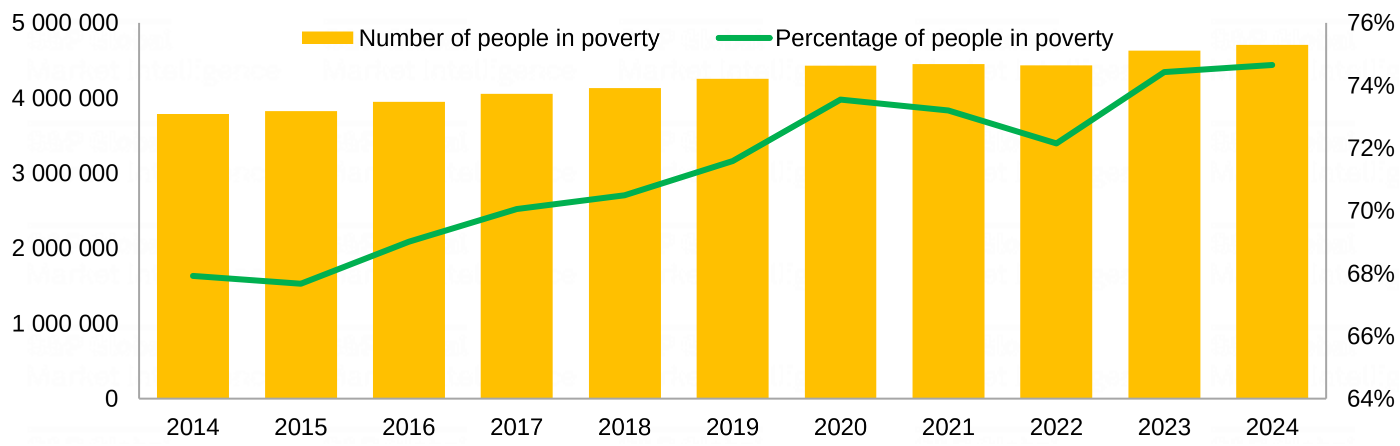
Table 3: Inflation-adjusted national poverty lines

Poverty line	2025 line values
Food poverty line (FPL)	855
Lower-bound poverty line (LBPL)	1 415
Upper-bound poverty line (UBPL)	2 846

Source: StatsSA, Poverty lines, 2025

The upper poverty line is defined by StatsSA as the level of consumption at which individuals are able to purchase both sufficient food and non-food items without sacrificing one for the other. In 2025, food poverty line was 855 rands, Lower bound poverty line was 1 415 rands and the Upper bound poverty line was 2 864 rands.

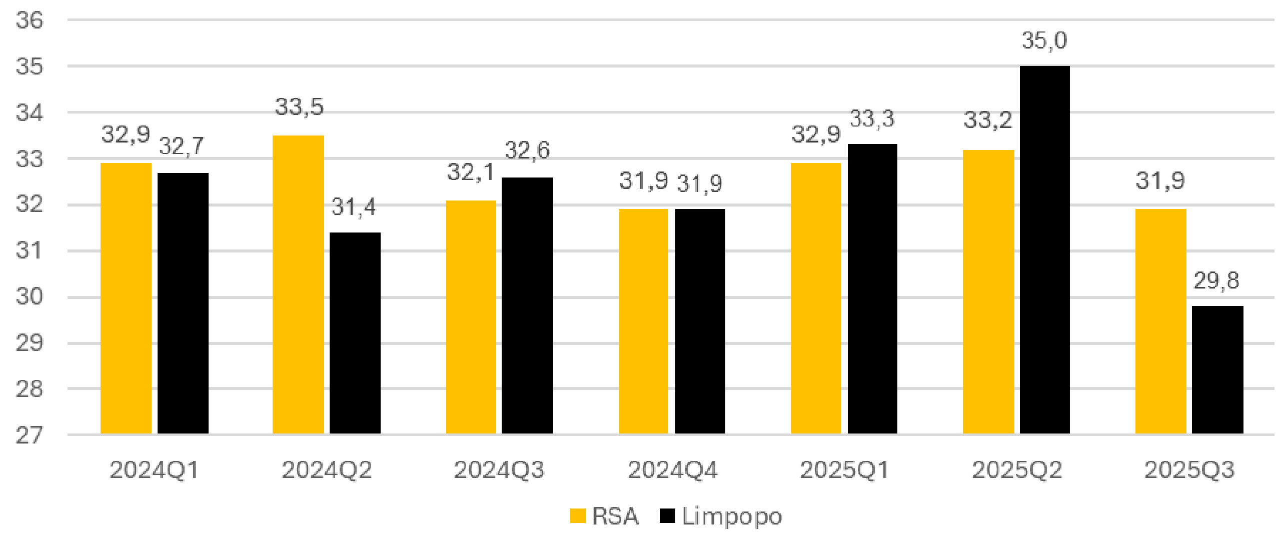
Figure: Number and percentage of people living in poverty for Limpopo (2014-2024)



Source: S&P Global

In 2024, there were 4.71 million people living in poverty, using the upper poverty line definition, across Limpopo Province - this is 24.3 percent higher than the 3.79 million in 2014. The percentage of people living in poverty has increased from 67.9 percent in 2014 to 74.7 percent in 2024, which indicates a increase of -6.74 percentage points.

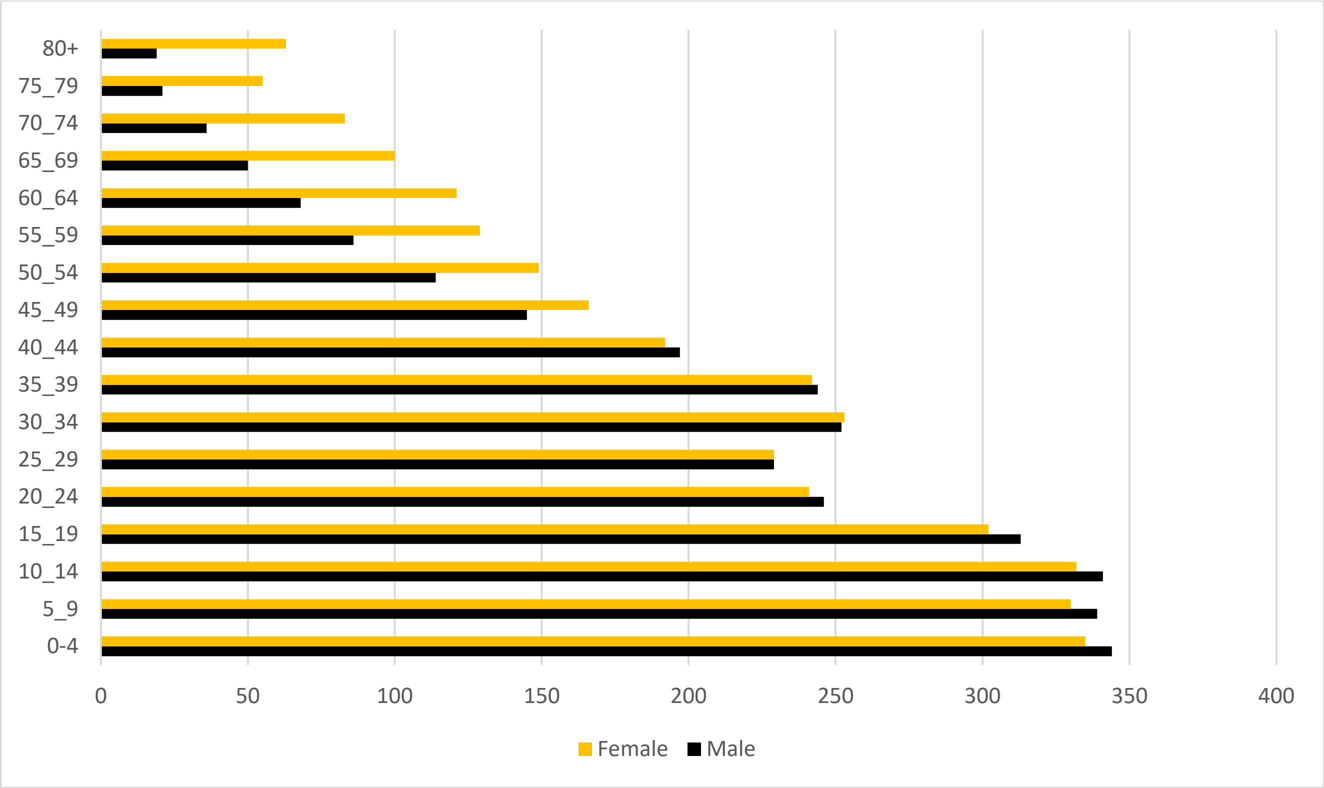
Figure: SA and Limpopo quarterly unemployment rates



Source: StatsSA, QLFS, Q3:2025.

The Q3: 2025 QLFS shows a decline in unemployment rates for both South Africa and Limpopo compared to the previous quarter. South Africa's unemployment rate dropped to 31.9 percent from 33.2 percent in Q2:2025, while Limpopo's rate decreased to 29.8 percent from 35 percent. Compared to the same quarter last year, unemployment rates were also lower in 2025 for both South Africa and Limpopo. The recent improvement in GDP growth in Q2 of 2025 is likely contributed to the decline in unemployment levels for Q3.

Figure: Limpopo mid-year population estimates by age group and gender



Source: StatsSA, mid-year population estimates, 2025

In terms of population distribution, the recent StatsSA, mid-year population estimates indicates that kids are far more than elders in the province. In addition, there are more male children than females between the age 0-14 however, the opposite occurs with regard to the elders whereby from the age 45+ there are more females than males in the province. For the youth in the province, there is a balanced distribution, since there is minimal difference displayed in the number of males and females.

Limpopo's macro-economic environment is characterised by continued fiscal constraints, modest economic recovery, and persistent structural socio-economic challenges. While national fiscal pressures continue to limit provincial budget space, medium-term projections from the International Monetary Fund suggest a cautiously improving outlook, creating opportunities for targeted growth and recovery interventions.

The province recorded economic growth of 0.9 percent in 2024, placing it among the top-performing provinces nationally according to Statistics South Africa. However, this growth remains insufficient to significantly reduce unemployment and poverty, reflecting deep-rooted structural constraints and sectoral concentration in mining and agriculture.

Poverty levels in Limpopo continue to rise, with the number of people living below the upper poverty line increasing from 3.79 million in 2014 to 4.71 million in 2024, while the poverty rate rose from 67.9 percent to 74.7 percent, based on data from S&P Global. Although unemployment declined to 29.8 percent in Q3:2025, this improvement reflects short-term economic recovery rather than sustained labour market transformation.

The province's youthful population structure presents both a strategic opportunity and a developmental risk, depending on the success of economic expansion and job creation efforts. Overall, Limpopo's development trajectory requires disciplined fiscal management, accelerated economic diversification, and coordinated implementation of inclusive growth strategies to achieve sustainable socio-economic transformation.

Provincial Budget

Provincial Treasury, through the Provincial Budget Management Directorate, provides support to departments and public entities in the preparation of the budget and in ensuring that the Provincial budget allocation is aligned with the LDP provincial priorities. To this effect, budget guidelines are issued annually together with the annual budget calendar. Departments and public entities are thus trained on the budget guidelines, including any new budget reforms for implementation and compliance. Furthermore, the Medium-Term Expenditure Committee hearings and Budget Adjustment bilateral meetings are held with departments and public entities to guide and support the budget planning processes.

The provincial MTEF budget preparation is executed in collaboration with all departments and public entities, considering a cluster approach, to ensure that the priorities of the provincial government are in line with the national and provincial policy imperative and priorities. However, resource allocation for priorities is subject to the availability of resources in the provincial fiscus. Over the period ahead, budget allocation will focus mainly on developmental plans in consideration of the Limpopo Development Plan priorities, which align with the MTDP priorities.

In the context of the District Development Model (DDM), the Provincial Treasury is committed to ensuring that the budgeting process incorporates the interests and priorities of all stakeholders. This alignment will not only enhance the efficiency of resource allocation but also promote sustainable development outcomes throughout Limpopo, directly supporting the outcomes of the DDM and the Limpopo Development Plan. Moreover, the Limpopo Provincial Treasury is tasked with ensuring that the budgeting process reflects the interests and priorities of all stakeholders involved. This alignment enhances resource allocation efficiency and promotes sustainable development outcomes throughout the province.

Interventions over the medium-term period

- Facilitate the implementation of the Limpopo Development Plan Funding Framework with more emphasis on the alignment of budget with the provincial priorities as outlined in the Limpopo Development Plan.

Public Finance Management

The Provincial Treasury oversees provincial budget implementation, as mandated by the Public Finance Management Act. Through regular bilateral meetings, it monitors and supports departments to ensure that spending aligns with targets, identifying areas needing close monitoring and support to enhance service delivery. Furthermore, conditional grants monitoring sessions are held with departments to provide support and monitor the implementation of plans and the adherence to each grant framework as outlined by the sector at national departments. The sessions are effective as evidenced by the improved spending from 98.2 percent in 2023/24 to 99.2 percent in 2024/25. Site visits are also conducted to monitor the economic use of financial resources, together with the infrastructure unit. Monthly, performance by departments is being reported to the National Treasury through the In-year monitoring report, and a detailed report is prepared for discussion during the Head of Departments forum and Executive Council meetings. Quarterly reports are also submitted to the National Treasury in compliance with Section 32 of the PFMA.

PLANNED INTERVENTIONS OVER THE MEDIUM-TERM PERIOD

- Ensure effective expenditure monitoring and reporting by both departments and public entities by analysing the implementation plans and conducting forum meetings.
  - Conduct quarterly detailed cash flow analysis and projections for provincial departments and public entities.

INFRASTRUCTURE MANAGEMENT

The Provincial Treasury’s responsibilities for monitoring, oversight, and support in infrastructure management are mandated by the Public Finance Management Act (PFMA), 1999 and the

Municipal Finance Management Act (MFMA), 2003. It is within this legal framework, that the Provincial Treasury oversee the performance of Provincial Government Departments, Provincial Public Entities, Municipalities, and Municipal Public Entities.

To strengthen infrastructure delivery and performance, the province has adopted Infrastructure Delivery Management System (IDMS) Framework, endorsed by the Executive Council. The IDMS was initially rolled out to departments such as Health, Education, and Public Works, Roads & Infrastructure; however the framework has since been extended to all other provincial infrastructure departments. At the present moment, the roll out of IDMS does not extend to municipalities and their public entities, pending national efforts to broaden the IDMS across other sectors.

Provincial Treasury also collaborates extensively with the Department of Public Works, Roads & Infrastructure to build institutional capacity and enhance delivery efficiency in support of departments. To ensure things are seamless and that there is alignment, the frameworks clearly outline the roles of both Limpopo Treasury and Department of Public Works, Roads & Infrastructure to avoid duplication of roles in the monitoring, oversight, and support functions.

Furthermore, through the Municipal Infrastructure Grant (MIG) forums, the Provincial Treasury has partnered with CoGHSTA and other key stakeholders to provide municipalities with targeted management and technical support, ensuring that infrastructure budgets are spent effectively and yield maximum value for communities.

Municipal Finance

Limpopo Provincial Treasury provides financial management support to municipalities guided by the MFMA. The department plays an oversight role on the financial matters through guidance provided during financial planning process at municipal level which is central to implementation of District Development Model. LPT also conduct compliance monitoring over implementation of allocated municipal budgets. It is envisaged that through the support provided, the District Development Model will ensure that resource allocation efficiency to achieve maximum social and economic benefits.

AGSA Audit Outcomes for provincial departments

Limpopo Provincial Government achieved five (5) Clean Audit Outcomes in 2024/25 in Department of Sport, Arts and Culture, Provincial Treasury, Transport and Community Safety, Economic

Development Environment and Tourism and Office of the Premier. The support provided by Provincial Treasury in 2024/25 resulted in significant improvements including in the Department of Education, Social Development and Public Works & Infrastructure moving from Qualified to Unqualified Audit Opinions. There is still a need for a continuous monitoring and support to ensure that these trends are improved and sustained.

The current status of the province's financial management position in relation to audit outcomes is represented in the table below.

Table 3: Audit Outcomes for Provincial Departments

Vote	Department	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Trend	Comments
1	Premier	CL	CL	CL	UQ	CL	CL	⟷	Audit outcome unchanged
2	Provincial Legislature	CL	UQ	UQ	CL	CL	UQ	↓	Audit outcome regressed
3	Education	Q	Q	Q	Q	Q	UQ	↑	Audit outcome improvement
4	Agriculture & Rural Development	UQ	UQ	UQ	UQ	UQ	UQ	⟷	Audit outcome unchanged
5	Provincial Treasury	CL	CL	CL	UQ	CL	CL	⟷	Audit outcome unchanged
6	Economic Development Environment and Tourism	UQ	CL	CL	CL	UQ	CL	↑	Audit outcome improvement
7	Health	UQ	Q	Q	Q	UQ	UQ	⟷	Audit outcome unchanged
8	Transport and Community Safety	CL	CL	UQ	UQ	UQ	CL	↑	Audit outcome improvement
9	Public Works , Roads & Infrastructure	UQ	UQ	UQ	Q	Q	UQ	↑	Audit outcome improvement
10	Sport, Arts & Culture	UQ	UQ	UQ	UQ	CL	CL	⟷	Audit outcome unchanged
11	Co-Operative Governance, Housing Settlements & Traditional Affairs	UQ	UQ	UQ	UQ	UQ	UQ	⟷	Audit outcome unchanged
12	Social Development	UQ	UQ	UQ	UQ	Q	UQ	↑	Audit outcome improvement

AGSA Audit Outcomes for Public Entities

In the 2024/25 financial year, Limpopo Public Entities recorded one (1) Clean Audit opinion, one (1) Unqualified Audit opinions, and three (3) Qualified Audit outcome. While the Limpopo Tourism Agency sustained its Clean Audit outcome and Gateway Airports Authority maintained its unqualified audit outcomes, regressions were observed in two entities. The Limpopo Gambling Board declined from a Clean Audit in 2023/24 to an Unqualified Audit in 2024/25, while Roads Agency Limpopo regressed from an Unqualified Audit to a Qualified Audit. The Limpopo Economic Development Agency, on the other hand, remained on a Qualified Audit opinion. These shifts underscore the need for enhanced internal controls, improved financial reporting mechanisms, and strengthened consequence management to safeguard the progress achieved and ensure sustained improvement in future audit outcomes.

Table 4 : Public Entities Audit Outcomes

Entity	Public Entity	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	Trend	Comment
1	Limpopo Economic Development Group (LEDA)	UQ	Q	Q	Q	Q	Q		Audit outcome unchanged
2	Limpopo Tourism Agency (LTA)	UQ	UQ	UQ	UQ	CL	CL		Audit outcome unchanged
3	Limpopo Gambling Board (LGB)	CL	CL	CL	CL	CL	UQ		Audit outcome regressed
4	Roads Agency Limpopo (RAL)	UQ	UQ	UQ	UQ	UQ	Q		Audit outcome regressed
5	Gateway Airport Authority Limited (GAAL)	Q	A	Q	Q	UQ	UQ		Audit outcome unchanged

AGSA Audit Outcomes for Provincial Municipalities

In the 2023/24 financial year, the province achieved four improvements and four regressions with Capricorn and Waterberg district municipalities improved to Unqualified audit opinion with no material findings (Clean Audits), Mogalakwena improved from a qualified audit opinion to unqualified and Modimolle Mookgophong improved form adverse to a qualified audit opinion. The regression as a result of Collins Chabane, Elias Motsoaledi, and Thulamela moving from unqualified to qualified audit opinions and Thabazimbi's regression from qualified to a disclaimer audit opinion.

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

Audit Opinions	2019/20	2020/21	2021/22	2022/23	2023/24
Unqualified-no material findings	1	1	2	0	2
Unqualified	15	16	13	18	14
Qualified	10	8	11	8	10

Audit Opinions	2019/20	2020/21	2021/22	2022/23	2023/24
Adverse	1	0	0	1	0
Disclaimer	0	2	1	0	1
Total	**27**	**27**	**27**	**27**	**27**

Table 6: Five Year Period Municipalities Audit Opinions

Audit Outcome Trend	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Trend
CAPRICORN DISTRICT							
Blouberg	Q	UQ	UQ	UQ	Q	Q	→
Capricorn	CL	CL	UQ	CL	UQ	CL	↑
Lepelle- Nkumpi	Q	UQ	UQ	Q	UQ	UQ	→
Molemole	UQ	UQ	UQ	UQ	UQ	UQ	→
Polokwane	Q	Q	Q	UQ	UQ	UQ	→
MOPANI DISTRICT							
Ba-phalaborwa	Q	Q	Q	Q	Q	Q	→
Greater Giyani	Q	UQ	Q	UQ	UQ	UQ	→
Greater Letaba	UQ	UQ	UQ	UQ	UQ	UQ	→
Greater Tzaneen	Q	UQ	UQ	UQ	UQ	UQ	→
Maruleng	UQ	UQ	UQ	UQ	UQ	UQ	→
Mopani	Q	Q	D	D	Q	Q	→
SEKHUKHUNE DISTRICT							
Ellias Motswaledi	Q	Q	UQ	UQ	UQ	Q	↓
Ephraim Mogale	Q	UQ	UQ	Q	UQ	UQ	→
Feta-Kgomo Tubatse	Q	Q	UQ	Q	UQ	UQ	→
Makhuduthamaga	UQ	UQ	UQ	UQ	UQ	UQ	→
Sekhukhune	Q	Q	Q	Q	Q	Q	→
VHEMBE DISTRICT							
Collins Chabane	Q	UQ	UQ	UQ	UQ	Q	↓
Makhado	Q	UQ	UQ	UQ	UQ	UQ	→
Musina	Q	UQ	UQ	Q	UQ	UQ	→
Thulamela	UQ	UQ	UQ	UQ	UQ	Q	↓
Vhembe	Q	Q	Q	Q	Q	Q	→
WATERBERG DISTRICT							
Bela- Bela	Q	Q	D	Q	Q	Q	→
Lephalale	Q	UQ	UQ	C	UQ	UQ	→
Modimolle- Mookgopong	D	Q	Q	Q	A	Q	↑
Mogalakwena	A	A	Q	Q	Q	UQ	↑
Waterberg District	UQ	UQ	CL	CL	UQ	CL	↑
Thabazimbi	Q	Q	Q	Q	Q	D	↓

Intervention Plan to address identified challenges

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

1.2 Internal Environmental Analysis

The internal environmental analysis provides a critical assessment of the department's organisational capacity, resources, systems, and processes that influence its ability to deliver on its mandate. It highlights the inherent strengths that can be leveraged to drive performance, as well as internal weaknesses that may constrain progress if not adequately addressed. This analysis also examines institutional arrangements, human capital, financial management practices, governance structures, and technological capabilities that shape the department's operational environment.

The 7S Model was utilised to conduct internal environmental analysis to identify weaknesses and strengths in the department. The 7S model provides an overview of how the key elements of the Provincial Treasury in Limpopo are interconnected and contribute to its overall performance and effectiveness in managing public finances and supporting provincial priorities. The 7S framework stands for seven interdependent factors that are crucial for the success of an organization. These factors are:

Strategy:

The Department's strategic direction is aligned with national and provincial development priorities, focusing on fiscal sustainability, sound financial governance, improved service delivery outcomes, and developmental impact. Strategic instruments such as the Strategic Plan, APP and MTEF frameworks provide a coherent policy and performance platform. However, the effectiveness of the strategy is influenced by the consistency with which strategic priorities are translated into operational plans, budgeting decisions and performance management systems, with variations in implementation coherence across programmes affecting overall organisational impact.

Structure:

The Limpopo Provincial Treasury (LPT) has concluded a comprehensive organisational structure review to strengthen its capacity, improve efficiency, and align with evolving service delivery demands. The proposed structure, while not yet approved by DPSA addresses critical shortcomings such as limited technical expertise, fragmented support functions, and unclear role allocations. These changes position the Treasury to deliver on its mandate more effectively, with a stronger focus on governance, oversight, and municipal support. Key proposed structural changes include a dedicated Municipal Finance and Governance Branch strengthened oversight of Public Entities and enhanced Internal Audit Services.

These structural changes aim to ensure that the Treasury is equipped to fulfil its strategic mandate and support improved governance and service delivery across Limpopo Province by improving resource efficiency, clarify roles, and enhanced oversight.

Systems:

The Department operates within established public finance management, budgeting, financial reporting, SCM, performance management and municipal oversight systems, supported by regulatory and compliance frameworks. However, these systems remain fragmented across functional areas, with limited digital integration between financial, performance, ICT, human resource and monitoring platforms. This affects data quality, real-time reporting, evidence-based decision-making and institutional agility, constraining the Department's capacity to operate as an integrated governance system.

Shared:

The organisation's shared values form the ethical and cultural foundation that guides behaviour, decision-making, and service delivery across all levels, embedding integrity through honesty and strong moral principles in all actions, promoting transparency by ensuring openness and clarity in processes, and strengthening accountability by fostering responsibility and answerability to the public and relevant authorities. These values are reinforced by a commitment to fairness, ensuring that all stakeholders are treated equitably through impartial and just processes, and by professionalism, reflected in high standards of competence, skill, and dedication in the execution of duties. A strong ethical orientation further ensures that decisions are not only compliant but morally sound and aligned with the public interest, while innovation drives continuous improvement through the adoption of new ideas, technologies, and approaches to enhance service delivery, organisational effectiveness, and sustainable resource management.

Style:

Leadership and management practices within the Department reflect a strong commitment to governance, compliance, regulatory adherence and financial discipline, which supports institutional credibility and accountability. At the same time, management approaches remain predominantly compliance-oriented, with limited emphasis on adaptive leadership, innovation, change management and organisational learning, which affects the Department's responsiveness to a rapidly evolving governance, fiscal and service delivery environment.

Staff:

The Department has a technically competent workforce with strong expertise in public finance, budgeting, SCM, auditing and financial governance functions. However, workforce sustainability is affected by capacity constraints, skills shortages in specialised and emerging areas, an ageing skills profile in certain functions and collectively pose risks to long-term institutional resilience and service delivery continuity.

Skills:

Institutional competencies are well established in financial management, fiscal oversight, compliance and regulatory governance. At the same time, there are growing demands for advanced skills in areas such as infrastructure financing models, alternative funding mechanisms, digital governance systems, data analytics, integrated planning and performance management. The evolving governance environment therefore places increasing pressure on the Department to continuously adapt its skills base to meet new fiscal, technological and developmental challenges.

1.2.1 Strengths

The department has identified a range of institutional strengths that will be leveraged to enhance service delivery, strengthen financial governance, and ensure alignment with national and provincial priorities over the 2026/27–2028/29 Medium-Term Expenditure Framework (MTEF). These strengths form the foundation of resilience and provide opportunities to consolidate capacity, improve accountability, and support developmental outcomes.

A key strength lies in the provision of internal bursaries aligned with departmental needs. Over the planning period, bursary allocations will be reviewed and updated based on a comprehensive skills audit, expanded to focus on scarce and critical skills, and supported by the establishment of a bursary alumni network to retain and nurture talent. This initiative is complemented by the department's capable human resource base, which will be reinforced through a skills audit in 2026/27, structured professional development programmes in 2027/28, and the institutionalisation of mentorship and coaching in 2028/29. These measures will ensure continuous capacity development and sustainability of expertise.

The department also benefits from established revenue enhancement initiatives that provide financial stability and resilience. Through consistent monitoring of the Revenue Enhancement and Retention Strategy, the department will maximise revenue collection throughout the MTEF. This will be further supported by quarterly transversal forums, where strengthened bilateral meetings on expenditure and revenue will track performance and provide timely support to departments and entities.

Another significant strength is the institutionalised Infrastructure Delivery Management System (IDMS), which provides governance and oversight in infrastructure planning and delivery. Over the three-year period, the department will ensure that infrastructure governance structures are conducted consistently to promote efficiency, compliance, and value for money. In parallel, the department's centralised Audit Committees and Risk Management structures will continue to play a vital role in promoting accountability and oversight. Best practices will be shared, support to institutions strengthened, and stakeholder engagements enhanced to create a culture of ethical governance and transparency.

The department's operational efficiency is further reinforced through its Banking Contract Service Level Agreement (SLA), which ensures effective financial controls. Over the planning horizon, emphasis will be placed on strict implementation and adherence to the SLA to maintain high standards of accountability. Similarly, clear budget guidelines remain a cornerstone of sound financial management. Training will be provided to departments and public entities on the application of these guidelines, with continuous monitoring to ensure effective implementation.

The well-defined three-year planning process offers flexibility and responsiveness to changing priorities. Audit Committee approval will be secured for any amendments in 2026/27, followed by strengthened engagements with departments prior to plan amendments in 2027/28, and the expansion of the talent pool through the Internal Audit Technician (IAT) Programme in 2028/29. The IAT programme itself remains a critical pipeline initiative, with its methodology, protocol documents, and charter subject to annual review, continuation of the programme in 2027/28, and revision as needed in 2028/29 to ensure relevance.

Professional affiliations represent another avenue of strength, providing platforms for knowledge sharing and capacity enhancement. During 2026/27, the department will create knowledge-sharing platforms, while in subsequent years it will identify specific areas for knowledge harvesting to embed best practices into operations. This commitment to professional development is reinforced by the Chartered Accountant Academy (CAA) Programme, which will continue to grow the pool of accounting professionals in the province.

Finally, the department's governance framework is supported by approved policies and standard operating procedures (SOPs), which provide consistency and compliance in operations. Over the 2026/27 and 2027/28 financial years, emphasis will be placed on monitoring the effective implementation of these policies, while in 2028/29, a comprehensive review will be undertaken to ensure alignment with evolving regulatory requirements.

1.2.2 Weaknesses.

The department recognises that addressing internal weaknesses is critical to strengthening institutional capacity, promoting good governance, and ensuring the effective delivery of its mandate. The department has identified key areas where interventions are required and has developed targeted strategies to mitigate risks, enhance operational efficiency, and improve compliance over the 2026/27–2028/29 Medium-Term Expenditure Framework (MTEF) period.

A key area of concern is the non-adherence to the Oath of Secrecy, particularly in sensitive processes such as recruitment. To address this, all alleged instances of non-compliance will be thoroughly investigated, and appropriate consequence management measures will be implemented. In parallel, all staff members will be required to undergo Ethics Management training to reinforce accountability, integrity, and ethical conduct across all operations. These interventions are aimed at creating a culture of ethical behaviour, strengthening trust, and safeguarding the integrity of departmental processes.

Outdated ICT infrastructure has been identified as a weakness that could compromise service delivery, data security, and system efficiency. To mitigate this, the department will upgrade its ICT systems and strengthen ICT security in 2026/27, followed by continuous monitoring to ensure compliance with the Corporate Governance of ICT (CGICT) framework and relevant DPSA directives over the outer years. These measures will enhance system reliability, promote operational efficiency, and safeguard departmental information assets from potential cyber threats.

Another area requiring attention is the inadequate capacity to monitor and support departments in the management of immovable and biological assets. To strengthen this function, targeted training will be provided on the financial management of these assets, and benchmarking exercises will be conducted with other provincial treasuries to identify best practices. The implementation of effective asset management systems will commence in 2027/28 and continue in 2028/29 to ensure proper oversight, accountability, and optimal utilisation of state resources.

Through these interventions, the department aims to systematically address its internal weaknesses, strengthen institutional resilience, and enhance its ability to support provincial departments and entities effectively. By fostering ethical conduct, modernising ICT systems, and improving asset management capacity, the department will ensure that its operations are efficient, secure, and aligned with the principles of good governance and financial accountability.

PERFORMANCE DELIVERY ENVIRONMENT

Table 7: Limpopo Provincial Treasury AGSA Audit Outcomes For 2020/21-2024/25 Period.

Financial Years	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
Type of Audit Opinion	Unqualified Audit opinion with no findings	Unqualified Audit opinion with no findings	Unqualified Audit opinion with findings	Unqualified Audit opinion with no findings	Unqualified Audit opinion with no findings

Clean Audit opinion

Unqualified Audit opinion with findings

ORGANISATIONAL ENVIRONMENT

Transformation Services

The department has allocated a dedicated to implement programmes that address the imbalances of the past on the previously disadvantaged groups in the department. Implemented interventions were meant to empower women, youth, children and persons with disabilities (WYPD). Respective committees are fully functional and ensure that meetings are held in accordance with the regulations and prescripts that governs the promotions of the rights of the afore-mentioned sectors. The department will continue to prioritize the needs of WYPD in the upcoming 2026-27fy through allocation of adequate resources for the advancement of WYPD. The Head of Department chaired the Disability Forum meeting and The Public Service Women Management Week (PSWMW).

Members of the disability forum attended the annual disability conferences that are held annually as part of capacity building. The department submit four reports on WYPD on monthly, quarterly and annual basis to OtP, an annual EE report to Department of Employment and Labour (DoEL) and annual report on Strategic Framework. As of 1 September 2025, the Employment Equity status is as follows: at the Senior Management Service (SMS) level, there are 28 female employees, representing 49.1%, and 29 male employees, representing 50.9%. The disability status stands at 1.8% at the SMS level and 3.4% across all levels. It is also part of the institutional arrangements of the department. The department has partnered with the Institutions of Higher Learning in the province and Non-

Governmental Organization of Persons with Disabilities to collaborate and engage on matters of common interest, including accessing the data base of all graduates with disabilities and circulating of adverts to the institutions. The department is confident that through this concerted effort, it will maintain the current compliance status of 3% for persons with disability as mandated by the Employment Equity Act, (Act N0 55 of 1998 as amended): Determination of sectoral numerical targets gazetted on 15 April 2025.

With reference to capacity development for women, youth and persons with disabilities' advancement and gender equality, the department has identified the designated group including the military veterans (MVs) as a key service which requires improvement in the 2025-2030 Service Delivery Improvement Plan.

Slow economic growth has significantly constrained employment creation and procurement opportunities, disproportionately affecting women, youth, and persons with disabilities who rely more on public sector employment pathways, empowerment programmes, and government procurement for economic participation. Cost containment measures and shrinking budgets have reduced access to "quick-win" opportunities such as catering and general supply contracts, making it increasingly difficult to achieve empowerment and procurement targets for designated groups.

For persons with disabilities, SASSA income thresholds further discourage participation in procurement opportunities, as once-off quotation income may result in the forfeiture of sustainable grant support, leading many to prioritise income security over irregular economic opportunities.

The combined effect of slow economic growth, shrinking fiscal space, and EE target misalignment therefore deepens exclusion risks for designated groups by limiting access to employment, procurement, and economic participation opportunities, weakening transformation outcomes and inclusive development objectives.

Table 8: The provincial procurement spending for 2024-2025 FY:

WYPD &MV	Provincial Target	Actual Achievement
Women Owned businesses	40%	39.94%
Youth owned business	30%	22%
Persons with disability-owned	7%	1%

Military Veterans	5%	0.4%

Analysis on persons with disability-owned businesses was conducted. It was found that most companies do not comply with the Central Supplier Database requirements. To achieve the provincial target as outlined by Limpopo Procurement Strategy 2030- Revised, the department will accelerate awareness sessions with various WYPD business structures and strengthened partnership with relevant economic sectors. The health and safety of employees and our customers remained paramount in Limpopo Provincial Treasury. Matters of occupational health and safety are discussed quarterly at the OHS and Risk Management Committee meetings chaired by the Independent Chairperson. Reports on findings and recommendations of the building inspections and incident investigations were robustly deliberated in these committee meetings.

Organisational Structure and Institutional Capacity

The Department conducted review of the organisation after the Executive Authority granted approval on 10 February 2020 for the review process to be initiated. Limpopo Provincial Treasury's structure was approved by the DPSA on 04 April 2018 and the Department implemented the new structure with effect from 01 April 2019. The approved establishment of the Limpopo Provincial Treasury currently comprises of 537 posts, including the position of the Member of the Executive Council (MEC).

The Limpopo Provincial Treasury (LPT) has concluded a comprehensive organisational structure review to strengthen its capacity, improve efficiency, and align with evolving service delivery demands. The new structure addresses critical shortcomings such as limited technical expertise, fragmented support functions, and unclear role allocations. These changes position the Treasury to deliver on its mandate more effectively, with a stronger focus on governance, oversight, and municipal support. Key proposed structural changes include a dedicated Municipal Finance and Governance Branch strengthened oversight of Public Entities and enhanced Internal Audit Services.

The department has a vacancy rate of 9.72% as at 30 June 2025. The vacancy rate per programme is as follows:

Vote 05: Provincial Treasury	Number of Employees (Exl Developmental)	Number of PERSAL Vacancies	TOTAL	Vacancy Rate per PER
PROGRAM 1	163	10	173	5,78%
PROGRAM 2	62	4	66	6,06%
PROGRAM 3	51	3	54	5,56%
PROGRAM 4	52	8	60	13,33%
PROGRAM 5	53	16	69	23,19%
Grand Total:	**381**	**41**	**422**	**9,72%**

**As at 30 June 2025

Policy Coordination

The Department has established mechanisms for policy coordination to ensure that its programmes and activities are aligned with national, provincial, and sectoral priorities. Policy coordination serves as an instrument for harmonising strategic planning, fostering intergovernmental collaboration, and promoting coherence in the implementation of government directives. As of August 2025, the Department maintains an active portfolio of key policies and frameworks, which constituted of 16 (Sixteen) administrative policies. Policy development and coordination processes are overseen by the strategic management directorate and sponsors, who are responsible for policy implementation, compliance monitoring, and reporting. Executive oversight is provided by the MEC and Executive Management structures, ensuring that policies are integrated into the strategic planning, risk management, and performance monitoring frameworks of the Department. Through these mechanisms, the Department ensures that policy coordination not only strengthens governance and accountability but also supports institutional efficiency, ethical conduct, and effective service delivery.

Governance and Accountability

The Department has approved institutional arrangements and governance structures designed to strengthen accountability, efficiency, and effectiveness in fulfilling its mandate. These institutional arrangements include the policies, systems, and processes that guide organisational operations, ensure compliance with applicable legislation, and promote ethical conduct across all functional areas.

The governance framework is anchored in the principles of transparency, integrity, and sound financial management. Oversight structures such as the Audit and Risk Committee, Internal Audit Unit, and Risk Management Committee provide independent assurance on the effectiveness of internal controls, risk management practices, and governance processes. The Department also adheres to frameworks such as the Public Finance Management Act (PFMA), Treasury Regulations, and DPSA directives to uphold accountability in the use of public resources.

Accountability is further reinforced through consequence management mechanisms, monitoring and evaluation systems, and performance management practices that link individual performance to organisational outcomes. The Department continuously implements audit action plans to address issues raised by the Auditor-General and tracks progress through regular reporting to management, oversight bodies, and the Legislature.

In addition, stakeholder engagement platforms and intergovernmental coordination mechanisms serve as instruments of cooperative governance, enabling the Department to collaborate effectively with other institutions in advancing provincial and national priorities. These arrangements ensure that governance is not only about compliance but also about driving performance, enhancing service delivery, and sustaining public trust.

Information and Communications Technology

Information and Communications Technology is guided by Section 30 of the Public Service Regulations. The Corporate Governance of ICT Policy Framework provides a holistic approach to the use of ICT in ensuring the development of plans over the long, medium, and short term for ICT to enable the business and create value for the department. Through the framework, oversight structures are also established, amongst which are mainly the ICT Steering Committee and the Strategic Committee (EXCOM), which respectively drive the work of ICT and ensures accountability in the use of ICT to support the achievement of the department’s strategic goals.

Department’s ICT Steering Committee as mandated by the departmental institutional arrangement framework and in line with the Corporate Governance of ICT Policy Framework version two (02) ensures that the departmental arrangements for the corporate governance of ICT are developed, implemented, managed, monitored, and evaluated. The ICT Steering Committee plays a crucial role by providing oversight, guidance, and strategic direction for the effective use and management of technology in the Department. The committee serves as a governing body that ensures that technology is used effectively and strategically to enable and support the organization's goals and operations. It fosters a coordinated and strategic approach to managing and leveraging technology to drive efficiency, growth, and competitive advantage for the organization.

The department will continue to implement the approved CGICT Policy to ensure that all areas that are required to be complied with are implemented and that the digitalisation drive is expanded. The department intends to continue with the Digital Transformation program with specific focus on universal access to mobile devices, strengthening cybersecurity and awareness, adoption of cloud services for user convenience, development of ICT skills and digital literacy as well as leveraging artificial intelligence for more ICT solutions. In a quest to improve the use of ICT within the department, innovative projects will be explored to foster convenient and secure ways of work in this age of technological advancement and artificial intelligence.

PART C : MEASURING OUR PERFORMANCE

The Strategic Execution process is located in Programme 1 under the Directorate: Strategic Management, led by the Director: Strategic Management who reports directly to the Deputy Director-General: Corporate Management Services. The Directorate plays a pivotal role in facilitating the execution and alignment of national and provincial priorities as outlined in the Medium-Term Development Plan (MTDP) and the Limpopo Development Plan (LDP).

As a coordination mechanism, the Directorate draws on existing departmental capacity to streamline decision-making, enhance inter-unit collaboration, improve forecasting of resource availability, and enable real-time prioritisation to respond effectively to changes in the operating environment.

The implementation of ICT governance further strengthens the strategy execution process by ensuring that ICT investments are aligned with the department's overall strategies, while being consistently monitored and controlled for maximum value and effectiveness.

The overall strategic planning process is overseen by the Accounting Officer and the Executive Management Committee (EXCOM), comprising the heads of the five branches. Effective leadership at all levels, coupled with a collaborative and results-driven organisational culture, are critical enablers of successful strategy execution. In this regard, the department has embarked on a Culture Journey, adopting a phased approach to building a value-driven organisation that integrates leadership and culture with LPT's vision, strategy, outcomes, outputs, and activities.

1. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

1.1 Programme 1: Administration

1.1.1. Programme description.

Purpose: To manage and monitor the implementation of corporate management services.

Programme 1 – Administration is arranged to carry out its functions according to the following sub-programmes:

No.	Sub Programme(s)	Sub Programme Purpose
1.1	MEC Support Services	Providing support to the MEC.
1.2	HOD Support Services	Providing strategic and administrative support to the HOD.
1.3	Corporate Management Services	Managing and monitor the implementation of corporate management services.
1.4	Enterprise Risk Management	Providing enterprise risk management services.
1.5	Financial Management (Office of the CFO)	Providing internal financial management support services

1.1.2. Programme 1: Outcomes, outputs, performance indicators and targets

Outcomes	Outputs	Output Indicators	Annual Targets						
			Audited Performance			Estimated performance	MTEF Period		
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Sustainable Support Services and Good Governance in Limpopo Provincial Treasury (LPT)	Vacancy rate within the prescribed norm attained	% on Vacancy Rate attained.	N/A	10%	7.67%	10%	10%	10%	10%
	Implemented ICT improvement initiatives.	Number of ICT improvement initiatives implemented.	New Indicator	New Indicator	New Indicator	New Indicator	2	2	2
	Valid Supplier invoices paid within 30 days	% of Supplier's valid invoices paid within 30 days.	100%	100%	100%	100%	100%	100%	100%
	Procurement spent on women owned enterprises	% of procurement of goods and services awarded to women owned enterprises	N/A	N/A	90%	40%	40%	40%	40%

1.1.3. Programme 1: Output indicators, annual and quarterly targets

Output Indicators		Annual Targets	Q1	Q2	Q3	Q4
1	% on Vacancy Rate attained	10%	-	-	-	10%
2	Number of ICT improvement initiatives implemented	2	-	1	-	1
3	% of Supplier's valid invoices paid within 30 days.	100%	100%	100%	100%	100%
4	% of procurement of goods and services awarded to women owned enterprises	40%	40%	40%	40%	40%

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

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

By implementing approved ICT initiatives, recruiting capable and competent personnel in line with the approved recruitment plan and undertaking capacity-building programmes, the department is enabled to achieve the outcome of sustainable support services and good governance. By implementing successful financial management programmes through timeous payment of suppliers and production of credible annual financial statements, the department will be able to maintain a clean audit outcome. Provincial Procurement Strategy, set targets will be allocated to support women, youth and people with disabilities.

(b) The rationale for the choice of the outcome indicators relevant to the respective outcomes

Outcome 1: Sustainable Support Services and Good Governance in Limpopo Provincial Treasury (LPT).

(i) % of LPT departmental Annual Performance Plan (APP) targets achieved

The attainment of departmental performance targets demonstrates sustainable support services and good governance.

(ii) % of Compliance to Corporate Governance of ICT policy framework by LPT.

Implementing approved ICT initiatives demonstrates sustainable support services to departmental programmes.

(i) Number of Unqualified Audit Outcomes with no material findings received by LPT.

The attainment of unqualified audit opinion with no material findings demonstrates compliance and effectiveness of departments financial and performance reporting and internal controls.

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

(i) 10% or less vacancy rate will be attained on an annual basis by the department to ensure compliance with the Public Service Regulations.

(ii) 2 improvement ICT initiatives implemented

(iii) 100% of valid supplier invoices received by the department will be paid within 30 days.

(iv) 40% of procurement will be spent on women owned enterprises.

1.1.1. Programme resource consideration – Programme 1

Table 9: Budget Allocation for Programme 1 and sub-programmes as per ENE and / EPRE

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

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2022/23	2023/24	2024/25		2025/26		2026/27	2027/28	2028/29
Current payments	**162 983**	**163 566**	**174 981**	**210 607**	**202 652**	**202 652**	**227 491**	**236 763**	**241 684**
Compensation of employees	101 111	101 152	116 531	133 422	127 735	127 735	143 029	147 522	148 517
Goods and services	61 872	62 414	58 450	77 185	74 917	74 917	84 462	89 241	93 167
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies to:	**3 507**	**1 706**	**3 145**	**2 499**	**1 409**	**1 409**	**6 109**	**1 722**	**1 799**
Provinces and municipalities	593	400	33	626	35	35	37	39	41
Departmental agencies and accounts	–	–	2 067	755	1 015	1 015	2 150	1 473	1 539
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterpris	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	2 914	1 306	1 045	1 118	359	359	3 922	210	219
Payments for capital assets	**5 817**	**15 164**	**16 613**	**7 054**	**7 554**	**7 554**	**8 161**	**5 393**	**5 636**
Buildings and other fixed structures	–	–	8 333	–	–	–	–	–	–
Machinery and equipment	5 817	15 164	8 280	7 054	7 554	7 554	8 161	5 393	5 636
Heritage Assets	–	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–
Software and other intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	**–**	**1 426**	**28**	**–**	**–**	**–**	**–**	**–**	**–**
Total economic classification	**172 307**	**181 862**	**194 767**	**220 160**	**211 615**	**211 615**	**241 761**	**243 878**	**249 119**

The overall allocation for this programme increases from R220.160 million in 2025/26 to R241.761 million in 2026/27 financial year and this constitute 9.81 percent growth.

Compensation of employees (CoE) increases by 7.5 percent from R133.422 million in 2025/26 to R143.029 million in 2026/27 financial year, this is due to filling of vacated posts on the organizational structure.

Goods & Services increases by 9.4 percent from R77.185 million in 2025/26 to R84.462 million budget in 2026/27 financial year, and the budget will fund, contractual obligations for the department, which amongst others are: Infrastructure development improvement program, Leases of Office buildings, Audit fees, Telephones, Security Services and GG Vehicle running costs.

Transfers and Subsidies budget is increased by 114.81 percent from R2.499 million in 2025/26 to 5.368 million in 2026/27 financial year. The allocated funds will be used for payment of vehicle licenses, rates and taxes and the South African Institute of Chartered Accountants Thuthuka training project as well as leave gratuity.

Payments of Capital Assets (CAPEX) increases by 15.6 percent from R7.054 million budget in 2025/26 to R8.161 million in the 2026/27 financial year, the allocation will cater for procurement of working tools.

The allocated budget of R143.029 million in 2026/27 financial year will contribute towards the achievement of the following outputs of Implemented ICT improvement initiatives and vacancy rate attained through allocation of bursaries, training of personnel in line WSP and filling of vacant posts as per the approved recruitment plan.

1.2. Programme 2: Sustainable Resource Management

1.2.1. Purpose

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

Programme 2 is arranged to carry out its functions according to the following sub-programmes:

No.	Sub Programme(s)	Sub Programme Purpose
1.1	Economic and Fiscal Policy Oversight	Managing the development and implementation of economic and fiscal policy framework.
1.2	Budget and Public Finance Management	Developing and managing the implementation of budget and public finance
1.3	Infrastructure Management & Private Public Partnership (PPP)	Enhancing and monitor infrastructure management and PPP
1.4	Municipal Finance and Governance	Promoting sound financial management and effective governance in the local government sphere.

1.2.2. Programme 2: Outcomes, outputs, performance indicators and targets

Outcomes	Outputs	Output Indicators	Annual Targets						
			Audited Performance			Estimated Performance	MTEF Period		
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Sustained fiscal policy for the province by 2030.	Research documents produced to align Provincial Fiscal Policy.	Number of Research documents produced to align the Provincial Fiscal Policy.	7	7	7	7	7	7	7
	Provincial revenue assessment conducted.	Number of Revenue Assessments conducted to ensure collection of set target.	4	4	4	4	4	4	4
	Budget documents tabled in line with Legislation and National Treasury set standards	Number of budget documents tabled in line with Legislation and National Treasury set standards	2	2	2	2	2	2	2
	Consolidated IYM reports produced in line with section 32 of PFMA.	Number of consolidated in year Monitoring reports produced in line with section 32 of PFMA for departments and public entities	12	12	12	12	16	16	16
	Infrastructure assessments conducted in departments.	Departmental infrastructure assessments conducted in departments with infrastructure budgets.	108	108	108	108	108	108	108
	Municipal infrastructure assessment conducted in prioritised municipalities	Municipal infrastructure assessments conducted in prioritized municipalities.	4	4	40	40	40	40	40
Unqualified Audit	Municipal financial	Number of municipal financial governance assessments	New Indicator	New Indicator	New Indicator	New Indicator	104	104	104

Outcomes	Outputs	Output Indicators	Annual Targets						
			Audited Performance			Estimated Performance	MTEF Period		
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Outcomes received by Provincial Municipalities	governance assessments conducted	conducted							

1.2.3. Programme 2: Output indicators, annual and quarterly targets

Output Indicators		Annual Targets	Q1	Q2	Q3	Q4
1	Number of Research documents produced to align the Provincial Fiscal Policy.	7	1	1	2	3
2	Number of Revenue Assessments conducted to ensure collection of set target.	4	1	1	1	1
3	Number of budget documents tabled in line with Legislation and National Treasury set standards	2	0	0	1	1
4	Number of consolidated in year Monitoring reports produced in line with section 32 of PFMA for departments and public entities	16	4	4	4	4
5	Departmental Infrastructure assessments conducted in departments with infrastructure budgets.	108	27	27	27	27
6	Municipal Infrastructure assessments conducted in prioritized municipalities.	40	10	10	10	10
7	Number of municipal financial governance assessments conducted	104	26	26	26	26

1.2.4. Explanation of planned performance over the medium-term period

1.2.5. Explanation of planned performance over the medium-term period

(a) The contribution of outputs towards achieving the intended outcomes and impact

(i) Improved economic research; budget planning and implementation; and revenue maximization will ensure the sustainability of the fiscal policy for the province thereby contributing to attainment of the impact as contained in the Strategic Plan.

(ii) Strengthening of governance structures that include the LPT's MEC, HOD, municipal Mayors, and MMCs for Finance and the Accounting Officers allows municipalities to account on financial performance and non-compliance with laws and regulations, which will improve accountability, reduction of Unauthorised, Irregular, Fruitless and Wasteful Expenditure and eventually audit outcomes.

(iii) Strengthened Municipal Infrastructure expenditure management will improve infrastructure expenditure in prioritized municipalities and thereby contributes towards reduction of Unauthorised, Irregular, Fruitless and Wasteful Expenditure and achieving the outcome of unqualified audit outcomes of municipalities.

(iv) Assessments conducted on municipal financial governance will identify areas of concern for improvement to ensure achievement of the outcome on funded municipal budget and Unqualified Audit Outcomes received by Provincial Municipalities.

c) The rationale for the choice of the outcome indicators relevant to the respective outcomes

Outcome 2: Sustained Fiscal Policy for the Province by 2030

(i) % of Provincial Revenue collected and Number of budget documents tabled in line with Legislation and National Treasury set standards. The attainment of revenue collection target, expenditure target and tabling of credible provincial budget demonstrates Sustainable Fiscal Policy for the Province.

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

(i) Four (4) quarterly Economic Bulletin; one (1) Medium Term Budget Policy Statement (MTPBS) and one (1) Socio-Economic Review and Overview will be produced to align the Provincial Fiscal Policy.

(ii) Four (4) quarterly revenue assessments will be conducted to ensure collection of set revenue targets.

(iii) Two (2) Budget documents tabled in line with Legislation and National Treasury set standards

(iv) Sixteen (16) In Year Monitoring reports to be compiled in line with section 32 of PFMA 12 for department and 4 public entities.

(v) Hundred and eight (108) infrastructure assessments to be conducted and feedback communicated to infrastructure departments to improve infrastructure planning and reporting.

(vi) Forty (40) municipal infrastructure assessments on support to local government to optimize MIG performance conducted to improve infrastructure planning and reporting.

(vii) Hundred and Four (104) assessments of municipal financial governance conducted annually.

1.2.6. Programme resource consideration – Programme 2

Table 10: Budget Allocation for programme 2 and sub – programmes as per ENE and / or EPRE.

Table 5.4(b) : Summary of payments and estimates by economic classification: Programme 2: SUSTAINABLE RESOURCE MANAGEMENT

R thousand	Outcome 2022/23	Outcome 2023/24	Outcome 2024/25	Main appropriation 2025/26	Adjusted appropriation 2025/26	Revised estimate 2025/26	Medium-term estimates 2026/27	Medium-term estimates 2027/28	Medium-term estimates 2028/29
Current payments	**58 185**	**62 023**	**74 639**	**93 178**	**78 721**	**78 721**	**99 985**	**99 478**	**102 314**
Compensation of employees	54 389	54 745	62 013	75 974	66 300	66 300	73 532	79 671	81 802
Goods and services	3 796	7 278	12 626	17 204	12 421	12 421	26 453	19 807	20 512
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies to:	**564**	**785**	**2 792**	**–**	**272**	**272**	**1 565**	**429**	**448**
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisatio	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	564	785	2 792	–	272	272	1 565	429	448
Payments for capital assets	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	–	–
Heritage Assets	–	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–
Software and other intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	**–**	**251**	**2**	**–**	**–**	**–**	**–**	**–**	**–**
Total economic classification	**58 749**	**63 059**	**77 433**	**93 178**	**78 993**	**78 993**	**101 550**	**99 907**	**102 762**

The overall allocation for this programme increases from R93.2 million in 2025/26 to R101.6 million in 2026/27 financial year and this constitute 8 percent growth. The increase is due to allocation for infrastructure support program (GTAC) and spending reviews.

A decrease of 3 percent in CoE from R75.974 million in 2025/26 to R73.532 million in 2026/27.

Goods and Services has increased by 35 percent from R17.204 million in 2025/26 to R26.453 million in 2026/27 financial year. An additional R7.50 million was injected into this branch to fund infrastructure support program (GTAC) and spending reviews. The allocation will cater for municipal support program, and the normal running of the branch.

Transfers and subsidies increase to R1.565 million due to leave gratuities in 2026/27 and decreases to R0.448 million in 2028/29.

The increase in allocation goods and services has increased by 35 percent from R17.204 million in 2025/26 to R26.453 million in 2026/27 financial year will contribute towards the achievement of the following outputs, Research documents produced to align to provincial Fiscal Policy, Provincial revenue assessment conducted, Budget document tabled, Consolidated IYM, Infrastructure assessments conducted in departments, Infrastructure assessments conducted in municipalities, financial management and government assessments conducted & Municipal budget assessments conducted in municipalities.

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

1.3.1. Purpose

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

Programme 3 is arranged to carry out its functions according to the following sub-programmes:

No.	Sub Programme(s)	Sub Programme Purpose
1.1	Asset and Liabilities Management	Monitoring and supporting the effective management of assets and liabilities.
1.2	Provincial Supply Chain Management	- Monitoring and supporting the effective implementation of the SCM framework, transversal contracts and SCM client support for provincial departments and public entities.

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

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited Performance			Estimated Performance	MTEF Period		
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Improved governance and sustainable management of the financial resources in provincial departments and public entities.	Assets management assessments conducted.	Number of asset management assessments conducted in Votes and Public Entities.	64	64	64	64	64	64	64
		Number of Cash Management assessments conducted in Votes and Public Entities	64	64	64	64	64	64	64
	Procurement plan adherence assessment reports for Votes and Public Entities.	% of procurement plans adherence by Votes and Public Entities	New indicator	74%	74%	75%	80%	100%	100%
Increased economic participation of local suppliers inclusive of youth, MVAs, women, and PWDs	Procurement assessments conducted in Votes and Public Entities in line with Limpopo Procurement Strategy 2030 targets	Number of assessments conducted on procurement spent in Votes and Public Entities in line with Limpopo Procurement Strategy 2030 targets	64	64	64	64	64	64	64

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

Output Indicators		Annual Targets	Q1	Q2	Q3	Q4
1	Number of asset management assessments conducted in Votes and Public Entities.	64	16	16	16	16
2	Number of Cash Management assessments conducted in Votes and Public Entities	64	16	16	16	16
3	Number of SCM assessments conducted in Votes and Public Entities	64	16	16	16	16
4	% of procurement plan adherence by Votes and Public Entities	80%	20%	40%	60%	80%
5	Number of assessments conducted on procurement spent in Votes and Public Entities in line with Limpopo Procurement Strategy 2030 targets	64	16	16	16	16

1.3.3. Explanation of planned performance over the medium-term period

(a) **The contribution of its outputs to achieving the intended outcomes and impact in the Strategic Plan and the institution's mandate through:**

(i) Improved Compliance levels on Assets, Inventory, Cash, Liabilities and SCM by Votes and Public Entities through training, workshops, bi-laterals, forums, regular support, monitoring and evaluation, as well as escalation of non-compliances to relevant stakeholders, will contribute towards achievement of improved governance and sustainable management of the financial resources.

(ii) Retainment of minimum % as cash reserves will assist the province in response to unforeseen circumstances which will contribute towards the achievement of improved governance and sustainable management of the financial resources.

(iii) Increased provincial procurement spent towards Provincial suppliers inclusive of youth, military veterans, women and persons with disability will contribute to provincial economic growth and also towards MTDP priorities.

(b) The rationale for the choice of the outcome indicators relevant to the respective outcomes

Outcome 3: Improved governance and sustainable management of the financial resources in provincial departments and public entities.

(i) Percentage of departments and entities that meets compliance standards for asset management in terms of the PFMA, Percentage of departments and entities that meets compliance standards for Supply Chain Management (SCM) in terms of the PFMA, Percentage of organs of state that demonstrates full adherence to approved procurement plans & Minimum % retained as cash reserves for Unforeseen Circumstances.

The attainment of outcome indicators Percentage of departments and entities that meets compliance standards for asset management in terms of the PFMA, Percentage of departments and entities that meets compliance standards for Supply Chain Management (SCM) in terms of the PFMA, Percentage of organs of state that demonstrates full adherence to approved procurement plans & Minimum % retained as cash reserves for Unforeseen Circumstances demonstrates the improved governance and sustainable management of the financial resources in provincial departments and public entities.

Outcome 4: Increased economic participation of Limpopo local suppliers inclusive of youth, MVAs, women, and PWDs.

(i) % of Provincial Departments and Public Entities procurement spend on provincially based Suppliers as per discretionary budget.

The inclusiveness of youth, MVAs, women, and PWDs by Provincial Departments and Public Entities on procurement spending demonstrates increased economic participation and empowerment.

(c) A description of planned performance in relations to the program's outputs.

(i) Sixty-Four (64) asset management assessments will be conducted in Votes and Public Entities annually.

(ii) Sixty-Four (64) Cash Management assessments will be conducted in Votes and Public Entities annually.

(iii) Sixty-Four (64) SCM assessments will be conducted in Votes and Public Entities annually.

(iv) Eighty (80%) of procurement plan adherence by Votes and Public Entities

(v) Sixty-Four (64) assessments conducted on procurement spent in Votes and Public Entities in line with Limpopo Procurement Strategy 2030 targets.

1.3.4. Programme Resource Consideration – Programme 3

Table : 12 Budget Allocation for Programme 3 and Sub-Programmes as per ENE and / EPRE

Table 5.5b : Summary of payments and estimates by economic classification: Programme 3: ASSETS,LIABILITIES AND SUPPLY CHAIN MANAGEMENT

R thousand	Outcome 2022/23	Outcome 2023/24	Outcome 2024/25	Main appropriation 2025/26	Adjusted appropriation 2025/26	Revised estimate 2025/26	Medium-term estimates 2026/27	Medium-term estimates 2027/28	Medium-term estimates 2028/29
Current payments	42 224	43 874	49 301	58 319	55 350	55 350	58 807	66 100	69 163
Compensation of employees	38 487	39 458	44 724	51 236	48 208	48 208	51 442	58 403	61 120
Goods and services	3 737	4 416	4 577	7 083	7 142	7 142	7 365	7 697	8 043
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies to:	2 480	1 176	777	–	397	397	3 082	1 710	1 787
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisatio	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	2 480	1 176	777	–	397	397	3 082	1 710	1 787
Payments for capital assets	–	–	–	–	–	–	–	–	–
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	–	–
Heritage Assets	–	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–
Software and other intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	231	–	–	–	–	–	–	–
Total economic classification	44 704	45 281	50 078	58 319	55 747	55 747	61 889	67 810	70 950

The budget for the branch increases by 6.1 percent from R58.3 million in 2025/26 to R61.9 million in 2026/27 financial year due to allocation for leave gratuities.

CoE has slight increase of 0.4 percent from R51.235 million in 2025/26 to R51.442 million in 2026/27 financial year.

Goods and Services budget increases by 4.2 percent from R7.083 million in 2025/26 to R7.365 million in 2026/27 financial year, funds are earmarked to pay for provincial bank charges and face value documents amongst others as well as travel and subsistence.

Transfers and subsidies increase to R3.082 million due to leave gratuities in 2026/27 and decreases to R1.787 million in 2028/29.

The increase in allocation of goods and services budget increased by approximately 4.2%, from R7.083 million in the 2025/26 financial year to R7.365 million in the 2026/27 financial year will contributes towards the achievement of the following outputs: Assets Management assessments conducted, SCM assessments conducted, Procurement plan adherence assessment reports for Votes and Public Entities. & procurement assessments conducted in Votes and public Entities in line with procurement strategy 2030 targets that will significantly results in the achievement of departmental outcomes.

1.4. Programme 4: Financial Governance

1.4.1. Purpose

The purpose of the programme is to promote accountability and compliance with financial norms and standards as contained in the Public Finance Management Act.

Programme 4 is arranged to carry out its functions according to the following sub-programmes:

No.	Sub Programme(s)	Sub Programme Purpose
1.1	Accounting Services	Providing support on appropriate accounting practices and to build financial management capacity.
1.2	Financial Management Information Systems	Managing the implementation and provide support of financial management information systems.
1.3	Transversal Risk Management	Monitoring and providing support on the implementation of transversal risk management.
1.4	Governance, Monitoring and Compliance	Monitoring and providing support on compliance with the provisions of the PFMA and prescribed norms and standards.

1.4.2. Programme 4: Outcomes, outputs, performance indicators and targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited Performance			Estimated Performance	MTEF Period		
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Unqualified audit outcomes with no material findings attained by Provincial departments and public entities	Trainings on financial transversal systems provided	Number of trainings provided on the transversal financial systems	72	72	107	72	80	80	80
	Financial Statements Assessments Conducted	Number of financial statements assessments conducted.	44	44	57	54	54	48	48
	Audit Committee cluster functionality assessment reports.	% of Audit Committee clusters meeting the minimum functionality criteria.	New Indicator	New Indicator	New Indicator	New Indicator	100%	100%	100%
	Public sector risk management framework compliance assessments conducted	Number of Assessment conducted on the Provincial Risk Profile	4	4	4	4	4	4	4
		Number of Public Sector Risk Management Framework Compliance Assessments conducted	56	64	64	64	64	64	64
	Risk Management Committees departments functionality reports	% of departments Risk Management Committees meeting the minimum functionality criteria.	New Indicator	New Indicator	New Indicator	New Indicator	100%	100%	100%
	Financial systems utilization assessments conducted	Number of assessments conducted on utilization of Transversal Financial system by departments	44	44	44	44	44	44	44
		Number of modules introduced in transversal financial systems.	New Indicator	New Indicator	New Indicator	New Indicator	1	1	1

1.4.3. Programme 4: Output indicators, annual and quarterly targets

Output Indicators		Annual Targets	Q1	Q2	Q3	Q4
1.	Number of trainings provided on the transversal financial systems	80	18	24	20	18
2.	Number of financial statements assessments conducted	48	16	0	16	16
3.	% of Audit Committee clusters meeting the minimum functionality criteria.	100%	100%	100%	100%	100%
4.	Number of Assessment conducted on the Provincial Risk Profile	4	1	1	1	1
5.	Number of Public Sector Risk Management Framework Compliance Assessments conducted	64	16	16	16	16
6.	% of departments Risk Management Committees meeting the minimum functionality criteria.	100%	100%	100%	100%	100%
7.	Number of assessments conducted on utilisation of Transversal Financial System by Departments.	44	11	11	11	11
8.	Number of modules introduced in transversal financial systems	1	0	0	0	1

1.4.4. Explanation of planned performance over the medium-term period.

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

The outcome of unqualified audit outcomes will contribute towards the MTDP priority no 3 of "Capable, Ethical and Developmental State". In order to achieve the desired unqualified audit outcomes, we will ensure good governance through:

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

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

(b) The rationale for the choice of the outcome indicators relevant to the respective outcomes. Outcome 5: Unqualified audit outcomes with no material findings attained by Provincial departments and public entities

(i) Number of financial transversal system trainings conducted, Number of trainings provided on the transversal financial systems, Number of Audit Committee reports submitted to departments, Number of Assessments conducted on the Provincial Risk Profile, Number of Public Sector Risk Management Framework Compliance Assessments conducted, Number of assessments conducted on utilization of Transversal Financial system by departments and Number of modules introduced in transversal financial systems**.**

(i) The attainment of Number of trainings on financial transversal systems conducted, Number of financial statements assessments conducted, % of Audit Committee clusters meeting the minimum functionality criteria, Number of Assessments conducted on the Provincial Risk Profile, Number of Public Sector Risk Management Framework Compliance Assessments conducted, Number of assessments conducted on utilization of Transversal Financial system by departments and Number of modules introduced in transversal financial systems will demonstrate the achievement of unqualified audit outcomes with no material findings.

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

(ii) Eighty (80) trainings will be conducted in line with approved capacity building programmes annually.

(iii) Fifty-four (54) financial statements assessments will be conducted in departments and public entities annually.

(iv) Hundred Percent (100%) of Audit Committee clusters meeting the minimum functionality criteria

(v) Four (4) assessments will be conducted on the Provincial Risk Profile annually.

(vi) Sixty-Four (64) of Public Sector Risk Management Framework Compliance Assessments conducted annually.

(vii) Forty-four (44) assessments will be conducted on utilisation of Transversal Financial System by Departments annually.

(viii) One (1) of modules introduced in transversal financial system to improve capacity.

(ix) Hundred Percent (100%) of departments Risk Management Committees meeting the minimum functionality criteria

1.4.5. Programme Resource Consideration – Programme 4

Table 12: Budget Allocation for programme 4 and sub – programmes as per ENE and / or EPRE.

Table 5.6 (b) : Summary of payments and estimates by economic classification: Programme 4: FINANCIAL GOVERNANCE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2022/23	2023/24	2024/25		2025/26		2026/27	2027/28	2028/29
Current payments	**59 828**	**56 411**	**64 434**	**81 152**	**73 519**	**73 519**	**79 912**	**88 467**	**91 178**
Compensation of employees	39 032	39 404	43 642	52 982	45 420	45 420	53 206	57 856	59 189
Goods and services	20 796	17 007	20 792	28 170	28 099	28 099	26 706	30 611	31 989
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies to:	**2 546**	**720**	**459**	**–**	**580**	**580**	**4 070**	**2 462**	**2 573**
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisatio	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	2 546	720	459	–	580	580	4 070	2 462	2 573
Payments for capital assets	**5 145**	**–**	**123**	**–**	**–**	**–**	**–**	**–**	**–**
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	5 145	–	123	–	–	–	–	–	–
Heritage Assets	–	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–
Software and other intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	**–**	**2 423**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total economic classification	**67 519**	**59 554**	**65 016**	**81 152**	**74 099**	**74 099**	**83 982**	**90 929**	**93 751**

The allocation for the branch increases by 6.6 percent from R81.152 million in 2025/26 to R83.982 million in 2026/27 financial year.

Compensation of employee's slightly increases by 0.5 percent from R52.952 million in 2025/26 to R53.205 million in 2026/27 financial year.

There is a decrease of 5.1 percent on Goods and Services from R28.170 million in 2025/26 to R26.706 million in 2026/27 because of savings on SITA payments. This allocation will mainly cater for Audit Committee fees, SITA invoices and transversal training costs.

Transfers and subsidies increase to R4.070 million due to leave gratuities in 2026/27 and decreases to R2.573 million in 2028/29.

The Goods and Services allocation increased by 5.1%, from R28.170 million in the 2025/26 financial year to R26.706 million in the 2026/27 financial year. This increase will mainly cater for Audit Committee fees, SITA costs, and transversal training costs further contributes towards the achievement of the branches Outputs that will ultimately results to achievement of Departmental Outcomes.

1.5. Programme 5: Shared Internal Audit Services

1.5.1. Purpose

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

Programme 5 is arranged to carry out its functions according to the following sub-programmes:

No.	Sub Programme(s)	Sub Programme Purpose
1.1	Risk-Based Auditing, Performance and Consulting Services (Cluster A)	Providing risk-based auditing, performance and consulting services (for votes: 1,3,4,6 & 12).
1.2	Risk-Based Auditing & Specialised Audit Services (Cluster B)	Providing risk-based and specialised audit services (for votes: 5, 7,8,9,10,11 & 13)
1.3	Quality Assurance and Technical Support Services	Providing quality assurance and technical support services and monitor compliance within provincial departments.

1.5.2. Programme 5: Outcomes, outputs, performance indicators and targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited Performance			Estimated Performance	MTEF Period		
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
1. Unqualified audit outcomes with no material findings for departments and public entities	Cluster Based Annual Audit Plans approved	Number of Cluster Based Annual Audit Plans approved by the Audit Committee	4	4	3	4	4	4	4
	Bi-annual Combined Assurance Reports presented to the Audit Committee	Number of Combined Assurance Activities Reports presented to the Audit Committee	New Indicator	New Indicator	New Indicator	4	4	4	4
	Internal Audit Report finalised	% Internal Audits finalized in terms of the approved Audit Plans	98%	100%	100%	100%	100%	100%	100%
	Annual report on implemented Quality Assurance Improvement Programme (QAIP) initiatives	Number of Reports on implemented Quality Assurance Improvement Programme (QAIP) initiatives.	New Indicator	New Indicator	New Indicator	New Indicator	1	1	1

1.5.3. Programme 5: Output indicators, annual and quarterly targets

	Output Indicators	Annual Targets	Q1	Q2	Q3	Q4
1.	Number of Cluster Based Annual Audit Plans approved by the Audit Committee	4	0	0	0	4
2.	Number of Combined Assurance Activities Reports presented to the Audit Committee	2	0	1	0	1
3.	% Internal Audits finalized and communicated in terms of the approved Audit Plans	100%	100%	100%	100%	100%
4.	Number of Reports on implemented Quality Assurance Improvement Programme (QAIP) initiatives	1	0	0	0	1

1.5.4. Explanation of planned performance over the medium-term period

(a) The contribution of outputs towards achieving the outcomes and impact

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

(b) The rationale for the choice of the outcome indicators relevant to respective outcomes

Outcome 5: Unqualified audit outcomes with no material findings attained by Provincial departments and public entities

Number of provincial departments that implemented the approved provincial combined assurance model will demonstrate the level of compliance by shared internal audit services and improvement of audit outcomes.

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

- The department will prepare 4 internal audit plans in the fourth quarter to ensure that all client departments receive internal audit assurance and consulting services in respect of governance risk management, internal control and compliance processes.
- Given the dynamic nature of risk resulting in constantly changing audit plans, the department will ensure the no less than 100% of all approved audit projects are completed and communicated to assist provincial departments improve their governance, risk management, internal control and compliance (GRCC) processes.
- An annual as well as a five yearly quality assurance review will be conducted resulting in a Quality Assurance Improvement Programme Report to provide assurance to the Audit Committee and executive management that all internal audits were in fact conducted in terms of the Institute of Internal Auditor's (IIA's) Standards.

1.5.5. Programme Resource Consideration – Programme 5

Table 13: Budget Allocation for programme 5 and sub – programmes as per ENE and / or EPRE.

Table 5.7b : Summary of payments and estimates by economic classification: Programme 5: SHARED INTERNAL AUDIT SERVICES

R thousand	Outcome 2022/23	Outcome 2023/24	Outcome 2024/25	Main appropriation 2025/26	Adjusted appropriation 2025/26	Revised estimate 2025/26	Medium-term estimates 2026/27	Medium-term estimates 2027/28	Medium-term estimates 2028/29
Current payments	**39 854**	**39 287**	**44 888**	**60 088**	**46 579**	**46 579**	**68 748**	**71 786**	**73 607**
Compensation of employees	38 168	38 008	41 824	57 162	43 559	43 559	65 438	68 102	69 758
Goods and services	1 686	1 279	3 064	2 926	3 020	3 020	3 310	3 684	3 849
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies to:	**161**	**152**	**50**	**–**	**–**	**–**	**–**	**–**	**–**
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and acc	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and interr	–	–	–	–	–	–	–	–	–
Public corporations and private	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	161	152	50	–	–	–	–	–	–
Payments for capital assets	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Buildings and other fixed structu	–	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	–	–	–	–	–	–	–
Heritage Assets	–	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–
Software and other intangible as	–	–	–	–	–	–	–	–	–
Payments for financial assets	**–**	**–**	**39**	**–**	**–**	**–**	**–**	**–**	**–**
Total economic classification	**40 015**	**39 439**	**44 977**	**60 088**	**46 579**	**46 579**	**68 748**	**71 786**	**73 607**

The allocation for the branch increases by 14.4 percent from R60.088 million in 2025/26 to R 68.748 million in 2026/27 financial year due to allocation for filling of critical posts in the branch. Further increases to R73.607 million in 2028/29.

Compensation of employees increases by 14.4 percent from R57.162 million in 2025/26 to R65.438 million in 2026/27 financial year. The allocation will cover the filling of critical posts in the branch.

Goods and Services increase by 13.1 percent from R2.926 million in 2025/26 to R3.310 million in 2026/27 financial year. The allocation will cater for payment of audit software license as well as subsistence and travel for officials when conducting audits.

The increase in goods & services by 13.1% will further contribute towards the achievement of the following Outputs: - Cluster Based Annual Audit Plans approved, approved annual audit plan implemented and Annual Report on implemented Quarterly Improvement Initiatives.

9. Updated Key Risks and Mitigations from the SP

OUTCOMES	KEY RISKS	RISK MITIGATIONS
1. Sustainable Support Services and Good Governance in	Disruption to Business processes due to Disasters – Natural & Man made (both predictable and unpredictable)	1. Implementation of BCP strategy and plan. 2. Implementation and monitoring of ICT policy 3. Implementation of disaster recovery plan(ICT)

OUTCOMES	KEY RISKS	RISK MITIGATIONS
Limpopo Provincial Treasury (LPT)	Departmental ICT Infrastructure Failure	1.Continuous monitoring of the implementation of BCP Plan. 2. Install uninterrupted power supply (UPS) in server rooms and replacement of aged ICT infrastructure equipment.
	Cyber Security: Unauthorized access to systems, data, and information	1. Conduct ICT Security awareness to users. 2. Ensure that Patch Management is implemented. 3. Monitor email gateway system 4. Monitor firewall security system 5. Implement Backup and recovery solution 6. Installed and updated anti-virus. 7. Implement encryption
2. Sustained Fiscal Policy for the province by 2030	Uncoordinated infrastructure plans in the province	1.Enhance Infrastructure Planning Forum (IDMS) to include district municipalities. 2. Present the business case and project charter to the IGR Forum for the institutionalization of LIIMP. 3. Conduct bi-annual provincial infrastructure planning workshops. 4. Reporting to Infrastructure Clusters. 5. District One Plans endorsement by municipal council and EXCO. 6. Identification of catalytic projects per district for implementation and monitoring. 7. Conduct One Plan review workstreams with focus on identifying gaps, refining strategies, and aligning programmes to the district's long-term development objectives
	Underspending on conditional grants.	1. Conditional Grant and Earmarked Funding Bilateral meeting. 2. Conduct Budget and Revenue Forum. 3. Reprogramming funds by reallocating unused funds to related performing projects and programmes. 4. Scaling down projects/programmes funding to match performance. 5. Strengthening capacity by providing additional support to departments. 6. Amendment of training material for municipalities custom made per municipality.
3.Unqualified Audit Outcomes of Provincial departments and Public entities.	Regression in audit outcomes in both departments and public entities	1. Render focused training for Public Entities on relevant reporting frameworks. 2. Provide hands on support to struggling institutions. 3. Render training/ workshops on Reporting Framework (MCS, AMD, GRAP, IFRS and AFS Template). 4. Checklist for review of financial statements
4. Improved governance and sustainable	Increased departmental contingent liabilities	1. Engage Provincial Legal Services on a quarterly basis 2. Engage Transversal Risk Management to check the

OUTCOMES	KEY RISKS	RISK MITIGATIONS
management of the financial resources in provincial departments and public entities.		progress made by departments 3.Monitor progress through Quarterly Transversal Risk Management Forum 4. Engage the departments to recruit competent and professional personnel 5. Presentation of the progress in the PTCF meetings and Audit Committees 6. Monitor the implementation of Transversal Litigation Strategy.
	Increased unwanted Expenditures (Unauthorized, Irregular, Fruitless and Wasteful Expenditures).	1. Arrange a transversal Financial Training database through a transversal contract. 2. Escalate SCM Non-Compliance to oversight bodies, PTCF, Forum, Audit Committees and relevant Clusters. 3. Implement regular audits and assessments to monitor compliance with the SCM Framework and its regulations. 4. Conduct regular training sessions for SCM officials and bid committees on preferential procurement practices. 5. Monitor publication of deviations on the e-tender portal for accountability by organs of state. 6. Monitor implementation of the contract management performance and compliance module on LOGIS and e-tender portal by organs of state. 7. Ensure identification of common commodities and submission to National Treasury (Strategic Sourcing Unit) for standardization of specifications, thus , contributing to the National Treasury Specification library.
	Unreliable immovable Asset registers	1. Support, monitor and review the immovable asset register at the Custodian Department. 2. Monitor and support the reconstruction of the immovable asset register. 3. Capacitate the officials through training and workshop on the management of immovable properties.
5. Increased economic participation of Limpopo local suppliers inclusive of youth,	Failure to achieve the LPS 2030 set targets	1. Capacity building for designated groups (SMMEs) on bidding with the government. 2. Await the finalization of the National Public Procurement Act (PPA) Regulations. 3. Increase awareness of the Public Procurement Act with

OUTCOMES	KEY RISKS	RISK MITIGATIONS
Military Veterans, Women and persons with disabilities		stakeholders. 4. Engagement with the Department of MVA for verification of MVA suppliers.
6. Unqualified audit outcomes with no material findings attained by Provincial departments and public entities	Regression in audit outcomes in both departments and public entities	1. Render focused training for Public Entities on relevant reporting frameworks. 2. Provide hands on support to struggling institutions. 3. Render training/ workshops on Reporting Framework (MCS, AMD, GRAP, IFRS and AFS Template). 4. Checklist for review of financial statements
	Non-implementation of combined assurance by Provincial Departments	1. Presentation of the combined assurance plan presented at the Audit Committee 2.Accounting Officers to include combined assurance target in the delegated official's annual performance agreement 3.Delegated officials to be held accountable for implementation and reporting on the combined assurance 4.Monthly Coordination meetings for combined assurance should be incorporated in the Corporate Calendar
	Slow implementation of internal audit findings	CAE engage Audit Committee on the slow implementation
7. Funded Provincial Municipal Budgets adopted	Unsustainable municipalities	1. Collaboration with CoGHSTA which allows both MEC of CoGHSTA and LPT to jointly hold sessions for the purpose of supporting and holding municipalities accountable. 2. Strengthen reporting to EXCO to influence engagements with high-risk municipalities-(implementation of Constitutional and MFMA interventions). 3. Capacity building -training of municipal staff in financial and sustainability management 4. Providing temporary financial support in crisis situation through focused interventions 5. Providing technical assistance on financial management and planning, also advise on debt restructuring to negotiate more manageable debt terms

4. Public Entities

Name of public entity	Mandate	Outcomes
N/A	N/A	N/A

4. Infrastructure projects

No.	Project name	Programme	Description	Outputs	Start date	Completion date	Total estimated cost	Current year expenditure
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

4. Public-Private Partnerships (PPPs)

PPP Name	Purpose	Outputs	Current value of agreement	End-date of agreement
N/A	N/A	N/A	N/A	N/A

ART D: CHNICAL DICATOR CRIPTION

TECHNICAL INDICATORS FOR PROGRAMME 1

Indicator Title	% on Vacancy Rate attained.
Definition	This performance indicator measures the percentage of vacant funded posts that have been filled to maintain a vacancy rate of not more than 10%. The vacancy rate is calculated based on the number of funded vacant posts recorded in the PERSAL system at the end of the financial year.
Source of Data	PERSAL
Method of Calculation / Assessment	Quantitative
Means of Verification	PERSAL report (% vacancy rate will be calculated as follows: - Total number of vacant funded posts that are on PERSAL / Total number of funded posts on PERSAL
Assumptions	PERSAL report is available.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Non – Cumulative
Reporting Cycle	Annually.
Desired Performance	Targeted Performance desirable.
Indicator Responsibility	Director: Human Resource Management

Indicator Title	Number of ICT improvement Initiatives Implemented
Definition	This indicator measures the total number of approved Information and Communication Technology (ICT) improvement initiatives that have been fully implemented within the reporting period to enhance ICT governance, systems performance, security, service delivery, or operational efficiency. (Exchange Migration and ICT Infrastructure upgrade).
Source of Data	CGICTPF V2 and Departmental ICT Plan
Method of Calculation / Assessment	Quantitative
Means of Verification	• Business Case • Implementation Plans • Implementation Reports
Assumptions	Approved project plan
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative year end
Reporting Cycle	Bi-annually
Desired Performance	Targeted Performance and above desirable.
Indicator Responsibility	Director: ICT

Indicator Title	% of supplier's valid invoices paid within 30 days.
Definition	The performance indicator measures the total number of valid invoices paid versus received within 30 days.
Source of Data	Invoice Register and BAS Reports.
Method of Calculation / Assessment	Quantitative (% of invoices paid = Number of invoices paid/total number of valid invoices received)
Means of Verification	Monthly Signed off Departmental Reports on payment of invoices.
Assumptions	Reliable Financial Systems.

Disaggregation of Beneficiaries (where applicable)	Service Providers.
Spatial Transformation (where applicable)	N/A.
Calculation type	Non-cumulative
Reporting Cycle	Quarterly.
Desired Performance	Targeted Performance.
Indicator Responsibility	Director: Financial Accounting.

Indicator Title	% of procurement of goods and services awarded to women owned enterprises
Definition	This performance indicator is about the number of bids/quotations awarded to women owned enterprises versus the total number of bids/quotations awarded
Source of Data	Quotations/bids register, expenditure bas report and supplier database
Method of Calculation / Assessment	Quantitative (% of procurement of goods and services awarded to women owned enterprises = Number of women owned enterprises bids/quotations awarded/ the total number of bids/quotations awarded)
Means of Verification	Awarded bids/quotations registers
Assumptions	Application for bids/quotations received from women owned enterprises
Disaggregation of Beneficiaries (where applicable)	Women owned enterprises
Spatial Transformation (where applicable)	N/A.
Calculation type	Non-cumulative
Reporting Cycle	Quarterly.

Desired Performance	Targeted Performance.
Indicator Responsibility	Director: Departmental Supply Chain Management

TECHNICAL INDICATORS FOR PROGRAMME 2

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

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

Indicator Title	Number of budget documents tabled in line with Legislation and National Treasury set standards
Definition	Main Appropriation Bill and adjustment budget documents tabled in line with relevant frameworks.
Source of Data	Budget documents (budget statements, Appropriation Bills and schedules, citizen guides, etc.).
Method of Calculation / Assessment	Quantitative
Means of Verification	Approved Provincial budget (Main and Adjustment budgets) Proof of tabling at Legislature.

Assumptions	All Provincial Departments and Public Entitles implement integrated budget planning.
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	None
Calculation type	Cumulative year end
Reporting Cycle	Bi- Annually
Desired Performance	Credible provincial budgets tabled (Main and adjustment budgets).
Indicator Responsibility	Director: Budget Management.

Indicator Title	Number of consolidated In Year Monitoring Reports produced in line section 32 of PFMA for departments and public entities.
Definition	12 monthly Provincial IYMs produced in line section 32 of PFMA and 4 quarterly IYMs for Public entities to ensure that 12 Votes and 5 Public Entities spend within 100% of their allocated budgets.
Source of Data	In Year Monitoring Reports; BAS Reports and Budget Book.
Method of Calculation / Assessment	Quantitative
Means of Verification	12 Monthly Consolidated In Year Monitoring Reports for Departments. 4 Quarterly In Year Monitoring Reports for Public Entities
Assumptions	All Votes and Public Entities submit monthly IYM reports with variance explanations.
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	None
Calculation type	Cumulative (year-end)

Reporting Cycle	Quarterly
Desired Performance	All 12 monthly Provincial IYMs and 4 quarterly IYMs for Public Entities are produced for 12 Votes and 5 Public Entities.
Indicator Responsibility	Director: Public Finance and Data Management

Indicator Title	Departmental infrastructure assessments conducted in departments with infrastructure budgets
Definition	The Performance indicator measures the number of infrastructure assessments conducted in nine departments with infrastructure budgets including maintenance (Health, Social Development, Agriculture, Public Works, Transport, CoGHSTA, Sport, Arts and Culture, LEDET and Education) and feedback provided for implementation of recommendations.
Source of Data	Infrastructure Reporting Model (IRM), BAS report and monthly ITMC reports
Method of Calculation / Assessment	Quantitative
Means of Verification	• Infrastructure assessment report • Proof of communication to provincial infrastructure departments.
Assumptions	That all Provincial Departments timely submit monthly IRM reports and ITMC reports with informed narratives.
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	None
Calculation type	Cumulative year-end
Reporting Cycle	Quarterly
Desired Performance	All 108 IRM assessments conducted
Indicator Responsibility	Director: Provincial Infrastructure Performance and PPP

Indicator Title	Municipal infrastructure assessment conducted in prioritized municipalities
Definition	The performance Indicator measures the number of infrastructure assessments conducted on ten (10) municipalities with recommendations for implementation to optimize MIG performance. The ten (10) municipalities are provincial growth points and prioritised as per the LDP to ensure alignment with the provincial plan. The ten (10) municipalities are as follows Fetakgomo Tubatse, Lephalale, Mogalakwena, Musina, Makhado, Ba-Phalaborwa, Thabazimbi, Elias Motswaledi, Greater Tzaneen and Thulamela.
Source of Data	Municipal documents, Section 71 reports and MIG reports
Method of Calculation / Assessment	Quantitative
Means of Verification	• Approved Infrastructure Assessment Reports • Proof of communication
Assumptions	That all Municipalities timely submit monthly MIG reports with informed narratives
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	None
Calculation type	Cumulative year-end
Reporting Cycle	Quarterly
Desired Performance	All quarterly consolidated MIG assessments conducted annually
Indicator Responsibility	Director: Municipal Infrastructure Performance and PPP

Indicator Title	Number of municipal financial governance assessments conducted
Definition	This indicator measures number of assessments conducted in municipalities on financial management to achieve the following: 1. Municipalities with the funded budgets, 2. unqualified audit opinions without findings, 3. improved revenue collection in line with the 95% norm, 4. reduction of irregular expenditure and reduce Unauthorised, Fruitless and wasteful expenditure 5. municipalities complying with the National Treasury Internal Audit Framework and guidelines 6. municipalities complying with National Treasury Risk Management Framework and guidelines
Source of Data	Municipal reports and National Treasury Local Government Database
Method of Calculation / Assessment	Quantitative
Means of Verification	Quarterly municipal financial governance reports. Proof of feedback.
Assumptions	Municipalities will submit complete and accurate reports to the National Treasury Local Government Database. Municipalities will submit complete and accurate information to Provincial Treasury.
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation **(where applicable)**	None
Calculation type	Cumulative year-end
Reporting Cycle	Quarterly
Desired Performance	Targeted performance and above.
Indicator Responsibility	Chief Director: Municipal Finance and Governance

TECHNICAL INDICATORS FOR PROGRAMME 3

Indicator Title	Number of asset management assessments conducted in Votes and Public Entities.
Definition	The performance indicator measures the total number of formal asset management assessments conducted within provincial departments (Votes) and public entities during the financial year
Source of Data	LOGIS, BAS and assessment tool
Method of Calculation / Assessment	Quantitative
Means of Verification	• Assessment reports. • Proof of communication of assessment reports.
Assumptions	Votes and Public Entities will available for assessment.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	All 64 assessments conducted.
Indicator Responsibility	Chief Director: Assets and Liabilities

Indicator Title	Number of Cash Management assessments conducted in Votes and Public Entities.
Definition	The performance indicator measures the total number of formal cash management assessments conducted within provincial departments (Votes) and public entities during the financial year
Source of Data	BAS, PERSAL, Business Online (BOL), Corporate Public Deposits (CPD) and assessment tool
Method of Calculation / Assessment	Quantitative
Means of Verification	• Assessment reports. • Proof of communication of assessment reports.
Assumptions	Votes and Public Entities will available for assessment.

Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly.
Desired Performance	All 64 assessments conducted
Indicator Responsibility	Chief Director: Assets and Liabilities

Indicator Title	Number of SCM assessments conducted in Votes and Public Entities.
Definition	The performance indicator measures the number of assessments that are conducted on SCM Compliance in Provincial Votes and Public Entities and feedback provided.
Source of Data	LOGIS, BAS, Central Supplier Database (CSD), e-Tender Portal and assessment tools
Method of Calculation / Assessment	Quantitative
Means of Verification	• Assessment reports. • Proof of communication of assessment reports.
Assumptions	Votes and Public Entities will be available for assessment.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	All 64 assessments conducted
Indicator Responsibility	Chief Director: Provincial SCM

Indicator Title	% of procurement plans adherence by Votes and Public Entities
Definition	The indicator measures the proportion of procurement activities implemented by Votes and Public Entities in line with their approved procurement plans during the reporting period.
Source of Data	E-Tender Portal
Method of Calculation / Assessment	Quantitative
Means of Verification	Assessment reports.
Assumptions	Votes and Public Entities data will be available for assessment.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	80% assessment of adherence to procurement plans conducted
Indicator Responsibility	Chief Director: Provincial SCM

Indicator Title	Number of assessments conducted on procurement spent in Votes and Public Entities in line with Limpopo Procurement Strategy 2030 targets
Definition	Conduct assessment on achievement of % Procurement spend on provincial suppliers by Votes and Public Entities in line with Limpopo Procurement Strategy 2030.
Source of Data	Procurement spent reports based discretionary budget as submitted by Votes and Public Entities and the CSD
Method of Calculation / Assessment	Quantitative
Means of Verification	• Assessment reports. • Proof of communication of assessment reports.
Assumptions	All Votes and Public Entities will prioritise procurement of goods and services from provincial suppliers

Disaggregation of Beneficiaries (where applicable)	Businesses owned by the following designated groups: Black, Persons with Disability, Military Veterans, SMMEs, Women, Youth and Limpopo based suppliers
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	All 64 assessments conducted.
Indicator Responsibility	Chief Director: Provincial SCM

TECHNICAL INDICATORS FOR PROGRAMME 4

Indicator Title	Number of trainings provided on the transversal financial systems
Definition	Financial management capacity building through transversal systems training. (BAS, LOGIS and PERSAL).
Source of Data	Nomination lists, attendance registers.
Method of Calculation / Assessment	Quantitative
Means of Verification	Attendance Registers
Assumptions	Trainers, conducive training venues, stable network on all computers and systems, clients' nominations, electricity and water availability.
Disaggregation of Beneficiaries (where applicable)	Provincial votes
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Actual performance that is higher than targeted performance is desirable

Indicator Responsibility	Director: Financial Management Capacity Building.

Indicator Title	Number of financial statements assessments conducted.
Definition	Assessments conducted on votes financial statements and feedback provided for implementation of recommendations
Source of Data	Financial Reports
Method of Calculation / Assessment	Quantitative
Means of Verification	• Assessment Reports • Proof of feedback to Votes
Assumptions	Timely submission of financial statements, staff and clients' availability
Disaggregation of Beneficiaries (where applicable)	Provincial votes
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Targeted performance
Indicator Responsibility	Director: Financial Accounting and Reporting

Indicator Title	% of Audit Committee clusters meeting the minimum functionality criteria
Definition	This indicator measures the percentage of Audit Committee clusters that meet the minimum functionality requirements as assessed against a predefined functionality assessment tool.
Source of Data	Audit Committee charters Audit Committee meeting minutes Audit Committee reports Functionality assessment tool/checklist

Method of Calculation / Assessment	Quantitative
Means of Verification	Audit Committee functionality assessment reports Audit Committee meeting minutes Audit Committee annual reports
Assumptions	Formally established Cluster Audit Committees. Committees hold regular meetings and maintain records of decisions
Disaggregation of Beneficiaries (where applicable)	Clusters
Spatial Transformation (Where applicable)	N/A
Calculation type	Non-Cumulative
Reporting Cycle	Quarterly
Desired Performance	Targeted performance
Indicator Responsibility	Director: Governance, Monitoring and Compliance.

Indicator Title	Number of Assessment conducted on the Provincial Risk Profile
Definition	Assessment reports on the monitoring of mitigation plans of the Provincial Risk Profile and feedback provided to the HOD's forum
Source of Data	Votes and Public Entities risk profiles and APPs; Limpopo Development Plan; Auditor General and Internal Audit reports; Stakeholder Consultations
Method of Calculation / Assessment	Quantitative
Means of Verification	• Assessment Report. • Proof of communication to HOD's forum.
Assumptions	Access to Clusters, relevant risk champions, staff and timely submission of assessments
Disaggregation of Beneficiaries (where applicable)	Provincial Votes and Public Entities

Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Targeted performance
Indicator Responsibility	Director: Transversal Risk Management

Indicator Title	Number of public sector risk management framework compliance assessments conducted
Definition	Assessment reports and feedback provided on compliance with the Public-Sector Risk Management Framework and utilization of Barnowl Risk Software to Provincial Votes and Public Entities for implementation of recommendations.
Source of Data	Votes and Public Entities Quarterly Risk Management Reports, Public Sector Risk Management Framework
Method of Calculation / Assessment	Quantitative
Means of Verification	• Assessment Reports. • Proof of feedback to votes and public entities.
Assumptions	Timely submission credible institutions reports, CROs, staff and effective Risk champions
Disaggregation of Beneficiaries (where applicable)	Provincial Votes and Public Entities
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Targeted performance
Indicator Responsibility	Director: Transversal Risk Management

Indicator Title	% of departments with Risk Management Committees that meet the minimum functionality criteria
Definition	The output indicator measures the percentage of departments whose Risk Management Committees comply with the minimum functionality requirements, as assessed using a standard functionality assessment tool
Source of Data	• Risk Management Committee charters • Risk Committee meeting minutes • Risk Committee reports • Risk Committee functionality assessment tool
Method of Calculation / Assessment	Quantitative
Means of Verification	• Risk Management Committee functionality assessment reports • Risk Committee meeting minutes • Risk Committee annual reports
Assumptions	• Departments have formally established Risk Management Committees. • Committees hold regular meetings and maintain records of decisions.
Disaggregation of Beneficiaries (where applicable)	Departments
Spatial Transformation **(Where applicable)**	N/A
Calculation type	Non-Cumulative
Reporting Cycle	Quarterly
Desired Performance	Targeted performance
Indicator Responsibility	Director: Transversal Risk Management

Indicator Title	Number of assessments conducted on utilization of transversal financial system by departments.
Definition	Assessments conducted on financial system utilisation on all 11 provincial votes and feedback provided for implementation of recommendations.
Source of Data	HRM Reports, Trial Balance, User Account Management Reports, SITA and IBM SLAs

Method of Calculation / Assessment	Quantitative
Means of Verification	Assessment Reports. Proof of communication of assessment report for the previous quarter.
Assumptions	To track the financial systems utilization in 12 Votes to ensure effective usage.
Disaggregation of Beneficiaries (where applicable)	Provincial Votes.
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired Performance	Actual performance that is higher than targeted performance is desirable.
Indicator Responsibility	Director: Systems Administration

Indicator Title	Number of modules introduced in transversal financial systems.
Definition	Financial System training model introduced for implementation.
Source of Data	Votes nomination lists, attendance registers.
Method of Calculation / Assessment	Quantitative
Means of Verification	Attendance Registers
Assumptions	Trainers, conducive training venues, stable network on all computers and systems, clients' nominations, electricity and water availability.
Disaggregation of Beneficiaries (where applicable)	Provincial votes

Spatial Transformation (where applicable)	N/A
Calculation type	Non-Cumulative
Reporting Cycle	Annually
Desired Performance	Actual performance that is higher than targeted performance is desirable
Indicator Responsibility	Director: Systems Administration

TECHNICAL INDICATORS FOR PROGRAMME 5

Indicator Title	Number of Cluster Based Annual Audit Plans approved by Audit Committee.
Definition	Three years rolling and annual audit plans for the 11 votes (excluding Legislature as listed under table 2 & 3 of this APP) approved by the Audit Committee for the financial year 2026/27.
Source of Data	Votes Risk Profiles and votes strategic outcomes
Method of Calculation / Assessment	Quantitative
Means of Verification	4 x Approved Cluster Based Annual Internal Audit Plans.
Assumptions	Votes will prepare and provide risk profiles and APP`s timely
Disaggregation of Beneficiaries (where applicable)	Provincial Votes
Spatial Transformation (where applicable)	N/A
Calculation type	Non-cumulative
Reporting Cycle	Annual
Desired Performance	4 x Approved Cluster Based Annual Internal Audit Plans.
Indicator Responsibility	Chief Audit Executive

Indicator Title	Number of Combined Assurance Activities Reports presented to the Audit Committee
Definition	This performance indicator measures the number of combined assurance Monitoring Reports presented to the Audit Committee in line with the Combined Assurance Strategy for pilot departments (Education, Provincial Treasury, Office of the Premier, and Public Works, Roads and Infrastructure)
Source of Data	Combined Assurance Strategy.

Method of Calculation / Assessment	Quantitative
Means of Verification	Minutes/Resolutions of Audit Committee, and Combined Assurance Monitoring Reports.
Assumptions	Combined Assurance is in place
Disaggregation of Beneficiaries (where applicable)	Provincial Votes
Spatial Transformation **(where applicable)**	N/A
Calculation type	Non-cumulative
Reporting Cycle	Bi- Annually
Desired Performance	Finalised Combined Assurance Monitoring Reports
Indicator Responsibility	Chief Audit Executive

Indicator Title	% of Internal Audits finalised in terms of the approved Audit Plans.
Definition	This performance indicator measures the percentage of audits finalised and communicated to departments (all votes except Legislature) in accordance with the approved internal audit plan.
Source of Data	Finalised Internal Audit Reports.
Method of Calculation / Assessment	Quantitative (Actual Performance will be calculated as follows:

	Numerator = Number of audits performed. Denominator = Total number of planned audits x targeted % for the quarter / financial year. Results of the above expressed in percentages)
Means of Verification	Exception Reports and Approved Audit plans of departments.
Assumptions	The assumption is that the internal audit plan is dynamic and may change as circumstances warrant.
Disaggregation of Beneficiaries (where applicable)	Provincial Votes
Spatial Transformation (where applicable)	N/A
Calculation type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	100% of finalised Internal Audit Reports
Indicator Responsibility	Chief Audit Executive

Indicator Title	Number of Reports on implemented Quality Assurance Improvement Programme (QAIP) initiatives.
Definition	This output indicator measures the number QAIP initiatives that are implemented in line with QAIP improvement plan
Source of Data	QAIP Report, Internal Audit Projects Files / Teammate Working Papers.
Method of Calculation / Assessment	Quantitative
Means of Verification	Approved Internal Quality Assurance Improvement Programme (QAIP) report.

Assumptions	Internal Quality Assurance Review Team is set-up and appointed.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Non-cumulative
Reporting Cycle	Annually
Desired Performance	Improved quality of internal audit services to 11 client provincial departments and stakeholders.
Indicator Responsibility	Chief Audit Executive

Annexures to the Annual Performance Plan

Annexures A: Amendments to the Strategic Plan

Not applicable

Annexures B: Conditional grants

Not applicable

Annexures C: Consolidated indicators

Not applicable

Annexures D: District Development Model

Not applicable

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