LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY

3RD QUARTER PERFORMANCE REPORT: 2014/15

TABLE OF CONTENTS

ACRONYMS

AFS	-	Annual Financial Statements
AG	-	Auditor General
APP	-	Annual Performance Plan
CFS	-	Consolidated Financial Statements
COGHSTA	-	Co-Operative Governance, Human Settlement and Traditional Affairs
DoA	-	Department of Agriculture
DoE	-	Department of Education
DoH	-	Department of Health
DPW	-	Department of Public Works
DSD	-	Department of Social Development
GIAMA	-	Government Immovable Assets Management Act
ICT	-	Information and Communication Technology
IYM	-	In-Year Monitoring
LEDET	-	Limpopo Economic Development and Tourism
LOGIS	-	Logistics Information System
MISS	-	Minimum Information Security Standards
N/A	-	Not Applicable
OTP	-	Office of the Premier
PFMA	-	Public Finance Management Act
SAC	-	Sport, Arts and Culture
SAQA	-	South African Qualifications Authority
SCM	-	Supply Chain Management
SCOPA	-	Standing Committee on Public Accounts
SDIP	-	Service Delivery Improvement Plan
SISP	-	Strategic Information System Plan
SITA	-	State Information Technology Agency
SMME	-	Small Medium and Micro Enterprises
TRM	-	Transversal Risk Management
VPN	-	Virtual Private Network

THIRD QUARTER PERFORMANCE OVERVIEW

This Performance report reflects the extent to which the Limpopo Provincial Treasury has performed against its 3rd quarter performance plan in respect of the tabled 2014/15 Annual Performance Plan.

SERVICE DELIVERY INFORMATION THAT IS OVER AND ABOVE THE SET OF PERFORMANCE INDICATORS

The following are outputs that were achieved over and above the set performance indicators:

- Additional 2 SMMEs were skilled on bidding with government due to growing interest by SMMEs for the information.
- Additional thirteen (13) monitored and supported on contract management and other SCM processes.

PROGRAMME 1: ADMINISTRATION

No	Programme Performance indicators	Annual Target	3rd Quarter Planned output	3rd Quarter Preliminary output	3rd Quarter Actual output	Budget	Challenges	Responses
Strategic Objective: To provide efficient, effective and economic internal administrative support during 2010/11 to 2014/15								
HOD SUPPORT SERVICES								
1	Number of programmes monitored for compliance to institutional arrangements	4	4	4	4	Budget : R4,266,000.00 Expenditure :R1,689,611.76 % spent:40%	None	N/A
CORPORATE SERVICES								
2	Number of programmes monitored and supported on compliance to PMDS policy	4	4	4	4	Budget : R26,238,000.00 Expenditure :R16, 263,181.86 % spent:62%	None	N/A

No	Programme Performance indicators	Annual Target	3rd Quarter Planned output	3rd Quarter Preliminary output	3rd Quarter Actual output	Budget	Challenges	Responses
Strategic Objective: To provide efficient, effective and economic internal administrative support during 2010/11 to 2014/15								
TRANSFORMATION SERVICES								
3	Number of programmes monitored and supported on implementation of SDIP	3	3	3	3	Budget : R3,571,000.00 Expenditure :R2,997,551.41 % spent:84%	None	N/A
4	Number of facilities monitored on the implementation of Risk Assessment recommendations	9	9	9	9		None	N/A
ENTERPRISE RISK MANAGEMENT								
5	Number of programmes supported and monitored in the mitigation of the top ten risks to provide reasonable assurance on the achievement of set objectives	4	4	4	4	Budget : R2,589,000.00 Expenditure :R1,812,275.93 % spent:70%	None	N/A

No	Programme Performance indicators	Annual Target	3rd Quarter Planned output	3rd Quarter Preliminary output	3rd Quarter Actual output	Budget	Challenges	Responses
Strategic Objective: To provide efficient, effective and economic internal administrative support during 2010/11 to 2014/15								
RECORDS MANAGEMENT & AUXILIARY SERVICES								
6	Number of programmes monitored and supported on the implementation of Records Management Systems	4	1	1	1	Budget : R34,384,000.00 Expenditure :R23,779,944.69 % spent:69%	None	N/A
7	Number of buildings provided with auxiliary services in line with GIAMA Plan	9	9	9	9		None	N/A
COMMUNICATIONS SERVICES								
8	Number of programmes monitored and supported on compliance to Corporate Identity Manual and the Communication Policy	4	1	1	1	Budget : R4,626,000.00 Expenditure :R2,950,160.48 % spent:64%	None	N/A

No	Programme Performance indicators	Annual Target	3rd Quarter Planned output	3rd Quarter Preliminary output	3rd Quarter Actual output	Budget	Challenges	Responses
Strategic Objective: To provide efficient, effective and economic internal administrative support during 2010/11 to 2014/15								
GITO								
9	Number of prioritized ICT projects implemented in line with SISP	4	4	2	2	Budget : R9,946,000.00 Expenditure :R5,731,041.01 % spent:58%	The backup solution implementation has not yet started. The VPN implementation is awaiting approval.	To expedite the adjudication process of Backup solution and the approval of VPN proposal by 31 March 2015.
SECURITY AND INVESTIGATION SERVICES								
10	Number of programmes supported in the implementation of MISS and Investigation Strategy to ensure compliance with National Security Prescripts	4	1	1	1	Budget : R7,589,000.00 Expenditure :R5,206,316.63 % spent:69%	None	N/A

FINANCIAL MANAGEMENT SUB PROGRAMME

No	Programme Performance indicators	Annual Target	3rd Quarter Planned output	3rd Quarter Preliminary output	3rd Quarter Actual output	Budget	Challenges	Responses
Strategic Objective: Improve financial management in the department during 2010/11 – 2014/15								
MANAGEMENT ACCOUNTING								
11	Number of IYM reports compiled in line with National Treasury prescripts to monitor expenditure	12	3	3	3	Budget : R2,907,000.00 Expenditure :R2,091,796.34 % spent:72%	None	N/A
12	Number of programmes supported in expenditure management	4	4	4	4		None	N/A
FINANCIAL ACCOUNTING								
13	% of suppliers valid invoices paid within 30 days	100%	100%	100%	100%	Budget : R9,113,000.00 Expenditure :R7,059,988.18 % spent:77%	None	N/A
STRATEGIC OPERATIONS & POLICY COORDINATION								
14	Number of departmental plans and performance reports	8	2	2	2	Budget : R2,615,000.00 Expenditure :R1,981,971.31 %76%	None	N/A

No	Programme Performance indicators	Annual Target	3rd Quarter Planned output	3rd Quarter Preliminary output	3rd Quarter Actual output	Budget	Challenges	Responses
Strategic Objective: Improve financial management in the department during 2010/11 – 2014/15								
	developed in line with National Treasury Frameworks							
DEPARTMENTAL SUPPLY CHAIN MANAGEMENT								
15	Number of strategic sourcing, maintenance and disposal plans implemented in line with applicable SCM prescripts	5	5	5	5	Budget : R12,730,000.00 Expenditure :R8,899,068.05 % spent:70%	None	N/A

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

No	Programme Performance indicators	Annual Target	3rd Quarter Planned output	3rd Quarter Preliminary output	3rd Quarter Actual output	Budget	Challenges	Responses
Strategic Objective: To achieve clean audit in Provincial and Local Government by 2014								
MACRO ECONOMIC ANALYSIS								
1	Number of Research documents produced to align the Provincial Fiscal Policy	7	1	1	1	Budget : R2,213,000.00 Expenditure :R5,69,833.96 % spent:71%	None	N/A
FISCAL POLICY								
FISCAL DEVELOPMENT								
2	Number of Departments and Public Entities supported and monitored in provincial own revenue enhancement to ensure achievement of set targets	18	18	18	18	Budget :3,540,000,00 Expenditure :2,686,984,73 % 76%	None	N/A
BUDGET MANAGEMENT								
3	Number of budget documents compiled, tabled and gazetted in	2	1	1	1	Budget : R4,067,000.00 Expenditure :R2,741,889.69 % spent:64%	None	N/A

No	Programme Performance indicators	Annual Target	3rd Quarter Planned output	3rd Quarter Preliminary output	3rd Quarter Actual output	Budget	Challenges	Responses
Strategic Objective: To achieve clean audit in Provincial and Local Government by 2014								
	line with the set standards and National Treasury guidelines (Main Appropriation Bill and Adjustment Budget)							
PUBLIC FINANCE								
4	Number of departments and public entities monitored and supported in the implementation of planning and performance information frameworks to ensure achievement of set targets	18	18	18	18	Budget : R5,512,000.00 Expenditure :R5,467,755,.96 % spent:64%	None	N/A
5	Number of consolidated provincial in year monitoring reports produced in line section 32	12	3	3	3		None	N/A

No	Programme Performance indicators	Annual Target	3rd Quarter Planned output	3rd Quarter Preliminary output	3rd Quarter Actual output	Budget	Challenges	Responses
Strategic Objective: To achieve clean audit in Provincial and Local Government by 2014								
	of PFMA to ensure that departments spend within 100% of their allocated budgets							
6	Number of votes supported on expenditure management	13	13	13	13		None	N/A
INFRASTRUCTURE MANAGEMENT & PUBLIC PRIVATE PARTNERSHIPS (IM & PPPs)								
INFRASTRUCTURE MANAGEMENT								
7	Number of infrastructure departments monitored and supported in the implementation of the Infrastructure Delivery Management System.	9	9	9	9	Budget : R3,005,000.00 Expenditure :R2,324,086.69 % spent:77%	None	N/A

No	Programme Performance indicators	Annual Target	3rd Quarter Planned output	3rd Quarter Preliminary output	3rd Quarter Actual output	Budget	Challenges	Responses
Strategic Objective: To achieve clean audit in Provincial and Local Government by 2014								
8	Number of departments monitored on infrastructure expenditure to improve infrastructure service delivery.	9	9	9	9		None	N/A
9	Number of infrastructure plans assessed to ensure alignment to national and provincial priorities	9	0	0	0		N/A	N/A
PUBLIC PRIVATE PARTNERSHIPS (PPPs)								
10	Number of existing PPP projects for departments and municipalities monitored and supported in line with Treasury Regulation 16	3	3	3	3	Budget : R5,080,000.00 Expenditure :R3893,064,.30 % spent:77%	None	N/A

No	Programme Performance indicators	Annual Target	3rd Quarter Planned output	3rd Quarter Preliminary output	3rd Quarter Actual output	Budget	Challenges	Responses
Strategic Objective: To achieve clean audit in Provincial and Local Government by 2014								
MUNICIPAL FINANCE								
11	Number of Municipalities monitored and supported on budget process and documentation, financial management and governance	30	30	30	30	Budget : R,1,6639,000.00 Expenditure :R1,0754,159.40 % spent:65%	None	N/A

PROGRAMME 3: ASSET, LIABILITIES AND SUPPLY CHAIN MANAGEMENT

No	Programme Performance indicators	Annual Target	3rd Quarter Planned output	3rd Quarter Preliminary output	3rd Quarter Actual output	Budget	Challenges	Responses
Strategic Objective: To achieve clean audit in Provincial Departments and Public Entities by 2014								
PROVINCIAL ASSET AND LIABILITIES MANAGEMENT								
PROVINCIAL ASSETS MANAGEMENT								
1	Number of departments monitored and supported on Asset Management to improve the effectiveness, efficiency and economical Asset Management	13	13	13	13	Budget : R11,714,000.00 Expenditure :R8,032,479.11 % spent:69%	None	N/A
2	Number of departments monitored and supported on Inventory Management to improve the effectiveness, efficiency and economical Inventory Management	13	13	13	13		None	N/A

No	Programme Performance indicators	Annual Target	3rd Quarter Planned output	3rd Quarter Preliminary output	3rd Quarter Actual output	Budget	Challenges	Responses
Strategic Objective: To achieve clean audit in Provincial Departments and Public Entities by 2014								
BANKING AND CASH FLOW MANAGEMENT								
3	Number of Departments and Public Entities monitored and supported on cash, banking and liabilities management	18	18	18	18	Budget : R9,003,000.00 Expenditure :R5,828,233,79 % spent:65%	None	N/A
PROVINCIAL SUPPLY CHAIN MANAGEMENT								
POLICY DEVELOPMENT AND IMPLEMENTATION								
4	Number of Departments and Public Entities monitored and supported on contract management and other SCM processes.	17	4	17	17	Budget : R7,349,000.00 Expenditure :R4,543,528.36 % spent:62%	There was a need to ensure that all departments and Public Entities are monitored and support provided on SCM processes as part of recovery projects on contract management.	N/A

No	Programme Performance indicators	Annual Target	3rd Quarter Planned output	3rd Quarter Preliminary output	3rd Quarter Actual output	Budget	Challenges	Responses
Strategic Objective: To achieve clean audit in Provincial Departments and Public Entities by 2014								
5	Number of SCM capacity building interventions conducted	5	1	1	1		None	N/A
PROVINCIAL DEMAND AND ACQUISITION MANAGEMENT								
6	Number of transversal bids facilitated for adjudication in the province.	2	0	0	0	Budget : R5,475,000.00 Expenditure :R3,539,454.43 % spent:65%	N/A	N/A
7	Number of departments monitored and supported for compliance to transversal contracts	12	12	12	12		None	N/A
PROVINCIAL SCM ADVICE CENTRE								
8	Number of capacity building initiatives facilitated for empowerment of SMMEs on bidding with government.	120	30	32	32	Budget : R1,039,000.00 Expenditure :R705,457.24 % spent:68%	Overachievement was due to the invite by SMME Development Agency.	N/A
9	Number of	100 SMMEs	25 SMMEs	24 SMMEs	24 SMMEs		1 SMME was	N/A

No	Programme Performance indicators	Annual Target	3rd Quarter Planned output	3rd Quarter Preliminary output	3rd Quarter Actual output	Budget	Challenges	Responses
Strategic Objective: To achieve clean audit in Provincial Departments and Public Entities by 2014								
	SMMEs assessed on their capacity to deliver on government procurement						assessed during the second quarter	
FINANCIAL SYSTEMS								
FINANCIAL SYSTEMS ADMINISTRATION								
10	Number of departments supported and monitored on financial systems utilization.	13	13	13	13	Budget : R1,420,000.00 Expenditure :R1,035,315.02 % spent:73%	None	N/A
FINANCIAL SYSTEMS DEVELOPMENT								
11	Number of LOGIS implementation plan deliverables implemented in identified sites in line with the LOGIS implementation plan	17 in two sites	6	0	0	Budget : R3,990,000.00 Expenditure :R2,991,634.23 % spent:75%	Appointment of Service Provider was only finalized during the 3rd quarter. Lack of full time resources for LOGIS	Utilization of resources from SITA. An approval was obtained to implement LOGIS at COGHSTA and Office of the Premier by 31 March 2015.

PROGRAMME 4: FINANCIAL GOVERNANCE

No	Programme Performance indicators	Annual Target	3rd Quarter Planned output	3rd Quarter Preliminary output	3rd Quarter Actual output	Budget	Challenges	Responses
Strategic Objective: To achieve clean audit in Provincial Department and Public Entities by 2014								
ACCOUNTING SERVICES								
FINANCIAL TRAINING								
1	Number of courses conducted on transversal systems in line with National Treasury standards	78	16	16	16	Budget : R5,331,000.00 Expenditure :R3,190,563.95 % spent:60%	None	N/A
2	Number of financial management short courses coordinated in line with SAQA	9	3	2	0 (However, 2 unplanned courses were coordinated)		*One of the two courses conducted was a special arrangement and therefore not part of the approved training plan and APP targets. *Two courses could not be coordinated due to delay in the appointment of service providers by departmental	To co-ordinate 2 financial management short courses in the 4th quarter.

No	Programme Performance indicators	Annual Target	3rd Quarter Planned output	3rd Quarter Preliminary output	3rd Quarter Actual output	Budget	Challenges	Responses
Strategic Objective: To achieve clean audit in Provincial Department and Public Entities by 2014								
							SCM.	
3	Number of long-term financial management qualification programmes coordinated in Provincial Departments	2	2	2	2		None	N/A
NORMS AND STANDARDS								
4	Number of votes monitored and supported in resolving AG audit findings to improve audit outcomes	12	12	6	6	Budget : R9,693,000.00 Expenditure :R7,533,379.40 % spent:78%	DoE, DoH, DPW, DSD, SAC and LEDET not monitored and supported due to lack of capacity	Two officials are currently mentoring the staff member who has inadequate capacity.
5	Number of audit committee meetings supported to improve governance in departments	65	13	13	13		None	N/A

No	Programme Performance indicators	Annual Target	3rd Quarter Planned output	3rd Quarter Preliminary output	3rd Quarter Actual output	Budget	Challenges	Responses
Strategic Objective: To achieve clean audit in Provincial Department and Public Entities by 2014								
6	Number of votes monitored and supported with regards to SCoPA matters	12	12	6	6		OtP, DoA, LEDET, Transport, Safety & CoGHSTA had no outstanding issues and therefore there was no need for monitoring/supporting.	N/A
FINANCIAL REPORTING								
7	Number of votes and public entities supported in preparing annual financial statements in line with the PFMA.	13 (votes) 5 (public entities	13 (votes) 5 (public entities	13 (votes)	13 (votes)	Budget : R6,577,000.00 Expenditure :R5,274,867.69 % spent:80%	Manager Public Entities position has been vacant since Feb 2013	To fill the vacant position of Manager Public Entities in the next financial year.
8	Number of consolidated Annual financial statements for votes and for public entities prepared and submitted to the Auditor General	3 AFS for votes (2011/12, 2012/13 & 2013/14)	0	0	0		N/A	N/A
		1 AFS for public entities (2013/14)	0	0	0		N/A	N/A

No	Programme Performance indicators	Annual Target	3rd Quarter Planned output	3rd Quarter Preliminary output	3rd Quarter Actual output	Budget	Challenges	Responses
Strategic Objective: To achieve clean audit in Provincial Department and Public Entities by 2014								
9	Number of Annual Financial Statement prepared for Tribal Levies and Trust Accounts.	10 (2004/05 – 2013/14)	2	0	0		2003/04 AFS were submitted in July, and still awaiting audit. AG is awaiting National Treasury's framework on Traditional accounts AFS compilation	To submit AFS during 4th quarter.
TRANSVERSAL RISK MANAGEMENT								
10	Number of votes and Public Entities assessed and supported on Risk Management Performance	17	17	17	13	Budget : R3,557,000.00 Expenditure :R3,479,134.04 % spent:98%	Inadequate capacity.	Manager post is in process of being filled.
11	Number of Provincial Departments and Public Entities monitored on their risks within the Provincial Risk Profile	17	17	17	13		Inadequate capacity.	Manager post is in process of being filled.

No	Programme Performance indicators	Annual Target	3rd Quarter Planned output	3rd Quarter Preliminary output	3rd Quarter Actual output	Budget	Challenges	Responses
Strategic Objective: To achieve clean audit in Provincial Department and Public Entities by 2014								
12	Number of Transversal Risk Management Prescripts / Tools developed or reviewed	2	1	0	0		Provincial RM framework awaiting approval	Provincial RM framework to be adopted during the special PTCF
PROVINCIAL INTERNAL AUDIT								
13	Number of three year strategic rolling and annual audit plans prepared by Provincial Internal Audit and approved by the Audit Committee for the financial year 2014/15	12	No target for the quarter	N/A	N/A	Budget : R14,377,000.00 Expenditure :R10,761,508.58 % spent:75%	N/A	N/A
14	Number of votes audited as per approved annual audit plans to improve the internal control environment	12	12	12	12		None	N/A
15	Number of annual internal Quality	1	No target for the quarter	N/A	N/A		N/A	N/A

No	Programme Performance indicators	Annual Target	3rd Quarter Planned output	3rd Quarter Preliminary output	3rd Quarter Actual output	Budget	Challenges	Responses
Strategic Objective: To achieve clean audit in Provincial Department and Public Entities by 2014								
	Assurance Improvement Plan (QAIP) prepared to improve the quality of client services.							
16	Number of votes monitored in the implementation of internal audit findings and recommendations to achieve improved internal controls in departments	12	12	9	9		Unavailability of officials at the Departments due to December holidays.	Follow up audits to be finalized in the 4th quarter.

Mr. G Pratt
HEAD OF DEPARTMENT

21/01/2015.
DATE