ANNUAL PERFORMANCE PLAN

2025 - 2026

Date of Tabling 10 June 2025

provincial treasury
MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

MPUMALANGA
THE PLACE OF THE RISING SUN

DEPARTMENT GENERAL INFORMATION

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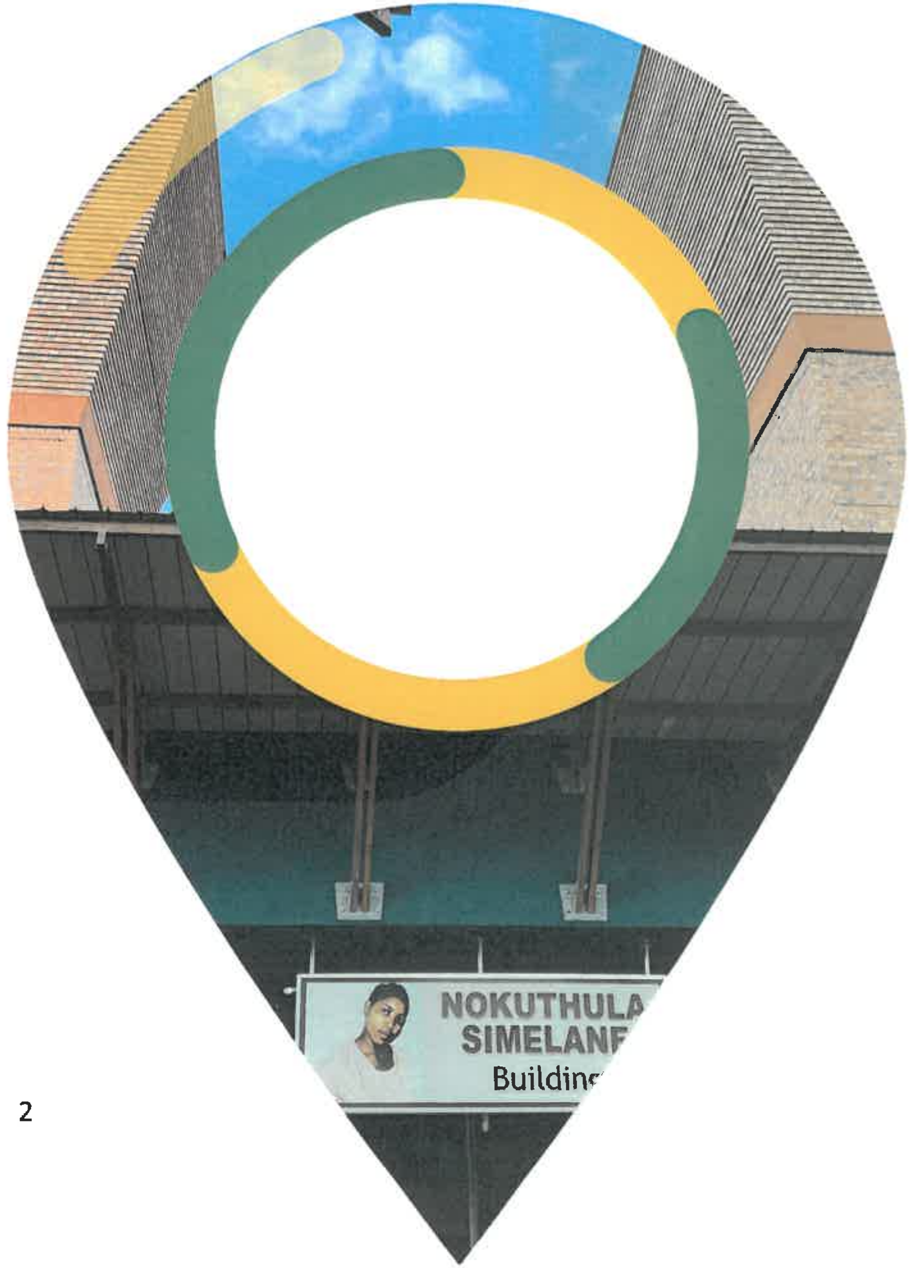

EXECUTIVE AUTHORITY STATEMENT

The 2025/26 Annual Performance Plan is tabled in a much better economic discourse than last financial year. Despite the optimism that greets the New Year, the Province still faces a harsh economic climate precipitated by geopolitical risks and other domestic factors.

The Provincial Treasury will, however, implement this performance plan in the backdrop of demonstrable progress recorded in the previous year, especially the piloting of the eSubmission, handing over of four amended financial recovery plans to municipalities and the attainment of clean audit for the 2023/24 financial year.

We intend to build on these successes and ensure that lessons learnt assist in improving efficiencies in the system and enhancing the quality of support to institutions on financial management and governance.

Our mandate is to ensure allocative efficiencies, maintain fiscal discipline, and encourage credible spending and accountability within the department and also across the Provincial departments, public entities, and municipalities. For the 2025/26 fiscal year, we will focus on

- Supporting municipalities to manage their financial affairs in the context of enabling legislation and governance systems and

- Supporting departments, public entities, and municipalities to implement remedial plans to improve the Province's overall annual outcomes.

- Continue modernisation by implementing e-government and digital services to make the government more accessible and efficient.

We are committed to promoting good governance and contributing to the government's efforts to secure a better future for all our people in Mpumalanga.

I would like to thank the Head Official, Ms Gugu Mashiteng, and her dedicated team for developing this plan.

MR BA MAJUBA, MPL
MEC for Finance

ACCOUNTING OFFICER STATEMENT

The Mpumalanga Provincial Treasury plays an important role in guiding the implementation of public and municipal finance management legislation in the Province. The primary tasks of the department, as highlighted in section 18 of the Public Finance Management Act (PFMA), are to

- prepare the provincial budget; exercise control over the implementation of the provincial budget.
- promote and enforce transparency and effective management in respect of revenue, expenditure, assets and liabilities of provincial departments and provincial public entities; and
- Ensure that its fiscal policies do not materially and unreasonably prejudice national economic policies.

The Department continued to execute its mandate of providing support and advice on budget implementation, public procurement and compliance with regulatory frameworks. We provided an enabling environment, technology and systems for provincial departments to perform their administrative functions related to service delivery.

The Provincial Treasury programme for the next five years is informed by the newly adopted Medium Term Development Plan (2025-2029). The attainment of all three high-level priorities, our work is anchored on the priority of Building a Capable and Ethical State.

To this end, we will focus on building institutional capacity to effectively support departments, public entities and municipalities in the mandated areas of financial management and good governance. Provincial Treasury will support efforts to improve revenue collection and participate in national efforts to improve efficiency in government spending.

The period ahead will be characterised by heightened activities to bring to life the provisions of the transformative procurement policy framework. Accordingly, the Provincial Treasury will undertake advocacy programmes to assist the administration and business in reaping the benefits of the new procurement regime.

The department has embarked on a programme to digitalise the provincial government to support service delivery. The electronic submission system will move from pilot to full implementation. New systems will be proposed as we continue implementing the business automation programme in line with the government's digital transformation agenda.

In the quest for improvements in audit outcomes, the Provincial Treasury will coordinate and review the improvement plans, monitor the implementation, and provide advice to improve financial reporting and financial governance. The Department remains committed to ensuring sustainable and accountable fiscal governance in provincial departments, entities and municipalities.

Ms GUGU MASHITENG
HEAD: PROVINCIAL TREASURY

OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the Provincial Treasury under the guidance of Ms Gugu Mashiteng;
- Takes into account all the relevant policies, legislation and other mandates for which the Provincial Treasury is responsible, and
- Accurately reflects the outcomes and outputs which Provincial Treasury will endeavour to achieve over the period 2025/2026.

Signature: ______________________
Ms G Milazi
General Manager: Sustainable Resource Management

Signature: ______________________
Mr CT Dlamini
General Manager Assets and Liabilities Management

Signature ______________________
Ms J Bezuidenhout
General Manager Financial Governance

Signature: ______________________
Mr MA Khoza
Chief Financial Officer

Signature: ______________________
Ms T Tetana
Senior Manager: Planning

Ms Gugu Mashiteng
Accounting Officer

Signature: ______________________

Approved by:

Mr BA Majuba (MPL)
Executive Authority

Signature: ______________________

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LIST OF ACRONYMS

AFS	Annual Financial Statements	**GIAMA**	Government Immovable Asset Management Act, 2007 (Act 19 of 2007)
AGSA	Auditor General of South Africa	**HIRA**	Hazard Identification and Risk Assessment
AIDS	Acquired Immunodeficiency Syndrome	**HIV**	Human Immune Virus
AO	Accounting Officer	**HPT**	Head: Provincial Treasury
BAS	Basic Accounting System	**HR**	Human Resource
BBBEE	Broad Based Black Economic Empowerment	**IAISP**	Integrated Audit Improvement Support Plan
BBBEEA	Broad Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)	**ICT**	Information Communication Technology
BCM	Business Contingency Management	**IDMS**	Infrastructure Delivery Management System
BCP	Business Continuity Plan	**IT**	Information Technology
CFO	Chief Financial Officer	**IYM**	In-Year Monitoring
CIPC	Companies and Intellectual Property Commission	**LED**	Local Economic Development
COGTA	Department of Cooperative Governance and Traditional Affairs	**LOGIS**	Logistical Information System
COGHSTA	Department of Cooperative Governance Human Settlements and Traditional Affairs	**MAA**	Mpumalanga Appropriation Act
CSD	Central Supplier Database	**M&E**	Monitoring And Evaluation
DORA	Division of Revenue Act	**MEC**	Member of Executive Council
DPSA	Department of Public Service and Administration	**MEGA**	Mpumalanga Economic Growth Agency
DPWRT	Department of Public Works Roads and Transport	**MER**	Mpumalanga Economic Regulator
DTI	Department of Trade and Industries	**MERRP**	Mpumalanga Economic Recovery and Reconstruction Plan
EDD	Electricity Document Delivery	**MFMA**	Municipal Finance Management Act, 2003 (Act No. 56 of 2003)
EHW	Employee Health and Wellness	**MPL**	Member of Provincial Legislature
ERMF	Enterprise Risk Management Framework	**MPT**	Mpumalanga Provincial Treasury
EU	European Union	**MTEC**	Medium Term Expenditure Committee
EXCO	Executive Council	**MTEF**	Medium Term Expenditure Framework
FRP	Financial Recovery Plan	**MTPA**	Mpumalanga Tourism and Parks Agency
GDP	Gross Domestic Product	**MTSF**	Medium Term Strategic Framework
OTP	Office of the Premier	**NFAST**	National First Aid and Safety Training
PAIA	Promotion of Access to Information Act, 2000 (Act No. 2 of 2000)	**NSG**	National School of Government
PAJA	Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000)	**NT**	National Treasury

PAMA	Public Finance Management Act, 2014 (Act No. 11 of 2014)	**OAG**	Office of the Accountant General
PERSAL	Personnel Salary System	**OHS**	Occupational Health and Safety
PFMA	Public Finance Management Act, 1999 (Act No. 1 of 1999)	**ORW**	Other Remunerative Work
PGDP	Provincial Growth and Development Plan	**ORW**	Outstanding Resource Water
PILIR	Policy on Incapacity and Ill Health Retirement	**SALGA**	South African Local Government Association
PINK Programme	Procurement Infrastructure Knowledge Management	**SARB**	South African Reserve Bank
PMDS	Performance Management and Development System	**SARS**	South African Revenue Service
PMTCT	Prevention of Mother to Child Transmission	**SCM**	Supply Chain Management
POPIA	Protection of Personal Information Act, 2013 (Act No. 4 of 2013)	**SCOPA**	Select Committee on Public Accounts
PPP	Public Private Partnership	**SDIP**	Service Delivery Improvement Plan
PPPFA	Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000)	**SEDA**	Small Enterprise Development Agency
PPPFR	Preferential Procurement Policy Framework Regulations, 2022	**SHEQ**	Safety Healthy and Environment Quality
PRMF	Provincial Risk Management Framework	**SITA**	State Information Technology Agency
PSA	Public Service Act, 1994 (Proclamation No. 107 of 1994)	**SLA**	Service Level Agreement
PSA	Public Service Association	**SMME**	Small Medium and Micro Enterprises
PSCBC	Public Service Commission's Bargaining Council	**SMS**	Senior Management Services
PSDF	Provincial Spatial Development Framework	**TR**	Treasury Regulations, 2005
PSR	Public Service Regulations, 2016	**TVET**	Technical vocational education and training
PSRF	Public Sector Risk Management Framework	**PYEI**	President Youth Employment Initiative
PSWMW	Public Service Women Management Week	**REMC**	Risk and Ethics Management Committee
		SAIPA	South African Institute of Professional Accountant

PART A
OUR MANDATE

1. Updates to the Relevant Legislative and Policy Mandates

1.1. Constitutional Mandate

The Provincial Treasury derives its constitutional mandate mainly, but not limited, from Chapters 6 and 13 of the Constitution of the Republic of South Africa, 1996. There have been no updates on the constitutional mandate of the Provincial Treasury, including mandates in Chapter 6 and 13.

1.2. Legislative and Policy mandates

The Provincial Treasury derives its mandate, but not limited, from the following legislation

Constitution of the Republic of South Africa, 1996	The Constitution is the supreme law of the Republic of South Africa. It provides the legal foundation for the existence of the Republic and no other law may be in conflict with it. It further sets out the rights and duties of its citizens, and defines the structure of the Government
Broad Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)	To establish a legislative framework for the promotion of black economic empowerment; to empower the Minister to issue codes of good practice and to publish transformation charters; to establish the Black Economic Empowerment Advisory Council; and to provide for matters connected therewith.
Division of Revenue Act (DORA)	The Act is passed annually to provide for the equitable division of revenue anticipated to be raised nationally among the national, provincial and local spheres of government for that particular financial year; it further makes provision for determination of each province's equitable share; allocations to provinces, local government and municipalities from national government's equitable share; provides for the responsibilities of all three spheres and provide for the reporting requirements for allocations pursuant to such division and allocations
Government Immovable Asset Management Act, 2007 (Act 19 No. of 2009) (GIAMA)	This Act provide for a uniform framework for the management of an immovable asset that is held or used by a National or Provincial Department; to ensure the coordination of the use of an immovable asset with the service delivery objectives of a National or Provincial Department; to provide for issuing of guidelines and minimum standards in respect of immovable asset management by a National or Provincial Department; and to provide for matters incidental thereto
Mpumalanga Appropriation Act	The Act is passed annually to • provide for the appropriation of money from the Provincial Revenue Fund for the requirements of the Province for each financial year in question; • prescribe conditions for the spending of funds withdrawn for the following financial year before the commencement of the Act for each financial year in question; and • Provide for matters incidental thereto.
Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA)	This Act secures sound and sustainable management of the financial affairs of municipalities and other institutions in the local sphere of government; establishes treasury norms and standards for the local sphere of government; and to provide for matters connected therewith.

Mpumalanga Adjustments Appropriation Act	The Act is also passed annually and it effects adjustments to the appropriation of money from the Provincial Revenue Fund for the requirements of the Province in respect of a financial year in question and to provide for matters incidental thereto.
Preferential Procurement Policy Framework Act, 2000, (Act No.5 of 2000) (PPPFA)	The Act gives effect to section 217(3) of the Constitution by providing a framework for the implementation of the procurement policy contemplated in section 217(2) of the Constitution; and to provide for matters connected therewith.
Preferential Procurement Policy Framework Regulations, 2022	The Preferential Procurement Regulations in terms of the PPPFA were gazetted in November, 2022 and repeal the 2017 Regulations. The purpose of the 2022 Regulations is to: • comply with section 217 of the Constitution on procurement of goods and services by organs of state; • comply with the PPPFA of 2000; and • comply with transitional arrangements in terms of the Constitutional Court judgement of February 2022.
Promotion of Access to Information Act, 2000 (Act No. 2 of 2000) (PAIA	The Act gives effect to the Constitutional right of access to any information held by the State and any information that is held by another person and that is required for the exercise or protection of any rights; and to provide for matters connected therewith.
Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000) (PAJA)	The Act serves to give effect to the right to administrative action that is lawful, reasonable and procedurally fair and to the right to written reasons for administrative action as contemplated in section 33 of the Constitution of the Republic of South Africa, 1996, and to provide for matters incidental thereto.
Protection of Personnel Information Act, 2013 (Act No. 4 of 2013) (POPIA)	**POPIA** aims to: Promote the protection of personal information processed by public and private bodies; Introduce certain conditions so as to establish minimum requirements for the processing of personal information; Provide for the establishment of an Information Regulator to exercise certain powers and to perform certain duties and functions in terms of this Act and the Promotion of Access to Information Act, 2000; Provide for the issuing of codes of conduct; Provide for the rights of persons regarding unsolicited electronic communications and automated decision making; Regulate the flow of personal information across the borders of the Republic; and provide for matters connected therewith

Public Finance Management Act, 1999 (Act 1 No. of 1999) (PFMA	This Act regulates financial management in the national and provincial spheres of government; it further ensures that all revenue, expenditure, assets and liabilities of those spheres governments are managed efficiently and effectively; also provides for the responsibilities of persons entrusted with financial management in those governments; the Treasury and to provide for matters connected therewith
Public Service Act, 1994 (Act No. 103 of 1994) as amended (PSA)	The Act makes provision for the organisation and administration of the public service of the Republic, the regulation of the conditions of employment, terms of office, discipline, retirement and discharge of members of the public service, and matters connected therewith
Public Service Regulations, 2016 as amended	The Public Service Regulations, 2016 were issued in terms of and in compliance with section 41 of the Public Service Act, No. 103 of 1994
Public Administration Management Act, 2014 (Act No. 11 of 2014) (PAMA)	**PAMA seeks to:** Promote the basic values and principles governing the public administration referred to in section 195(1) of the Constitution; Provide for the transfer and secondment of employees in the public administration; Regulate conducting business with the State; Provide for capacity development and training; Provide for the establishment of the National School of Government; Provide for the use of information and communication technologies in the public administration; Establish the Public Administration Ethics, Integrity and Disciplinary Technical Assistance Unit; Provide for the Minister to set minimum norms and standards for public administration; Establish the Office of Standards and Compliance to ensure compliance with minimum norms and standards; Empower the Minister to make regulations; and provide for related matters
State Liability Act, 1957 (Act No. 20 of 1957)	The Act consolidates the law relating to the liability of the State in respect of acts of its servants.
Treasury Regulations, 2005	The Treasury Regulations were issued in compliance and in terms of Section 76 of the Public Finance Management Act, No. 1 of 1999.

From the list of legislation in the table above and for the period under review, there were updates by way of amendments to the Public Service Regulations, 2016 with notices having been published on 20 and 27 October 2023 respectively and effective from 1 November 2023. The DPSA has since commenced with the process of issuing directives to implement the said amendments.

1.3. Policy Mandate

Department Of Public Service Administration (DPSA)

- **DPSA Directive on the Implementation of Control Measures aimed at assisting Executive Authorities in Managing Fiscal Sustainability during the process of creating and filling vacant posts in Departments of 01 October 2023:** This Directive outlines control measures to be implemented on PERSAL and PERSOL to support Executive Authorities to operate within the MTEF and financial ceilings for their departments, when creating and filling vacant posts.

- **DPSA Circular No 07 Of 2024 of 1 March 2024, on the Clarification About The Signing Of Performance Agreements By Heads Of Department And Members Of The Senior Management Service In The Event A National Election And Provincial Election Occurs Within The First Three Months Of The Financial Year:** The Circular seeks to remind Departments on the processes of performance management for SMS members during election processes happening with the first 3 months of the financial year to the effect that SMS members are required to sign their and submit their performance agreements within 3 months after the election month. To this end for the 2024/25 performance cycle, the due date for submitting performance agreement for SMS members is on or before 31 August 2024.

- **DPSA Circular No. 06 of 2024 of 21 February 2024 on the Implementation of the Directive on Human Resources Management and Development for Public Service Professionalization: Volume 1:** The Circular seeks to implement the directive on the Human Resources Management development for the Public Service Professionalisation.

- **DPSA Directive on Compulsory Training Programmes for the Public Service of 23 September 2023:** the directive seeks to define compulsory training for employees, ensure that these training is prioritised and also outlines training modalities and payment processes thereof.

2. UPDATES TO INSTITUTIONAL POLICIES AND STRATEGIES

There were no updates on institutional policies and strategies

3. UPDATE ON RELEVANT COURT RULINGS

The were no new court rulings and/or updates to relevant court rulings

PART B
OUR STRATEGIC FOCUS

1. Situation Analysis

1.1. External Environment Analysis

The economic landscape and prospects nationally and provincially, are looking quite better than a year ago. Some positive developments during 2024 included the significant improvement in the power supply, the much lower inflation rate and meaningful job creation in the third quarter of 2024.

But, there are still several challenges remaining that must be addressed by the public and private sector together, which include logistical, infrastructure and skills challenges, as well as the low economic growth and high unemployment, poverty and inequality. We should also take note of the weaker global growth and geo-political risks in some parts of the world, including the Middle East.

Mpumalanga as the fourth largest economy in South Africa is an important role-player in the South African economy. The size of the economy is now more than 10 times higher than in 1994 and we employ also 2 times more people, as 30 years ago. The provincial economy in line with the national economy, did however, not perform well in 2023 and 2024. The 2030 economic growth target is 5%. A realistic growth target for the next 3-4 years will be however, 2% to 3% per annum, if one looks at the low average annual economic growth rate of Mpumalanga the last 10 years.

According to growth projections, the forecasted provincial growth between 2024 and 2028 will be just below 2% per annum. The highest growth rates in this period, is expected in the transport & communication industry, finance, as well as construction and trade. Other key industries with potential for high economic growth, include agriculture & agro-processing, as well as manufacturing and tourism. This will also impact positively on job creation in the province.

Just a reminder that Mpumalanga has shown before the 2008/09 global financial crisis and recession, it has the potential to grow the economy by more than 4% per annum. The importance of tourism as a key economic and job driver of the province should also be highlighted. Mpumalanga is the second most visited province by international tourists. Stability in Mozambique is however, of critical importance because the largest share (60%) of foreign arrivals to our province, originate from this neighbouring country.

From a job creation point of view, Mpumalanga performed very well in Q3 2024 according to the Q3 Quarterly Labour Force Survey (QLFS) of Stats SA. The net job gains were almost 50 000 jobs where high job gains of key industries such as manufacturing, construction and finance, can be highlighted. The Q3 2024 employment level of 1.24 million was however, 4 583 jobs less than the number employed in Q1 2020 (before COVID).

The provincial unemployment rate was 36.2% in Q3 2024, which was lower than the 37.4% recorded in Q2 2024, but higher than the 35.5% recorded 12 months earlier. The 2030 target is a 6% unemployment rate in line with the National Development Plan (NDP). To achieve that, the province will need to create 100 000 new and sustainable jobs for our people every year, up to 2030.

There is a concern about the very high female unemployment rate of 38.5% and especially the youth (15-34 years) unemployment rate of 50%. The youth (18-24 years) unemployment rate is even higher at 63.8%. This is a top priority of Government and all our social partners, including the business sector. It is important that the young people have the right qualifications and skills to be employable in the labour market. The good news is that the provincial graduate unemployment rate declined significantly between Q2 and Q3 of 2024.

Industries with high potential for job creation (due to relatively high economic growth, high labour intensity, relevant economic projects etc.) in the next couple of years, include agriculture & agro-processing (Mpumalanga International Fresh Produce/Food Market for example), manufacturing (roll-out of the Mpumalanga industrial development plan), construction (infrastructure projects), the trade industry (tourism, SMME's, including the informal sector for example) and finance (including business services).

More jobs will translate into lower poverty and for people to become less dependent on grants from Government. At the moment there are 1.64 million social assistance grants in Mpumalanga of which 73.5% are child support grants. There was a detail discussion in the Legislature the end of 2024 regarding the solutions and plans to eradicate the high poverty of Mpumalanga, which is also a top priority of the Seventh Government Administration.

The current 51.7% provincial poverty rate (lower bound poverty line) must be taken down to 0% as indicated in the NDP (National Development Plan). According to National Treasury there are 877 035 poor households in the province, which is more than 60% of the households in Mpumalanga. The advice of the National Income Dynamics Study (NIDS) is very relevant and valuable regarding poverty in our country, "through education & training individuals become more employable & higher levels of education often result in better paying jobs".

The three Medium Term Development Plan (MTDP) strategic priorities will be very relevant for Government the next couple of years. If it is about the economy, the focus will be very much on priority 1: inclusive economic growth and job creation. Government and all its social partners will work very closely to achieve all the economic targets. Also, not only identifying the critical success factors in this regard, but implementing it together.

Within the context of Just Energy Transition of which Mpumalanga will be the central point, a provincial economic diversification, as well as job creation strategy, is crucial in the success of the Mpumalanga economy in the next couple of years. In this regard, the World Bank and the PCC (Presidential Climate Commission) are working closely with the Province to ensure sustainable provincial economic growth and job creation.

The importance of catalytic projects in the province can also be highlighted. Evidence-based research has shown that infrastructure projects and expenditure has high GDP (gross domestic product) and employment multipliers, contributing to high economic growth and job creation on a large scale, due to the high labour intensity of the construction industry. The MIMP (Mpumalanga Infrastructure Masterplan) up to 2060, will change not only the infrastructure, but also economic landscape of Mpumalanga.

The Provincial Budget and budgets of Municipalities, should take the Census 2022 population, household and household services data into account. It is projected that the 5.1 million people in Mpumalanga will increase to 6.1 million in 2030 and eventually to more than 11 million in 2060. This will have implications from an infrastructure, household services, education and health, as well as economic/employment opportunities point of view. The 3 largest populations are/will be in the Ehlanzeni District – City of Mbombela, Bushbuckridge and Nkomazi. Thembisile Hani will be soon the 4th largest population in the province.

DISASTER MANAGEMENT

Hon Premier, in the SOPA 2024 highlighted the impact the provincial catastrophic disasters which tormented the province. Mpumalanga Province has become prone to inclement weather which has unfortunately caused the loss of lives, damage to properties as well as infrastructure. These losses have incurred more than R3bn of damages which had to reported to the National Government for financial assistance after disaster declarations

The aftermath has left scars and a trail of catastrophes behind, and in response to coordinate preventative risk reduction measures in an attempt to ensure that minimal life threating risks are encountered, Provincial Treasury have developed a Business Continuity Plan. The overall objective of plan (BCP) is to mobilise all key government resources to ensure that there is enough capacity to resume critical functions effectively in the event of a disruption. The plan aims to accomplish the following objectives: Operations continuity assurance during disruption; Improved mitigation of risks; and Robust platforms continued operations.

The Department as a provider of IT Services to the Province has an IT Disaster recovery plan that includes access to Transversal Systems. IT does daily back-ups of information stored on servers and these back-ups are tested regularly. As part of the disaster recovery plan the department has hot and cold sites available for access to transversal systems. Together with SITA the Transversal Systems are tested Bi-Annually with all Departments to ensure access in case of a disaster. The department has done business impact analysis for all sections that were identified as critical. The business impact analysis has details on how each critical business process within the department would continue with business and how each unit will then recover to normal operations.

PARTNERSHIPS

The Provincial Treasury has entered into partnerships with the South African Institute of Professional Accountants with the aim to professionalise the finance managers within government. The government makes available the learning environment, SAIPA provides the means, and tools of learning, assess and certifies the competency of the officials as Professional Accountants. The plan is to involve other professional bodies in relation to risk management, auditing, and supply chain management.

AUDIT OUTCOMES

Provincial Departments Audit Outcomes

The PFMA audit outcomes improved from 2022/23 to 2023/24 financial year as the unqualified audit opinions with matters increased from 8 to 10 and the qualified audit opinions decreased from 3 to 2 in 2022/23.

2023/24 overview of the PFMA audit outcomes: as follows

Clean audit outcomes

- **4** Institutions, namely; **2** Departments and **2** Public Entities reflected clean audit outcomes; namely: **Provincial Treasury (PT), CoGTA Mpumalanga Economic Regulator (MER)** and **Mpumalanga Tourism and Parks Agency (MTPA)**

Unqualified with matters

- **8** received unqualified audit opinion (with matters) and these are: 7 Departments: **OTP, DSD, DoE, DEDT, DARDLEA, DHS, PWRT, DoH,** and **1** Public Entity: **Mpumalanga Economic Growth Agency (MEGA)**

Qualified

- **2** deparments, namely **DCSR and DCSSL**

Municipalities Audit

There was an improvement in the audit outcomes from the 2022/23 financial year viz-a-viz the 2023/24 financial year. The Adverse audit opinions decreased from 1 to 0 while the unqualified audit opinions increased from 7 to 8.

2023/24 overview of the MFMA audit outcomes: as follows:

Unqualified with no findings

- 2 District Municipalities, namely Ehlanzeni and Nkangala DMs, retaining the 2022/23 status

Unqualified with findings

- 8 municipalities compared to 7 in 2022/23, and these are: **Bushbuckridge, City of Mbombela, Nkomazi., Dr Pixley ka Isaka Seme, Mkhondo, Emalahleni and Thembisile Hani**

Qualified with findings

- **10 Municipalities:** Thaba Chweu LM, Chief Albert Luthuli, Dipaleseng, Govan Mbeki, Msukaligwa, Lekwa, Emakhazeni, Steve Tshwete, and Victor Khanye

Adverse findings

- None in 2023/24

Merger of Department of Coorporate Governance and Traditional Affairs with Department of Human Settlement (COGHSTA)

The merger of two departments, namely Co-operative Governance and Traditional Affairs (COGTA) and Human Settlements into one entity has been proclaimed. The plan for the merger was announced by the Premier during the opening of the Provincial Legislature in July 2024, and sought to address the silo effect of building human settlements without bulk infrastructure. Since then a proclamation has been published in the National Gazette, in November 2024. It gives effect to the new name of the department of Cooperative Governance, Human Settlement and Traditional Affairs (COGHSTA)

From 2025/26 the two budgets will be combined and will fall under one department called Cooperate Governance Human Settlement and Traditional Affairs

Municipal Finance Interventions

Sound financial management is integral to the success of local government. Ensuring sound financial management, accounting, and prudently manage resources so as to sustainably deliver services and bring development to communities. Support for municipalities continued through the placement of resident advisors to boost capacity and strengthen financial management, accountability and reporting until 2026. In the past this has happened because many municipalities lack the technical skills and resources required to meet people's needs.

These municipalities are Emalahleni, Victor Khanye, Thaba Chweu, Govan Mbeki, Msukaligwa and Nkomazi. These placements assisted Dr Pixley ka Isaka Seme and Mkhondo to improve their audit outcomes. Our support will continue to improve standard operating procedures in SCM Asset Management and Contract Management; revenue management and ensure that budgets meet the legislative requirements.

The Provincial Treasury is working with municipalities to improve their capacity, especially in respect of financial management and improving compliance with the Municipal Finance Management Act (MFMA). These efforts will help to address the phenomenon of unfunded budgets and the breakdown in basic service delivery, in addition to the work necessary to deal with political dysfunction.

All municipalities were supported with the assessment of their draft 2024/25 budget. 11 Municipalities with unfunded budgets were supported to develop budget funding plans. Eleven (11) Municipalities adopted unfunded budget for the 2024/25 financial year, Thaba Chweu, Nkomazi Emalahleni, Emakhazeni, Victor Khanye, Lekwa, Govan Mbeki, Msukaligwa, Dipaleseng, Mkhondo and Dr Pixley Ka Isaka Seme). Only nine (9) municipalities adopted funded budgets i.e. (Thembisile Hani, Dr JS Moroka, Nkangala, Ehlanzeni, Gert Sibande, Chief Albert Luthuli, Steve Tshwete, Bushbuckridge and City of Mbombela)

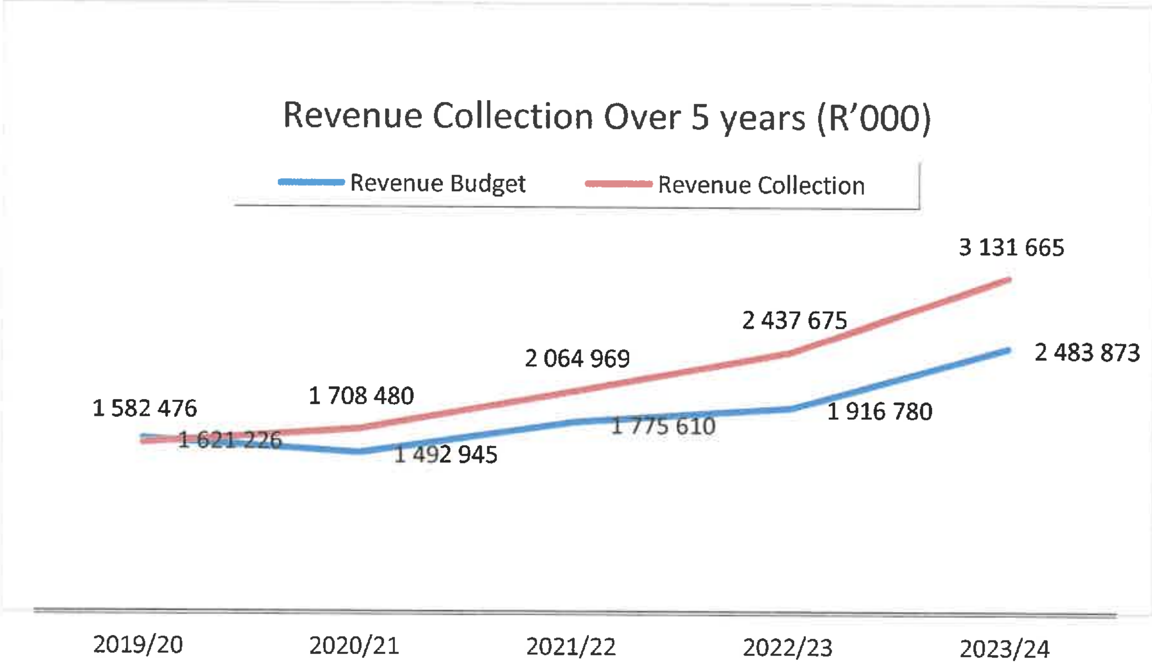
The key priority areas identified for support to municipalities currently known as the “game changers” are:

- Support towards funded budgets,
- Improvement for revenue management,
- Support towards compliance in Supply Chain Management,
- Improvement over asset management, and
- Improvement in audit outcomes.

Municipalities are currently developing their audit action plans online using this web-enabled system. Reporting on progress will also be done online. This will improve the management and oversight over implementation of the audit action plans.

The unit together with National Treasury is still continuing to roll out training workshops on the tariff tool and budget process. The unit Municipal Finance is also currently assisting the unfunded municipalities with the debt relief reporting on a monthly basis, monitor the development and implementation of the prepaid conversion programme towards compliance. Support municipalities with the collection of outstanding government debt.

Provincial Own Revenue Collection



The Provincial revenue collection is critical to augment the service delivery programmes. The provincial revenue collection has been strong despite the health crisis of 2020, and the prevailing cost of living economic crisis. While the Provincial Revenue stream contributes less than 4% per cent of the total budget source in 2024/25, it is an important financing policy area. It provides the provincial government with an excellent discretionary element that enables speedy response to province-specific service delivery.

Provincial Departments collected R3 billion at the end of January 2024 (ten months) against the 2023/24 annual target of R2.8 billion. This indicates and consistent improved performance compared to the same period in the over the past financial years.

The provincial own receipts are projected to increase from R2.4 billion in 2023/24 to R2.8 billion in 2024/25 as the province continues to implement best practices in terms of own revenue management. We will continue to monitor revenue collection in departments and public entities and provide the necessary support to grow the provincial revenue base.

The province has resumed licensing functions, away from some municipalities to enhance the collection and retention capabilities in own revenue.

Major Revenue Contributors

Overall, the revenue collection has grown by 97.9% from 2019/20 to 2023/24

- **Motor Vehicle Licences**
  - Contributed 54% of revenue collection, with a growth of 28.2%
- **Horse Racing Taxes**
  - Contributed 15% of revenue collection, with a growth of 1356% in 5 years
- **Interests on Investments and Bank Balances**
  - Contributed 12% of revenue collection, with a growth of 341%

Provincial Supply Chain Management

The Supply Chain Management (SCM) function is one of the conduits through which Government should achieve its service delivery and developmental objectives in a sustainable manner. With the planned outputs, the priority will be on awarding of contracts for services of the Provincial Treasury to previously disadvantage groups with focus on women, youth and people living with disabilities. This commitment was reiterated in the Provincial Budget Speech 2024/25 in pursuit of transformative procurement targets, as the Mpumalanga Provincial Government, intended to use public procurement to promote economic participation in order to transform ownership of the means of production. In this regard, 30% of the provincial procurement spend shall be set aside for enterprises owned by women, youth and people with disabilities.
The new Public Procurement Bill is currently undergoing public participation. Once passed, it will create an enabling policy environment that will raise the bar on transformative procurement in the coming years.

***Outcome 5:** Cross-cutting issues: Mainstreaming of gender empowerment, youth, persons with disabilities, older persons and military veterans: 30% bid spending*

Designated Groups	Total Spend for Quarter 3: R 4.08 Billion		
	Total Spend Designated Groups	**No of Suppliers**	**Spend Trend %**
Women	R 803.68 million	717	19.71%
Youth	R 661.22 million	568	16.21%
PWDs	R 6.82 million	18	0.17%
Military Veterans	R 36.02 million	08	0.88%
Total	**R 1 507.74 billion**	**1 311**	**36.97%**

Recommendation(s) Improve spending for all the targeted groups as per policy imperative – Women (40%), Youth (30%) and Persons with Disabilities (7%)

Eradicating poverty, inequality and unemployment is as urgent today, if not more so, as it was at the dawn of our democracy nearly 30 years ago.

In an effort to achieve Priority 3 of "**A Capable, Ethical and Developmental State"** with focus on the outcome Improved Governance and, our priorities for the MTDP period 2025/26 – 2028/29 are decisively to:

- **Improve audit outcomes for both Provincial and Local government Institutions**
- **Improve credible funded budgets**
- **Support Municipalities on reducing Eskom debt**
- **Monitor Government Debt (Department, Public Entities owing Municipalities)**
- **Digitalisation public service**
- **Cross cutting:** "Mainstreaming of gender, empowerment of youth, persons with disabilities and military veterans"

1.2. Internal Environment

The **Provincial Treasury** has an approved organisational structure of 433 posts. The process of revising the current organisational structure was completed and submission forwarded to the Office of the Premier, the Provincial Treasury is awaiting approval thereof.

At the end of 31st January 2024/25 Financial Year, the Provincial Treasury operated with a total of 335 warm bodies, which comprises of 301 permanent posts and 86 developmental programme inclusive of interns and learners. The overall vacancy rate as per posts on the approved organisational structure is at 30.48% based on 132 vacant posts against the total posts of 433.

Posts in the Approved Organogram	Vacant Posts as per Approved Organogram	Filled Posts
433	132	301

The organisational structure of the Provincial Treasury currently makes provision for four Programmes:

Administration: is responsible for political, financial, administrative management and support. The other three programmes focus on Treasury functions, which are sustainable resource management, assets and liabilities management and financial governance. The Provincial Treasury operates in both the PFMA and MFMA environments.

With the planned outputs, the priority will be on awarding of contracts for services of the Provincial Treasury to previously disadvantage groups with focus on women, youth and people living with disabilities. Through effective and efficient service, the Provincial Treasury will achieve the planned outcome of improved financial performance and governance within the PFMA and MFMA institutions leading to the impact of financially viable government institutions.

The aim of the **Sustainable Resource Management Programme** is to efficiently and effectively manage provincial fiscal resources towards achieving inclusive growth and improving living standards. The programme is key in the delivery of services by provincial and local governments, as the allocating engine of the province. The programme seeks to ensure that the provincial government resources are optimised both during collection and the spending thereof.

The Provincial Treasury will continue to support Provincial Departments in maximizing collection and generation of own revenue through training workshops, revenue forums and monitoring of cash offices. Attention will be given to major collecting departments to grow the Province's own revenue base. The motor vehicle tariffs are gradually being increased (Road Traffic Act Fees), to be in line with the national rates. The province will continue to explore other ways of making vehicle license renewal easier and convenient to the public. Provincial Treasury has however, been affected by several threats, which include and are not limited to the following:

- Misuse of or negligence on revenue collecting centres by departments
- Fiscal leakages on revenue collecting Departments

- Unreliable cash flow and own revenue projections from departments which affects the transfer of cash to Departments

Municipal Finance was conceptualized and was established to deal with municipal budgets only. In order to improve public confidence and transparency in municipal budgeting and reporting, the Provincial Treasury supported municipalities to implement the Municipal Standard Chart of Accounts (MSCOA). The introduction of MSCOA ensures consistency in recording of financial information and makes it easier for communities to hold all spheres of government accountable for spending of public funds. The financial viability of some municipalities remains an area of concern. Support programmes have been developed to assist local municipalities to improve on cash flow management, revenue management, expenditure management, SCM, contract management and asset management.

Infrastructure delivery in the province has seen numerous challenges in the political, economic, social, technological, environmental and in legal environment. Changes in political leadership has effects on infrastructure delivery. Leadership instability resulting in senior position to remain unoccupied, having a knock-on effect to decision-making and infrastructure delivery. The Infrastructure Coordinating Unit is in progress with LG IDMS inductions. Political buy-in on the IDMS is important however, the change in leadership hinders buy-in from politicians and influences the acceleration of infrastructure delivery. In recent times, the increase of inflation has resulted in increasing costs of construction materials and thus infrastructure projects. On the upside, high inflation has allowed for more competitive bids. The Infrastructure Coordination Unit participates in the gateway review committee as a risk mitigation measure against variation order.

The **Assets and Liabilities Management Programme** supports all government priorities by monitoring the utilisation of resources allocated to Provincial Departments, Public Entities and Municipalities. The Programme is responsible for supply chain, assets and liabilities management and the management of the transversal systems and information technology in Provincial Departments.

Oversight over compliance with SCM policies, procedures, norms and standards will continue. Over the past years, the programme focused on improving compliance to reporting provisions as set out by National Treasury including on monitoring the payment of suppliers within 30 days in Departments, municipalities and Public Entities, training of practitioners in all spheres of government and creation and establishment of bid committees. There has been improvement with regard to compliance on the submission of reports, which includes procurement plans, and the 30 days' payment of suppliers after receipt of valid invoices. All twelve votes, four public entities and nineteen municipalities submitted their procurement plans on time and the Provincial Treasury monitors adherence on a monthly basis. Similarly, there is improvement in the payment of suppliers within 30 days after receipt of an invoice; however, there are challenges in the Departments of Health, MTPA and MEGA as these institutions are not paying within specified timelines, which add to accruals at year end.

There is a need for the Provincial Treasury to improve its systems to enhance the support to Provincial Departments, Municipalities and Public Entities on sound financial and administrative management, efficient and effective management and operations systems and procurement systems that deliver value for money. The Provincial Treasury will continue providing support on the utilisation of Transversal Systems to all departments. In this regard a business process automation has been introduced to move away from manual processes where electronic leave management, invoice tracking system, automation of financials statements, contract management and Electronic Document Delivery tool were implemented.

The Provincial Treasury will continue to collaborate and work in partnership with various stakeholders to ensure that improved access to services for the people of the province. An exploration of bringing closer stakeholders such the Small Enterprise Development Agency (SEDA), National Youth Development

Agency (NYDA), South African Revenue Service (SARS) and others. This intervention will result with an increased ability to bring services closer to where they are most needed whilst stakeholders are complimenting each other taking into account the limited staff numbers. With the planned outputs, the priority will be on awarding of contracts for services of the Provincial Treasury to previously disadvantage groups with focus on women, youth and people living with disabilities and military veterans.

ICT Strategy Initiatives

Over the next five years, Provincial Treasury will focus on modernizing and optimizing operations to enhance efficiency, service delivery and collaboration across departments. The department will drive the adoption of advanced technologies through digitization, digital on boarding and cloud infrastructure initiatives to improve financial management, procurement, human resources, general public services management and ICT governance.

Key priorities will include automating recruitment processes, rolling out an e-sourcing system, adopting cybersecurity frameworks and enhancing interdepartmental information management and communication through collaboration platforms.

Additionally, the department will continue to provide essential services to votes and municipalities, including but not limited to web development, IT services hosting, IT governance, network connectivity and IT support services. These efforts aim to improve service delivery, enhance security and ensure seamless operations within the department and across all linked departments and entities.

These ICT services and solutions will act as catalysts in executing this strategy and effectively achieving its goals.

In the **Financial Governance Programme,** the increasing mandates and number of institutions, which need to be serviced, the Human Capital is a challenge considering that the Mpumalanga Provincial Treasury structure is not aligned to the recommended Provincial Treasury structures issued by National Treasury, which aligns Provincial Treasuries to the National Treasury mandates.

One of the most topical and concerning issues affecting South Africa and its economic development prospects is the need to address governance shortcomings. To deal with this, Provincial Treasury needs strong and effective institutions, strong legislation and early warning systems. The Units in the Provincial Treasury were originally created based on the support to Departments and Public Entities and with the delegation of 19 Municipalities from the National Treasury to the Provincial Treasury, this mandated was extended, which places a heavier burden on the officials to perform.

EXPENDITURE ESTIMATES OF PROVINCIAL TREASURY

Programme	Audited Outcomes			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-Term Expenditure Estimate		
R Thousand	2021/22	2022/23	2023/24	2024/25			2025/26	2026/27	2027/28
Administration	107 956	131 413	140 117	148 269	157 948	157 948	167 117	176 313	186 791
Sustainable Resource Management	82 149	70 369	95 878	82 847	76 716	76 716	86 413	91 802	97 508
Assets & Liabilities Management	213 539	228 579	282 012	295 846	320 826	320 826	358 913	421 241	435 228

Programme	Audited Outcomes			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-Term Expenditure Estimate		
R Thousand	**2021/22**	**2022/23**	**2023/24**	**2024/25**			**2025/26**	**2026/27**	**2027/28**
Financial Governance	30 061	49 436	25 615	33 216	30 888	30 888	35 051	37 534	40 073
Sub-Total	**433 705**	**479 797**	**543 622**	**560 178**	**586 378**	**586 378**	**647 494**	**726 890**	**759 600**
Direct Charge Against the Revenue Fund (Included in Programme 1)									
Total									
Economic Classification									
Current Payments	**377 094**	**414 760**	**490 185**	**528 970**	**545 321**	**545 305**	**615 513**	**694 980**	**726 256**
Compensation of Employees	**190 656**	**198 620**	**208 429**	**254 618**	**236 344**	**236 328**	**282 950**	**303 066**	**323 859**
Salaries and wages	165 045	172 224	179 874	218 159	203 692	203 676	242 407	259 559	277 167
Social contributions	25 581	26 396	28 555	36 459	32 652	32 652	40 543	43 507	46 692
Goods and Services of which	**186 448**	**216 140**	**281 756**	**274 352**	**308 977**	**308 977**	**332 563**	**391 914**	**402 397**
Administrative fees	401	808	917	1 143	1 763	1 763	1 390	1 440	1 502
Advertising	730	1 362	1 304	1 222	2 665	2 665	1 333	1 393	1 456
Minor Assets	146	677	311	244	174	174	177	185	193
Audit Costs: External	4 477	6 636	6 360	7 022	5 118	5 309	6 933	7 251	7 577
Catering: Departmental Activities	370	968	858	1 334	1 768	1 817	1 347	1 257	1 310
Communication	4 806	5 367	7 646	6 390	6 923	6 611	7 290	7 964	8 321
Computer services	134 463	131 196	186 589	186 927	201 832	201 832	254 511	300 623	307 004
Consultants and prof services	6 914	25 146	9 219	20 118	6 765	6 765	19 133	19 995	20 895
Infrastructure Planning	-	-	-	-	-	-	-	-	-
Legal Fees	-	-	-	82	5	5	90	94	98
Contractors	2 659	2 049	20 846	7 824	15 772	15 777	3 504	3 662	3 826
Agency and support	12	-	-	61	31	31	67	70	73
Government Transport	2 549	2 874	2 462	1 838	3 412	3 481	2 006	2 098	2 192
Inventory Materials & Supply	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable Supplies	2 787	1 914	4 317	1 401	3 589	3 292	1 615	1 644	1 718
Consumable: Stationery	1 783	1 192	3 428	1 571	2 792	2792	1 719	1 799	1 880
Operating Leases	7 649	7 875	8 129	8 787	8 816	8 816	9 627	10 070	10 523
Property Payments	6 406	4 824	7 103	5 024	8 527	8 527	5 486	5 738	5 996
Transport provided	-	20	48	170	99	99	117	122	128
Travel & subsistence	7 757	17 580	17 405	16 060	27 614	27 799	17 959	18 770	19 616
Training	1 171	1 468	1 829	4 674	4 402	4 402	4 477	4 686	4 898
Operating Payments	537	2 259	959	1 069	2 821	2 833	1 272	1 332	1 392

Programme	Audited Outcomes			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-Term Expenditure Estimate		
R Thousand	2021/22	2022/23	2023/24	2024/25			2025/26	2026/27	2027/28
Venues	831	1 925	2 026	1 391	4 089	4 187	1 510	1 721	1 799
Rental and hiring	-	-	-	-	-	-	-	-	-
Transfers and Subsidies to:	**38 279**	**17 242**	**32 682**	**4 740**	**11 989**	**12 005**	**4 327**	**2 984**	**3 116**
Provinces and Municipalities	34 594	15 026	31 295	23	10 324	10 324	58	25	26
Departmental agencies and accounts	646	672	711	779	764	764	815	852	890
Households	3 039	1 544	676	3 938	901	917	3 454	2 107	2 200
Public corporation	-	-	-	-	-	-	-	-	-
Payment for Capital Assets:	**18 332**	**47 721**	**20 753**	**26 468**	**29 068**	**29 068**	**27 654**	**28 926**	**30 228**
Machinery & Equipment	18 332	29 318	16 848	26 468	29 068	29 068	27 654	28 926	30 228
Software and Other Intangible Assets	-	18 403	3 905	-	-	-	-	-	-
Payment for financial assets	-	74	2	-	-	-	-	-	-
Total	**433 705**	**479 797**	**543 622**	**560 178**	**586 378**	**586 378**	**647 494**	**726 890**	**759 600**
Programme	**Audited Outcomes**			**Main Appropriation**	**Adjusted Appropriation**	**Revised Estimate**	**Medium-Term Expenditure Estimate**		
R Thousand	**2021/22**	**2022/23**	**2023/24**	**2024/25**			**2025/26**	**2026/27**	**2027/28**
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Economic Classification									
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Administrative fees	401	808	917	1 143	1 763	1 763	1 390	1 440	1 502
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Programme	Audited Outcomes			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-Term Expenditure Estimate		
R Thousand	**2021/22**	**2022/23**	**2023/24**	**2024/25**			**2025/26**	**2026/27**	**2027/28**
Catering: Departmental Activities	370	968	858	1 334	1 768	1 817	1 347	1 257	1 310
Communication	4 806	5 367	7 646	6 390	6 923	6 611	7 290	7 964	8 321
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Consultants and prof services	6 914	25 146	9 219	20 118	6 765	6 765	19 133	19 995	20 895
Infrastructure Planning	-	-	-	-	-	-	-	-	-
Legal Fees	-	-	-	82	5	5	90	94	98
Contractors	2 659	2 049	20 846	7 824	15 772	15 777	3 504	3 662	3 826
Agency and support	12	-	-	61	31	31	67	70	73
Government Transport	2 549	2 874	2 462	1 838	3 412	3 481	2 006	2 098	2 192
Inventory Materials & Supply	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable Supplies	2 787	1 914	4 317	1 401	3 589	3 292	1 615	1 644	1 718
Consumable: Stationery	1 783	1 192	3 428	1 571	2 792	2792	1 719	1 799	1 880
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Transport provided	-	20	48	170	99	99	117	122	128
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Training	1 171	1 468	1 829	4 674	4 402	4 402	4 477	4 686	4 898
Operating Payments	537	2 259	959	1 069	2 821	2 833	1 272	1 332	1 392
Venues	831	1 925	2 026	1 391	4 089	4 187	1 510	1 721	1 799
Rental and hiring	-	-	-	-	-	-	-	-	-
Transfers and Subsidies to:	**38 279**	**17 242**	**32 682**	**4 740**	**11 989**	**12 005**	**4 327**	**2 984**	**3 116**
Provinces and Municipalities	34 594	15 026	31 295	23	10 324	10 324	58	25	26
Departmental agencies and accounts	646	672	711	779	764	764	815	852	890
Households	3 039	1 544	676	3 938	901	917	3 454	2 107	2 200
Public corporation	-	-	-	-	-	-	-	-	-
Payment for Capital Assets:	**18 332**	**47 721**	**20 753**	**26 468**	**29 068**	**29 068**	**27 654**	**28 926**	**30 228**
Machinery & Equipment	18 332	29 318	16 848	26 468	29 068	29 068	27 654	28 926	30 228
Software and Other Intangible Assets	-	18 403	3 905	-	-	-	-	-	-
Payment for financial assets	-	74	2	-	-	-	-	-	-
Total	**433 705**	**479 797**	**543 622**	**560 178**	**586 378**	**586 378**	**647 494**	**726 890**	**759 600**

PART C

MEASURING OUR PERFORMANCE

1. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

1.1. Programme 1: Administration

Purpose: This Programme is responsible for political, financial and administrative management of the Provincial Treasury. The Programme provides prompt, continuous, effective and efficient administrative support to all line functions in the Provincial Treasury.

The Programme consists of the following Sub-Programmes:

a) Office of the MEC
b) Management Services: Office of the Head: Provincial Treasury
c) Financial Management: Office of the CFO
d) Internal Audit

1.1.1. Sub-Programme: Office of the MEC

Outcomes, Outputs, Output Indicator and Targets

Outcome	Outputs	Outputs Indicator	Annual Targets						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Improved financial performance and governance in PFMA and MFMA institutions	Appropriation Bills	Number of Appropriation Bills tabled	3 Bills	3 Bills	N/A	N/A	2	2	2
	Policy and budget speech	Number of Policy and Budget speeches tabled	1 Statement	1 Statement	N/A	N/A	1	1	1

Output Indicator, Annual and Quarterly Targets

Output indicators	Annual Target	Q1	Q2	Q3	Q4
Number of Appropriation Bills tabled	2	N/A	N/A	1	1
Number of Policy and Budget speeches tabled	1	1	N/A	N/A	N/A

1.1.2. Sub-Programme: Management Services: Office of the Head: Provincial Treasury

Outcomes, Outputs, Output Indicator and Targets

Outcome	Outputs	Outputs Indicator	Annual Targets						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Improved financial performance and governance in PFMA and MFMA institutions	Unqualified audit opinion with no findings	Number of Annual Reports tabled	New Indicator	New Indicator	1	1	1	1	1
	Approved Risk Register	Number of Risk Registers approved	1 Register	1 Register	New Indicator	1	1	1	1

Output Indicator, Annual and Quarterly Targets

Output indicators	Annual Target	Q1	Q2	Q3	Q4
Number of Annual Reports tabled	1	N/A	1	N/A	N/A
Number of Risk Registers approved	1	N/A	N/A	N/A	1

1.1.3. Sub-Programme: Financial Management: Office of the Chief Financial Officer

Outcomes, Outputs, Output Indicator and Targets

Outcome	Outputs	Outputs Indicator	Annual Targets						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Improved financial performance and governance in PFMA and MFMA institutions	Departmental budget	Number of departmental budget implemented	New indicator	New indicator	New Indicator	2	2	2	2
	Suppliers paid within 30 days after receipt of valid invoices	Percentage of suppliers paid within 30 days after receipt of valid invoices	100%	99.9%	100%	100%	100%	100%	100%

Output Indicator, Annual and Quarterly Targets

Output indicators	Annual Target	Q1	Q2	Q3	Q4
Number of departmental budget implemented	2	N/A	N/A	1	1
Percentage of suppliers paid within 30 days after receipt of valid invoices	100%	100%	100%	100%	100%

1.1.4. Sub-Programme: Internal Audit

Outcomes, Outputs, Output Indicator and Targets

Outcome	Outputs	Outputs Indicator	Annual Targets						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Improved financial performance and governance in PFMA and MFMA institutions	Approved Internal Audit Plan	Number of Internal Audit Plans approved	1 Internal Audit Plan	1 Internal Audit Plan	1	1	1	1	1

Output Indicator, Annual and Quarterly Targets

Output indicators	Annual Target	Q1	Q2	Q3	Q4
Number of Internal Audit Plans approved	1	1	N/A	N/A	N/A

1.1.5. Explanation of planned performance over the medium term period

The Provincial Treasury remains consistent in its approach to improving organisational environment through the motion of performance excellence. It continues to make a concerted efforts to ensure that the structure is appropriate for achieving the organisation's outcome and those of the government at large. Key focus areas within the Programme include:

- Providing of policy and political directives to achieve provincial priorities;
- Translation of policies and priorities into strategies for effective service delivery;
- Implementing credible budget process to ensure sound financial and supply chain management; and
- Providing effective and efficient audit services.

Priority

- Through effective and efficient service, the Provincial Treasury will achieve the planned outcome of improved financial performance and governance within the PFMA and MFMA institutions leading to the impact of financially viable government institutions.

1.1.6. Programme Resource Considerations

Table: Budget Allocation for programme and sub-programmes as per EPRE

2.	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2021/22**	**2022/23**	**2023/24**	**2024/25**			**2025/26**	**2026/27**	**2027/28**
Member of Executive Council	-	-	-	-	6 781	6 781	11 270	11 973	12 772
Management Services	46 068	51 168	56 107	66 353	69 246	69 246	67 580	71 354	76 004
Financial Management	56 728	74 473	78 607	75 217	75 604	75 604	81 271	85 512	90 069
Internal Audit	5 160	5 772	5 403	6 699	6 317	6 317	6 996	7 474	7 946
Total	**107 956**	**131 413**	**140 117**	**148 269**	**157 948**	**157 948**	**167 117**	**176 313**	**186 791**

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2021/22**	**2022/23**	**2023/24**	**2024/25**			**2025/26**	**2026/27**	**2027/28**
Current payments	**99 125**	**109 250**	**124 109**	**130 676**	**146 819**	**146 819**	**148 472**	**158 067**	**167 725**
Compensation of employees	63 866	66 736	69 141	84 871	83 208	83 208	101 697	108 980	116 428
Goods and services	35 259	42 514	54 968	45 805	63 611	63 611	46 775	49 087	51 297
Transfers and subsidies to:	**2 136**	**1 203**	**1 279**	**1 919**	**970**	**970**	**2 269**	**1 117**	**1 166**
Provinces and Municipalities	23	26	40	23	56	56	58	25	26
Departmental agencies and accounts	646	672	711	779	764	764	815	852	890
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	1 467	505	528	1 117	150	150	1 396	240	250
Payments for capital assets	**6 695**	**20 955**	**14 727**	**15 674**	**10 159**	**10 159**	**16 376**	**17 129**	**17 900**
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	6 695	20 955	14 727	15 674	10 159	10 159	16 376	17 129	17 900
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payment of financial assets	**-**	**5**	**2**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**107 956**	**131 413**	**140 117**	**148 269**	**157 948**	**157 948**	**167 117**	**176 313**	**186 791**

2.1. Programme 2: Sustainable Resource Management

Purpose:

- Promotes optimal and effective Provincial resource allocation and utilization, efficient Provincial budget management.
- Assists with accurate financial reporting on Provincial revenue generation and maximization.
- Enhance planning; implementation and management of infrastructure by Provincial Departments and Municipalities, and lastly, it provide technical support to delegated Municipalities on the implementation of the MFMA.

The programme consists of the following Sub-Programmes:

a) Provincial Administration Fiscal Discipline
b) Budget and Expenditure Management
c) Municipal Finance
d) Infrastructure Co-ordination

2.1.1. Sub-Programme: Provincial Administration Fiscal Discipline

Outcomes, outputs, Output indicator and targets

Outcome	Outputs	Outputs Indicator	Annual Targets						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Improved financial performance and governance in PFMA and MFMA institutions	Provincial own revenue	Percentage of projected own revenue collection in the Province	0,7% (120% actual own revenue collection Own revenue amounted to R 2,043 Billion of the budget of R1,705 Billion	127%	126%	100%	100%	100%	100%

Outcome	Outputs	Outputs Indicator	Annual Targets						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	Unqualified audit opinion on revenue fund financial statements	Number of unqualified audit opinion on revenue fund financial statements	1 Set	1 Set	1	1	1	1	1

Output Indicator, Annual and Quarterly Targets

Output indicators	Annual Target	Q1	Q2	Q3	Q4
Percentage of projected own revenue collection in the Province	100%	20%	27%	26%	27%
Number of unqualified audit opinion on revenue fund financial statements	1	N/A	N/A	1	N/A

2.1.2. Sub-programme: Budget and Expenditure Management

Outcomes, outputs, Output indicator and targets

Outcome	Outputs	Outputs Indicator	Annual Targets						
			Audited/Actual performance			Estimated Performance	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Improved financial performance and governance in PFMA and MFMA institutions	Estimates of Provincial Revenue and Expenditure (EPRE) documents	Number of Estimates of Provincial Revenue and Expenditure documents Prepared	3 Documents	3 Documents	2	2	2	2	2
	Appropriation Bills	Number of Appropriation Bills Prepared	3 Bills	3 Bills	2	2	2	2	2
	Consolidated IYM reports for PFMA Institutions	Number of consolidated in-year monitoring reports issued	New Indicator	New Indicator	New Indicator	New Indicator	21	21	21

Output Indicator, Annual and Quarterly targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of Estimates of Provincial Revenue and Expenditure documents Prepared	2	N/A	N/A	1	1
Number of Appropriation Bills Prepared	2	N/A	N/A	1	1
Number of consolidated in-year monitoring reports issued	21	6	6	4	5

2.1.3. Sub-Programme: Municipal Finance

Outcomes, outputs, Output indicator and targets

Outcome	Outputs	Outputs Indicator	Annual Targets						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Improved financial performance and governance in PFMA and MFMA institutions	Municipalities draft budgets analysed	Number of Municipalities' draft budgets analysed.	New Indicator	New Indicator	19	19	19	19	19
	Municipalities Mid-year budgets performance analysed	Number of municipalities Mid-year Budget performance analysed	New Indicator	New Indicator	19	19	19	19	19

Output Indicator, Annual and Quarterly Targets

Output indicators	Annual Target	Q1	Q2	Q3	Q4
Number of Municipalities' draft budgets analysed	19	19	N/A	N/A	N/A
Number of municipalities Mid-year Budget performance analysed	19	N/A	N/A	N/A	19

2.1.4. Sub-Programme: Infrastructure Coordination

Outcomes, Outputs, Output Indicator and Targets

Outcome	Outputs	Outputs Indicator	Annual Targets						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/2028
Improved financial performance and governance in PFMA and MFMA institutions	Infrastructure Reporting Model Analysed	Number Of Infrastructure Reporting Model Analysed	New Indicator	New Indicator	12	4	4	4	4
	User Assets Management Plans (UAMPS) Analysed	Number Of User Assets Management Plans Analysed	New Indicator	New Indicator	6	6	6	6	6

Output Indicator, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number Of Infrastructure Reporting Model Analysed	4	1	1	1	1
Number Of User Assets Management Plans Analysed	6	N/A	6	N/A	N/A

2.1.5. Explanation of planned performance over the medium term period

The programme will

- Promote optimal and effective Provincial resource allocation and utilization, efficient Provincial budget Management.
- Assist with accurate financial reporting on Provincial revenue generation and maximization.

Priorities

- Operation Clean Audit (OPCA) MFMA Audit Outcomes

2.1.6. Programme Resource Consideration

Table: Budget Allocation for programme and sub-programmes as per EPRE

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2021/22**	**2022/23**	**2023/24**	**2024/25**			**2025/26**	**2026/27**	**2027/28**
Programme Support	1 636	1 848	2 010	2 346	2 442	2 442	2 571	2 741	2 923
Economic Analysis	-	-	-	-	-	-	-	-	-
Provincial Administration Fiscal Discipline	9 970	12 764	13 151	14 761	14 195	14 195	15 376	16 458	17 511
Budget and Expenditure Management	12 196	13 469	14 002	16 225	16 203	16 203	17 293	18 487	19 724
Municipal Finance	52 455	34 859	59 671	35 420	32 043	32 043	36 861	39 003	41 347
Infrastructure Co-ordination	5 892	7 429	7 044	14 095	11 833	11 833	14 312	15 113	16 003
Total	**82 149**	**70 369**	**95 878**	**82 847**	**76 716**	**76 716**	**86 413**	**91 802**	**97 508**

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	**2021/22**	**2022/23**	**2023/24**	**2024/25**			**2025/26**	**2026/27**	**2027/28**
Current payments	**47 578**	**55 365**	**64 623**	**81 620**	**66 375**	**66 375**	**85 758**	**91 117**	**96 793**
Compensation of employees	45 032	49 630	52 364	58 425	56 448	56 448	61 881	66 188	70 743
Goods and services	2 546	5 735	12 259	23 195	9 927	9 927	23 877	24 929	26 050
Transfers and subsidies to:	**34 571**	**15 004**	**31 255**	**1 227**	**10 341**	**10 341**	**655**	**685**	**715**
Provinces and Municipalities	34 571	15 000	31 255	-	10 268	10 268	-	-	-
Universities and University of Technologies	-	-	-	-	-	-	-	-	-
Public Corporations and Private Enterprises	-	-	-	-	-	-	-	-	-
Households	-	4	-	1 227	73	73	655	685	715
Payments for capital assets	-	-	-	-	-	-	-	-	-
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and Equipment	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for Financial Assets	-	-	-	-	-	-	-	-	-
Total	**82 149**	**70 369**	**95 878**	**82 847**	**76 716**	**76 716**	**86 413**	**91 802**	**97 508**

Programme 3: Assets and Liabilities Management

Purpose: The Programme is responsible for the monitoring and support on Assets, Liabilities, Provincial Supply Chain management, Transversal Systems as well as the provisioning of Information Technology Services to Departments, Public Entities and Municipalities in Mpumalanga Province.

The programme consists of the following Sub-programmes:

a) Provincial Supply Chain Management
b) Public Sector Liabilities
c) Physical Assets Management
d) Interlinked Financial Systems
e) Information Technology

2.1.7. Sub-programme: Provincial Supply Chain Management (PSCM)

Outcomes, Outputs, Output Indicator and Targets

Outcome	Outputs	Outputs Indicator	Annual Targets						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Improved financial performance and governance in PFMA and MFMA institutions	Feedback issued for compliance on procurement plans	Percentage of institutions issued with feedback for compliance on Procurement plans	100%	100%	100%	100%	100%	100%	100%
	Feedback issued on 30 day payment	Percentage of institutions monitored on 30 days payment to contracted service providers	100%	100%	100%	100%	100%	100%	100%
	Feedback issued on compliance of contract management practices	Percentage of institutions monitored on contract management	100%	100%	100%	100%	100%	100%	100%

Output Indicator, Annual and Quarterly Targets

Output indicators	Annual Target	Q1	Q2	Q3	Q4
Percentage of institutions monitored on implementation of Annual Procurement plans.	100%	100%	100%	100%	100%
Percentage of institutions monitored on 30 days payment to contracted service providers	100%	100%	100%	100%	100%
Percentage of institutions monitored on contract management	100%	100%	100%	100%	100%

2.1.8. Sub-programme: Public Sector Liabilities Management

Outcomes, Outputs, Output Indicator and Targets

Outcome	Outputs	Outputs Indicator	Annual Targets						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Improved financial performance and governance in PFMA and MFMA institutions	Feedback issued on compliance with liabilities management prescripts	Number of PFMA and MFMA institutions issued with feedback on compliance with liabilities management prescripts	12 Votes, 10 Municipalities and 4 Public Entities	12 Votes,10 Municipalities and 4 Public Entities	12 Votes,10 Municipalities and 4 Public Entities	12 Votes,10 Municipalities and 4 Public Entities	11 Votes,10 Municipalities and 4 Public Entities	11 Votes,10 Municipalities and 4 Public Entities	11 Votes,10 Municipalities and 4 Public Entities

Output Indicator, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of PFMA and MFMA institutions issued with feedback on compliance with liabilities management prescripts	11 Votes,10 Municipalities and 4 Public Entities	5 Municipalities 2 Public Entities	5 Votes	5 Municipalities 2 Public Entities	6 Votes

2.1.9. Sub-Programme: Physical Asset Management

Outcomes, Outputs, Output Indicator and Targets

Outcome	Outputs	Outputs Indicator	Annual Targets						
			Audited/Actual performance			Estimated Performance	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Improved financial performance and governance in PFMA and MFMA institutions	Feedback issued for compliance to assets management framework	Number of PFMA and MFMA institutions issued with feedback for compliance to assets management framework	New Indicator	New Indicator	6 Votes 2 Public Entities 8 Municipalities	8 Votes 3 Public Entities 11 Municipalities	5 Votes,11 Municipalities and 2 Public Entities	5 Votes,8 Municipalities and 2 Public Entities	5 Votes,8 Municipalities and 2 Public Entities

Output Indicator, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of PFMA and MFMA institutions issued with feedback for compliance to assets management framework	5 Votes,11 Municipalities and 2 Public Entities	11 Municipalities	5 Votes, 11 Municipalities 2 Public Entities	5 Votes and 2 Public Entities	5 Votes, 11 Municipalities 2 Public Entities

2.1.10. Sub-Programme: Interlinked Financial Systems

Outcomes, Outputs, Output Indicator and Target

Outcomes	Outputs	Outputs Indicator	Annual Targets						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Improved financial performance and governance in PFMA and MFMA institutions	Votes supported on utilisation of transversal systems	Number of Votes supported on utilisation of transversal systems	12 Votes	12 Votes	12	12	11	11	11

Output Indicator, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of Votes supported on utilisation of transversal systems	11	11	11	11	11

2.1.11. Sub-Programme: Information Technology

Outcomes, Outputs, Output Indicator and Targets

Outcome	Outputs	Outputs Indicator	Annual Targets						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Improved financial performance and governance in PFMA and MFMA institutions	Institutions provided with IT Governance Support	Number of PFMA and MFMA institutions provided with IT Governance Support	New Indicator	New Indicator	7 Votes and 8 Municipalities	6 Votes and 7 Municipalities	5 Votes and 7 Municipalities	5 Votes and 7 Municipalities	5 Votes and 7 Municipalities

Outcome	Outputs	Outputs Indicator	Annual Targets						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
	Network Availability	Percentage of Network Availability	New Indicator	New Indicator	89.36%	85%	85%	85%	85%

Output Indicator, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of PFMA and MFMA institutions supported on IT Governance support	5 Votes and 7 Municipalities	7 Municipalities	5 Votes	7 Municipalities	5 Votes
Percentage of Network Availability	85%	85%	85%	85%	85%

2.1.12. Explanation of planned performance over the medium term period

The programme will

Monitor the implementation of Supply Chain Management Governance and control measures.
Focus on supporting the implementation of the Basic Accounting Systems, Logistic Information System, Personnel Support System (Persal).
Provide support on IT governance and also improve o IT management through the use of inverters.
Provide support to institutions in managing their liabilities including contingent liabilities particularly in the Departments of Health and Human Settlements as part of our broader response to the audit outcomes.

Priority

30% allocation of provincial procurement spending for enterprises owned by Women, Youth and persons with Disabilities

2.1.13. Programme Resource Considerations

Table: Budget Allocation for programme and sub programmes as per EPRE

	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-Term Estimates		
R thousand	**2021/22**	**2022/23**	**2023/24**	**2024/25**			**2025/26**	**2026/27**	**2027/28**
Programme Support	1 303	1 795	1 811	2 020	2 083	2 083	2 201	2 348	2 506
Provincial Supply Chain Management	19 819	21 162	23 178	27 937	27 432	27 432	29 505	31 593	33 649
Financial Assets Management	-	-	-	-	-	-	-	-	-
Public sector Liabilities	4 721	4 396	4 688	5 693	5 663	5 663	6 048	6 467	6 876
Physical assets Management	5 972	6 757	7 014	7 684	7 746	7 746	8 248	8 776	9 352
Interlinked Financial Systems	81 695	84 280	127 047	145 620	88 677	88 677	191 293	244 236	248 476
Information Technology	100 029	110 189	118 274	106 892	189 225	189 225	121 618	127 821	134 369
Total	**213 539**	**228 579**	**282 012**	**295 846**	**320 826**	**320 826**	**358 913**	**421 241**	**435 228**

	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-Term Estimates		
R thousand	**2021/22**	**2022/23**	**2023/24**	**2024/25**			**2025/26**	**2026/27**	**2027/28**
Current payments	**200 919**	**200 990**	**275 838**	**283 568**	**301 239**	**301 223**	**346 347**	**408 382**	**421 790**
Compensation of employees	60 086	60 866	64 708	82 195	73 022	73 006	88 103	94 449	100 880
Goods and services	140 833	140 124	211 130	201 373	228 217	228 217	258 244	313 933	320 910
Transfers and subsidies to:	**983**	**754**	**148**	**1 484**	**678**	**694**	**1 288**	**1 062**	**1 110**
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Universities and Technikons	-	-	-	-	-	-	-	-	-

	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-Term Estimates		
R thousand	**2021/22**	**2022/23**	**2023/24**	**2024/25**			**2025/26**	**2026/27**	**2027/28**
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households	983	754	148	1 484	678	694	1 288	1 062	1 110
Payments for capital assets	**11 637**	**26 766**	**6 026**	**10 794**	**18 909**	**18 909**	**11 278**	**11 797**	**12 328**
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	11 637	8 363	2 121	10 794	18 909	18 909	11 278	11 797	12 328
Software and other intangible assets	-	18 403	3 905	-	-	-	-	-	-
Payments for financial assets	-	**69**	-	-	-	-	-	-	-
Total	**213 539**	**228 579**	**282 012**	**295 846**	**320 826**	**320 826**	**358 913**	**421 241**	**435 228**

2.2. Programme 4: Financial Governance

Purpose: This Programme serves to facilitate, monitor, support and provide professional advice to ensure good governance in the Province.

The Programme consist of the following Sub-programmes:

a) Accounting Services
b) Norms and Standards
c) Provincial Risk Management
d) Provincial Internal Audit

2.2.1. Sub-programme: Accounting Services

Outcomes, outputs, Output indicator and targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Improved financial performance and governance in PFMA and MFMA institutions	Public Institutions financial statements complying with Legislation and prescripts	Number of public institutions issued with feedback on financial statements analysed	12 Votes 4 Public Entities 8 Municipalitie s	12 Votes 2 Public Entities 10 Municipalities	12 Votes 2 Public Entities 8 Municipalities	12 Votes 1 Public Entity 8 Municipalities	11 Votes 1 Public Entity 10 Municipalities	11 Votes 1 Public Entity 10 Municipalities	11 Votes 1 Public Entity 10 Municipalities

Output Indicator, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of public institutions issued with feedback on financial statements analysed	11 Votes 1 Public Entity 10 Municipalities	11 Votes 1 Public Entity	10 Municipalities	N/A	N/A

Sub-programme: Norms and Standards

Purpose: To monitor compliance with legislation, regulations, norms and standards

Outcomes, outputs, Output indicator and targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Improved financial performance and governance in PFMA and MFMA institutions	Public institutions complying with legislation and prescripts	Number of public institutions issued with feedback on compliance to fleet management prescripts	6 Votes	6 Votes	3 Votes	3 Votes	3 Votes	3 Votes	3 Votes
		Number of public institutions issued with feedback on compliance to information management prescripts	7 Municipalities	6 Municipalities	6 Municipalities	6 Municipalities	6 Municipalities	6 Municipalities	6 Municipalities

Output Indicator, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of public institutions issued with feedback on compliance to fleet management prescripts	3 Votes	1	N/A	1	1
Number of public institutions issued with feedback on compliance to information management prescripts	6 Municipalities	2	1	2	1

2.2.2. Sub-Programme: Provincial Risk Management

Purpose: To promote effective optimal financial resource utilisation

Outcomes, outputs, Output indicator and targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Improved financial performance and governance in PFMA and MFMA institutions	Enterprise Risk Management Framework (ERMF) issued	Number of Enterprise Risk Management Frameworks (ERMF) issued to standardize Risk Management processes in public institutions	1 ERMF	1 ERMF	1 ERMF	N/A	N/A	1	N/A
	Risk management processes evaluated	Number of evaluations performed on effectiveness of Risk Management processes	New Indicator	New Indicator	37	30	30	30	30
	Assessed Risk Maturity levels	Number of public institutions Risk Maturity levels assessed	New indicator	New indicator	3 Votes 1 Public Entity 3 Municipality	2 Votes 1 Public Entity 3 Municipalities	2 Votes 1 Public Entity 3 Municipalities	2 Votes 1 Public Entity 3 Municipalities	2 Votes 1 Public Entity 3 Municipalities

Output Indicator, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Number of evaluations performed on effectiveness of Risk Management processes	30	10	10	5	5
Number of public institutions Risk Maturity levels assessed	2 Votes 1 Public Entity 3 Municipalities	N/A	1 Vote 1 Municipality	1 Vote 1 Public Entity 1 Municipality	1 Municipality

Sub-Programme: Provincial Internal Audit

Purpose: To coordinate the activities of all provincial internal offices and committees

Outcomes, Outputs, Output Indicator and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Improved financial performance and governance in PFMA and MFMA institution	Internal audit plans analysed	Percentage of Internal audit plans for Public institutions analysed	100% of internal audit plans that were received, analysed	100% of internal audit plans that were received, analysed	100%	100%	100%	100%	100%
	Audit Committees evaluated	Number of evaluations performed on effectiveness of Audit Committees of public institutions	71 Evaluations: 26 Votes 8 Public Entity 37 Municipalities	72 Evaluations	68	36	38	38	38

Output Indicator, Annual and quarterly targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
Percentage of Internal audit plans for Public institutions analysed	100%	100%	N/A	N/A	100%
Number of evaluations performed on effectiveness of Audit Committees of public institutions	38	9	10	10	9

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

The programme will

- Ensure Correct and complete financial statements should be produced in order to underpin the principle that Departments, Public Entities and Municipalities are able to achieve their objectives and deliver on their mandates.
- The effective, economical and efficient utilization of resources and effective internal control systems will contribute to the financial viability of Government institutions. It is imperative that these institutions compile improvement plans to address the root causes that lead to findings by assurance providers.
- Ensure that resources are utilized effectively to maximize the positive impact of service delivery. Effective governance and oversight structures will add to the improvement of internal control systems, proactive identification of risks and efficiencies in the processes performed.

Priority

- Operation Clean Audit (OPCA) PFMA and MFMA Audit outcomes

2.2.4. Programme Resource Considerations

Table: Budget Allocation for programme and sub programmes as per EPRE

	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-Term Estimates		
R thousand	**2021/22**	**2022/23**	**2023/24**	**2024/25**			**2025/26**	**2026/27**	**2027/28**
Programme support	7 946	26 626	3 015	2 511	2 377	2 377	2 576	2 742	2 931
Accounting services	4 800	5 718	5 872	6 774	8 568	8 568	6 834	7 432	7 937
Norms and standards	10 523	9 588	9 831	15 817	12 377	12 377	17 071	18 242	19 493
Risk Management	3 166	3 387	3 487	3 817	4 400	4 400	4 021	4 267	4 542
Provincial Internal Audit	3 626	4 117	3 410	4 297	3 166	3 166	4 549	4 851	5 170
Total	**30 061**	**49 436**	**25 615**	**33 216**	**30 888**	**30 888**	**35 051**	**37 534**	**40 073**

	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-Term Estimates		
R thousand	**2021/22**	**2022/23**	**2023/24**	**2024/25**			**2025/26**	**2026/27**	**2027/28**
Current payments	**29 472**	**49 155**	**25 615**	**33 106**	**30 888**	**30 888**	**34 936**	**37 414**	**39 948**
Compensation of employees	21 662	21 388	22 216	29 127	23 666	23 666	31 269	33 449	35 808
Goods and services	7 810	27 767	3 399	3 979	7 222	7 222	3 667	3 965	4 140
Transfers and subsidies to:	**589**	**281**	**-**	**110**	**-**	**-**	**115**	**120**	**125**
Provinces and municipalities									
Universities and University of Technologies									
Public corporations and private enterprises									
Households	589	281	-	110	-	-	115	120	125
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Building and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Software and other intangible	-	-	-	-	-	-	-	-	-
Total	**30 061**	**49 436**	**25 615**	**33 216**	**30 888**	**30 888**	**35 051**	**37 534**	**40 073**

7. Updated Key Risks

Outcome	Key Risk	Mitigation measure/ Action Plan
Improved financial performance and governance in PFMA and MFMA institution	Ineffective implementation of treasury mandate within PFMA institutions	Implement consequence management for non-compliance to legislation and policies.
		Issuing of circulars, framework and guidelines to stakeholders
		Effective Monitoring and issue feedback reports to stakeholders
		Capacity building on new reforms
		Monitor the implementation of recommendations
		Escalation to Executive Authorities
		Compilation of business process
	Ineffective implementation of treasury mandate within Provincial Treasury	Regular MANCO Meetings.
		Internal Audit in place
		Implementation of Recommendations
		Follow up on Approval of the Organisational Structure
		Implementation of circulars, framework, and guidelines on PFMA
	Ineffective implementation of treasury mandate within MFMA institutions	Issuing of circulars, framework, and guidelines to stakeholders
		Effective Monitoring and issue feedback reports to stakeholders
		Capacity Building
		Continuous monitoring and support by PT
		Assist / Advice/Support on and capacitating Oversight Structures
		Evaluation of Oversight structures and issue feedback reports
		Implement Financial Recovery Plan in distressed Municipalities
		Engagement Platforms with political leadership Establishment of MUNIMEC
		Recommend withholding of funds
		Municipal support Teams
	Inadequate Business Continuity Management	Review Business Continuity Plan
		Quarterly meetings BCM Committee
		BCM Risk Register
		Business impact analysis on critical business processes
		BCM Testing the implementation of the BCM Framework
	Disruption of services within	Procurement of smaller uninterrupted power supply units

Outcome	Key Risk	Mitigation measure/ Action Plan
	Provincial Treasury	

8. Public Entities

Name of Public Entity	Mandate	Outcome	Current Annual budget (R thousand)
N/A			

9. Infrastructure Projects

No	Project name	Programme	Project description	Outputs	Project start date	Project completion	Total estimated cost	Current expenditure
	N/A							

10. Public Private Partnerships

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

PART D

TECHNICAL INDICATOR DESCRIPTION

PROGRAMME 1: ADMINISTRATION

OFFICE OF THE MEC

TECHNICAL INDICATOR 1.1	
Indicator title	Number of Appropriation Bills tabled
Definition	2 Estimates of Provincial Revenue and Expenditure Bills compiled and published per annum
Source of data	Budget submissions from Votes
Method of calculation /Assessment	Number of Appropriation bills tabled
Means of verification	Bills tabled at Provincial Legislature
Assumptions	Credible budget estimates
Disaggregation of beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative for the year
Reporting cycle	Quarterly
Desired performance	Quality and informative documents compiled and published
Indicator responsibility	Senior Manager : Budget and Expenditure

TECHNICAL INDICATOR 1.2	
Indicator title	Policy and Budget Statement tabled
Definition	1 Annual statement outline of the Provincial and Departmental achievements and priorities in line with allocated budget
Source of data	Policy and Budget Statement
Method of calculation	1 Budget Policy Statement tabled
Means of verification	1 Statement tabled in Provincial Legislature
Assumption	In line with the set standard of the PFMA
Disaggregation of beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A

Calculation Type	Non-Cumulative
Reporting cycle	Annually
Desired performance	Improved service delivery and better life for the people of Mpumalanga Province
Indicator responsibility	Chief Financial Officer

MANAGEMENT SERVICES: OFFICE OF THE HEAD: PROVINCIAL TREASURY

TECHNICAL INDICATOR 1.3	
Indicator title	Achievement of departmental financial and performance targets
Definition	Use of financial resources (inputs) efficiently and effectively to achieve stated outcomes and desired impact resulting in no audit findings
Source of data	Annual Report, Auditor General Management Audit Report
Method of calculation	Audit Report
Means of verification	Quantitative
Assumptions	Unqualified Audit Opinion with no findings
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Non-Cumulative Year-End
Reporting cycle	Annually
Desired performance	Unqualified audit opinion with no findings
Indicator responsibility	Chief Financial Officer and Senior Manager Planning

TECHNICAL INDICATOR 1.4	
Indicator title	Number of Approved Risk Register
Definition	Coordinate and support the overall institutional risk management processes (i.e. risk assessment, identifying potential risks and governance weaknesses) in line with the public sector risk management framework. (Conduct annual risk assessments, develop annual risk register and monitor implementation of risks and produce quarterly monitoring reports)
Source of data	Risk Management plan, 4 Quarterly risk reports, Approved Risk Register, and minutes of the Risk Management Committee
Method of calculation	Verification of risk management plan, updated risk register and proof of submission to Risk Management Committee
Means of verification	Quantitative
Assumptions	Departmental risk mitigated to an acceptable level
Disaggregation of Beneficiaries (where	N/A

TECHNICAL INDICATOR 1.4	
applicable)	
Spatial Transformation (where applicable)	N/A
Calculation type	Non-Cumulative Year-End
Reporting cycle	Annually
Desired performance	Achievement of departmental objectives through the management of risks
Indicator responsibility	Chief Risk Officer

OFFICE OF THE CHIEF FINANCIAL OFFICER

TECHNICAL INDICATOR 1.5	
Indicator title	Number of departmental budget implemented
Definition	Render efficient and effective financial management through implementation of the departmental budget
Source of data	Main and adjustment budget and Provincial Budget Circulars
Method of calculation / Assessment	Number of Budget Documents
Means of verification	Documents submitted to Provincial Treasury
Assumptions	Optimal use of departmental budget
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative Year-End
Reporting cycle	Budget cycle: Quarterly (Third and Fourth Quarter)
Desired performance	Credible budget and sound financial management
Indicator responsibility	Chief Financial Officer

TECHNICAL INDICATOR 1.6	
Indicator title	Percentage of suppliers paid within 30 days after receipt of valid invoices
Definition	A process of rendering efficient, effective and transparent systems of financial and risk management.
Source of data	Procurement Plan and contract register
Method of calculation	Quantitative Percentage of Suppliers paid: Calculation: Sum of invoices received within 30 days divided by Sum of invoices paid within 30 days multiplied by 100

TECHNICAL INDICATOR 1.6	
	equals percentage. Baseline= 210 982 452.09/210 982 452.09*100=100%
Means of verification	Invoice tracking register
Assumptions	All valid invoices paid within 30 days
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Non-Cumulative Year-End
Reporting cycle	Quarterly
Desired performance	Financially viable
Indicator responsibility	Chief Financial Officer

INTERNAL AUDIT

TECHNICAL INDICATOR 1.7	
Indicator title	Number of Internal Audit Plan approved
Definition	To evaluate the adequacy and effectiveness of risk management, internal controls and governance processes and provide internal audit reports to Management and the Audit Committee in terms of the approved Internal Audit Plan.
Source of data	Approved Internal Audit Plan and progress reports to the Audit Committee on Implementation of the plan
Method of calculation/Assessment	Quantitative Verification of the approval of the audit plan by the Audit Committee and progress reports issued to the Audit Committee and the Accounting Officer
Means of verification	Reports submitted to Audit Committee and Accounting Officer
Assumptions	Improved governance risk management and internal controls
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Non-Cumulative Year-End
Reporting cycle	Annually
Desired performance	Achievement of departmental objectives
Indicator responsibility	Chief Audit Executive

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

PROVINCIAL ADMINISTRATION FISCAL DISCIPLINE

TECHNICAL INDICATOR	**Description 2.1**
Indicator title	Percentage of projected own revenue collection in the Province
Definition	It is revenue raised by government from its own imposition of a tax, licences, fees or any other charges. Support 11 Votes on revenue maximisation- • Monitor performance of revenue collection by departments • Review of tariffs annually • Review projections Compile provincial revenue fund annual financial statements
Source of data	Trend reports from Departments BAS Reports from Departments Tariff applications from Departments
Method of calculation/ Assessment	Percentage on the projected own revenue collection
Means of verification	Revenue projection reports, Revenue trend reports, revenue analysis reports bank statements and BAS Reports
Assumptions	Growth in revenue fund
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative Year-End
Reporting cycle	Quarterly
Desired Performance	Effective management of revenue fund and maximised provincial revenue collection
Indicator Responsibility	Senior Manager: Provincial Administration Fiscal Discipline

TECHNICAL INDICATOR DESCRIPTION 2.2	
Indicator title	Number of unqualified audit opinion on revenue fund financial statements
Definition	The sound management of the Revenue Fund
Source of data	BAS reports, Revenue fund reports and Provincial budget statement book, audited departments' AFS
Method of calculation/ Assessment	Number of Revenue fund AFS submitted and revenue fund reports generated
Means of verification	Audited Annual Financial Statements
Assumptions	Unqualified audit opinion
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative Year-End
Reporting cycle	Annually
Desired Performance	Unqualified audit opinion (All Revenue due to the province is accounted for.)
Indicator Responsibility	Senior Manager: Provincial Administration Fiscal Discipline

BUDGET AND EXPENDITURE MANAGEMENT

TECHNICAL INDICATOR DESCRIPTION 2.3	
Indicator title	Number of Estimates of Provincial Revenue Expenditure documents
Definition	This involves providing Provincial Budget Information (2 document) to stakeholders
Source of data	Budget submissions from Votes
Method of calculation/ Assessment	Number of documents compiled
Means of verification	Budget document
Assumptions	Credible provincial budget
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative Year-End

TECHNICAL INDICATOR DESCRIPTION 2.3	
Reporting cycle	Quarterly
Desired Performance	EPRE published
Indicator Responsibility	Senior Manager : Budget and Expenditure Management

TECHNICAL INDICATOR DESCRIPTION 2.4	
Indicator title	Number of Appropriation bills
Definition	These are 2 Appropriation Bills for tabling main and adjusted budget in the Provincial Legislature
Source of data	Budget submissions, 12 Votes, Strategic Plans, Annual Performance Plans, In Year Monitoring reports
Method of calculation/ Assessment	Data bases, Personnel Forecasting Model and Estimates of Provincial Revenue and Expenditure
Means of verification	Allocation letters
Assumptions	Credible provincial budget
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative Year-End
Reporting cycle	Quarterly
Desired Performance	2 Bills tabled
Indicator Responsibility	Senior Manager : Budget and Expenditure Management

TECHNICAL INDICATOR DESCRIPTION 2.5	
Indicator title	Consolidated IYM reports for PFMA Institutions
Definition	21 Provincial IYMs produced in line section 32 of PFMA to ensure that 12 Votes and 4 Public Entities spend within 100% of their allocated budgets. 15 consolidated provincial department IYMs and 6 consolidated Provincial Entities IYMs
Source of data	In Year Monitoring Reports; BAS Reports and Budget Book.
Method of calculation/ Assessment	Simple count.
Means of verification	12 Monthly Consolidated In Year Monitoring Reports
Assumptions	All Votes and Public Entities submit monthly IYM reports with variance explanations.

Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative Year-End
Reporting cycle	Quarterly
Desired Performance	All 21 Provincial IYMs are produced for 12 Votes and 4 Public Entities.
Indicator Responsibility	Senior Manager : Budget and Expenditure Management

MUNICIPAL FINANCE

TECHNICAL INDICATOR DESCRIPTION 2.6	
Indicator title	Number of Municipalities' draft budgets analysed
Definition	Provide policy advice, ensure municipal budget implementation, promote efficient financial resource allocation and issue feedback – 19 Municipal Budgets
Source of data	Municipal Budget submissions, IDP, SDBIP, In Year Monitoring reports, monthly analysis reports
Method of calculation/ Assessment	Local Government Database, Monthly IYM reports, SDBIP as well non-financial reports, National Treasury Budget Circulars and Budget funding tool
Means of verification	Quantitative 19 Analysed reports
Assumptions	19 Credible Municipal Budgets
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative Year-End
Reporting cycle	Annually
Desired Performance	Municipalities to have credible budgets, monthly financial performance outcomes, effective, efficient and economic budget implementation
Indicator Responsibility	Senior Manager : Municipal Finance Management

TECHNICAL INDICATOR DESCRIPTION 2.7	
Indicator title	Number of municipalities Mid-year Budget performance analysed
Definition	Engage 19 municipalities on mid-term financial performance and provide 19 engagement feedback reports
Source of data	Municipal Budget submissions, IDP, SDBIP, In Year Monitoring reports, monthly analysis reports.
Method of calculation/ Assessment	Quantitative – 19 Municipalities
Means of verification	19 Mid-year performance engagement reports- Local Government Database, Monthly IYM reports, SDBIP as well non-financial reports, National Treasury Budget Circulars and Budget funding tool
Assumptions	19 Municipal Budget
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative Year-End
Reporting cycle	Annually
Desired Performance	Budgets which are aligned to realistic revenue and expenditure estimates
Indicator Responsibility	Senior Manager : Municipal Finance Management

INFRASTRUCTURE CO-ORDINATION

TECHNICAL INDICATOR DESCRIPTION 2.8	
Indicator title	Number Of Infrastructure Reporting Model Analysed
Definition	Non-financial information and Project/Programme monitoring reports compiled and submitted by Infrastructure Departments. Monitoring of infrastructure implementation.(12 reports)
Source of data	Infrastructure Reporting Model, Site visits, Workshops
Method of calculation/ Assessment	Quantitative/ Number of reports submitted. Number of sites visited.
Means of verification	Operational plan activities
Assumptions	Departments will be able utilise their allocated budget on infrastructure
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A

TECHNICAL INDICATOR DESCRIPTION 2.8	
Calculation Type	Non-Cumulative Year-End
Reporting cycle	Quarterly
Desired Performance	Accurate reporting, prudent planning and Expenditure on infrastructure.
Indicator Responsibility	Senior Manager : Infrastructure Coordination

TECHNICAL INDICATOR DESCRIPTION 2.9	
Indicator title	Number Of User Assets Management Plans Analysed
Definition	User Asset Management Plan is used for Infrastructure Planning and monitoring (6 Plans)
Source of data	Departments' User Asset Management Plans, Table B5 (or Equivalent on EPRE)
Method of calculation/ Assessment	Number
Means of verification	Feedback reports
Assumptions	Future developments in order to budget accordingly
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative Year-End
Reporting cycle	Annually
Desired Performance	Reduce the cost of infrastructure, and thus increase value for money.
Indicator Responsibility	Senior Manager: Infrastructure Coordination

PROGRAMME 3: ASSET AND LIABILITIES MANAGEMENT

PROVINCIAL SUPPLY CHAIN MANAGEMENT

TECHNICAL INDICATOR DESCRIPTION 3.1	
Indicator title	Percentage of institutions issued with feedback for compliance on Procurement plans
Definition	100% of procurement plans received • Refers to all procurement plans received from PFMA and MFMA institutions will be analysed and provide feedback in line with **PFMA practice note SCM 2 OF 2016/17 and MFMA Circular 62 of 2013.** • **Maintain quarterly registers on procurement plans and quarterly reports received analysed and provide feedback.** The calculation will be done as follows and monitored through a quarterly submission and analysis register • Example: Sum of plans received divided by Sum of plans analysed multiply by 100 equals to total percentage **The current baseline stands at 35/35*100=100%** • **Baseline constituted by 11 Votes, 4 Public Entities and 19 Municipalities**
Source of data	Annual Procurement Plans, Quarterly progress reports received from Votes, Public Entities and Municipalities
Method of calculation/ Assessment	Quantitative
Means of verification	Analysis reports
Assumptions	All institutions submitted procurement plans and quarterly progress reports
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative Year-End
Reporting cycle	Quarterly
Desired Performance	Adherence to SCM policy frameworks
Indicator Responsibility	Senior Manager: Provincial Supply Chain Management

TECHNICAL INDICATOR DESCRIPTION 3.2		
Indicator title	Percentage of institutions monitored on 30 days payment to contracted service providers	
Definition	100% of monthly report received	• Refers to all monthly reports received from PFMA and MFMA institutions will be analysed and provide feedback (quarterly) in line with **PFMA practice note SCM 2 OF 2016/17 and MFMA circular 62 of 2013** • Consolidate the 30 days payment report and submit to National Treasury monthly • **Maintain monthly registers on 30 day payment received and provide quarterly feedback on analysis conducted on payment of invoices** The calculation will be done as follows and monitored through monthly submission and analysis register • Example: Sum of reports received divided by Sum of reports analysed multiply by 100 equals to total percentage **The current baseline stands at 35/35*100=100% per month** • **Baseline constituted by 11 Votes, 4 Public Entities and 19 Municipalities**
Source of data	SCM compliance reports received from Votes, Public Entities and Municipalities	
Method of calculation/ Assessment	Quantitative	
Means of verification	Analysis reports	
Assumptions	All institutions submit monthly 30 day payment compliance report	
Disaggregation of Beneficiaries (where applicable)	N/A	
Spatial Transformation (where applicable)	N/A	
Calculation Type	Non-Cumulative Year-End	
Reporting cycle	Quarterly	
Desired Performance	Payment of contracted suppliers within 30 days as per legislation	
Indicator Responsibility	Senior Manager: Provincial Supply Chain Management	

-
- All reports
- Sum of re
  Percentag
  Baseline:
- **Baseline**

TECHNICAL INDICATOR DESCRIPTION 3.3	
Indicator title	Percentage of institutions monitored on contract management
Definition	100% of contract registers received • Refers to all contract registers received from PFMA and MFMA institutions will be analyse and provide feedback in line with **PFMA practice note SCM 2 OF 2016/17 and MFMA Circular 62 of 2013.** • **Maintain quarterly submission registers on contract registers and quarterly reports received, analysed and provide feedback.** • The calculation will be done as follows and monitored through a quarterly submission and analysis register • Example: Sum of registers received divided by Sum of registers analysed multiply by 100 equals to total percentage **The current baseline stands at 35/35*100=100%** • **Baseline constituted by 11 Votes, 4 Public Entities and 19 Municipalities**
Source of data	Contract registers from Municipalities, Public Entities and Departments
Method of calculation/ Assessment	Quantitative
Means of verification	Analysis reports
Assumptions	All institutions will submit contract registers
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative Year-End
Reporting cycle	Quarterly
Desired Performance	Adherence to contract management
Indicator Responsibility	Senior Manager: Provincial Supply Chain Management

PUBLIC SECTOR LIABILITIES MANAGEMENT

TECHNICAL INDICATOR DESCRIPTION 3.4	
Indicator title	Number of PFMA and MFMA institutions issued with feedback for compliance on liabilities management
Definition	To monitor and support provincial PFMA & MFMA institutions on the effective management of liabilities: Request of liability registers through emails, circulars or letters Analysis of liability registers received from stakeholders Communicate findings to stakeholders by issuing of quarterly feedback reports 11 Votes, 10 Municipalities (Emalahleni, Emakhazeni, Thaba Chweu, Govan Mbeki, Lekwa, Victor Khanye, Msukaligwa, Dr JS Moroka , Chief Albert Luthuli , and Dipaleseng) and four (4) Public Entities. ***Disclaimer*** Should the identified institutions be unresponsive, other alternative delegated institutions will be monitored and supported
Source of data	Liability Registers received from Votes, Municipalities and Public Entities & Persal Reports
Method of calculation/ Assessment	Quantitative per quarter
Means of verification	Liability Registers
Assumptions	All stakeholders will submit liability registers.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative Year-End
Reporting cycle	Quarterly
Desired Performance	Effective management of liabilities in the Province
Indicator Responsibility	Manager: Public Sector Liabilities sub-program

PHYSICAL ASSET MANAGEMENT

TECHNICAL INDICATOR DESCRIPTION 3.5	
Indicator title	Number of PFMA and MFMA institutions issued with feedback for compliance to assets management framework
Definition	The effective and efficient management of provincial physical assets aligned to Acts and Regulations for thorough review; Feedback provided for asset registers, audit findings and audit improvement plan for: • 5 Votes, • 2 Public Entities • 11 Municipalities **Votes:** Education; Health; COGHSTA; Public Works Road and Transport and DCSR **Municipalities:** Govan Mbeki, Lekwa, Dr. JS Moroka, Emakhazeni, Dipaleseng, Dr Pixley ka Isaka Seme, Emalahleni, Victor Khanye, Thembisile Hani, Thaba Chweu, Chief Albert Luthuli, Steve Tshwete **Public Entities:** MEGA, and MRTT * **Disclaimer*** Should the identified institutions be unresponsive, other alternative delegated institutions will be monitored and supported
Source of data	Source data • Physical Asset registers • Audit improvement plans • GIAMA • Physical Assets verification of moveable and immoveable assets
Method of calculation/ Assessment	Quantitative
Means of verification	Four quarterly consolidated report
Assumptions	Adherence with Assets Management Framework
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial	N/A

TECHNICAL INDICATOR DESCRIPTION 3.5	
Transformation (where applicable)	
Calculation Type	Non-cumulative Year-End
Reporting cycle	Quarterly
Desired Performance	Improvement in the management and accounting of physical assets
Indicator Responsibility	Senior Manager: Physical Asset Management

INTERLINKED FINANCIAL SYSTEMS

TECHNICAL INDICATOR DESCRIPTION 3.6	
Indicator title	Number of Votes supported on utilisation of transversal systems
Definition	Monitoring of the 11 Votes on the management and utilisation of transversal systems(Logis, BAS, PERSAL, Invoice Tracking System and electronic leave management) through obtaining, reviewing, consolidating and submitting 4 quarterly progress reports to management per annum
Source of data	Transversal Systems Reports
Method of calculation/ Assessment	Quantitative
Means of verification	Transversal system reports and Forum minutes
Assumptions	Transversal systems available in 11 Votes
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative Year-End
Reporting cycle	Quarterly
Desired Performance	Improved utilisation of transversal systems
Indicator Responsibility	Senior Manager: Interlinked Financial Systems

INFORMATION TECHNOLOGY

TECHNICAL INDICATOR DESCRIPTION 3.7	
Indicator title	Number of PFMA and MFMA institutions support on IT Governance Support
Definition	Provide IT Governance Support to 7 Municipalities and 5 Votes to comply with IT Frameworks **Votes:** Economic Development and Tourism, Culture, Sports and Recreation, Community Safety Security and Liaison, Social Development and COGHSTA **Municipalities:** Dr Pixley ka Seme, Lekwa, Dr JS Moroka, Emakhazeni, Dipaleseng, Bushbuckridge and Msukaligwa * **Disclaimer*** Should the identified institutions be unresponsive, other alternative delegated institutions will be monitored and supported
Source of data	IT Risk Register IT Audit Reports Action Plans One on One session
Method of calculation/ Assessment	Quantitative
Means of verification	Quarterly Report on IT Governance
Assumptions	All institutions will be available for One on One session and provide supporting documents
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative Year-End
Reporting cycle	Quarterly
Desired Performance	Adherence to IT Governance Framework and Prescripts
Indicator Responsibility	**Senior Manager:** Information Technology

TECHNICAL INDICATOR DESCRIPTION 3.8

Indicator title	Percentage of Network Availability
Definition	Provide Network connectivity to 11 Votes The 85% is made up of network uptime statistics **Disclaimer:** The performance target of 85% but not exceeding 95% target will be considered satisfactory/achieved. Any performance above 95% will then be categorized as an overachievement.
Source of data	SITA System Generated Network Availability reports
Method of calculation/ Assessment	Quantitative
Means of verification	System generated reports
Assumptions	Maintained network infrastructure in compliance to the SITA Network Services Service Level Agreement (SLA)
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative Year-End
Reporting cycle	Monthly
Desired Performance	Continuous availability of network based services
Indicator Responsibility	**Acting Senior Manager:** Information Technology

PROGRAMME 4: FINANCIAL GOVERNANCE

ACCOUNTING SERVICES

TECHNICAL INDICATOR 4.1	
Indicator title	Number of public institutions issued with feedback on financial statements analysed
Definition	Analyse financial statements of 11 Votes, 1 Public Entity and 10 Municipalities by: • Verifying correctness and completeness • Comparing notes total amounts to the financial statements • Confirm application of accounting standards • Checking disclosure and compliance 1 Public Entity (MRTT) and 10 Municipalities (Chief Albert Luthuli LM, Dr JS Moroka LM, Emakhazeni LM, Govan Mbeki LM, Thaba Chweu LM, Lekwa LM and Msukaligwa LM, Victor Khanye LM), Dipaleseng Local Municipality and Steve Tshwete Local Municipality All Votes ***Disclaimer*** Should the identified institutions be unavailable, alternative institutions will be attended to in the interest of progressive support.
Source of data	Trial balance reports, Annexures on secondary disclosures, Annual Financial Statements submitted by Votes, Municipalities and Public Entities
Method of calculation/ Assessment	Number of feedback reports issued
Means of verification	Feedback reports
Assumptions	Votes, Public Entities and Municipalities submit their financial statements in accordance with legislation
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative Year-End
Reporting cycle	Quarterly
Desired performance	Improved financial reporting by PFMA and MFMA institutions
Indicator responsibility	Senior Manager: Accounting Services

NORMS AND STANDARDS

TECHNICAL INDICATOR 4.2	
Indicator title	Number of public institutions issued with feedback on compliance to fleet management prescripts
Definition	Determine areas of non-compliance through evaluation and reviewing of implementation of policies and prescripts in 3 Votes (Co-operative Governance, Human Settlements and Traditional Affairs, Office of the Premier and Education) and provide recommendations. ***Disclaimer*** Should the identified institutions be unavailable, alternative institutions will be attended to in the interest of progressive development.
Source of data	Transaction reports from financial institution, Audit findings and previous reports issued
Method of calculation/ Assessment	Evaluation on compliance to Financial Management prescripts
Means of verification	Quantitative 3 Feedback reports issued
Assumptions	All 3 Votes evaluated to have sound financial management processes
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative Year-End
Reporting cycle	Quarterly
Desired performance	Improved compliance to legislation and prescripts
Indicator responsibility	Senior Manager: Norms and Standards

TECHNICAL INDICATOR 4.3	
Indicator title	Number of public institutions issued with feedback on compliance to information management prescripts
Definition	6 Municipalities (Steve Tshwete LM, Dipaleseng LM, Chief Albert Luthuli LM, Msukaligwa, LM, Emakhazeni LM and Thaba Chweu LM) supported and monitored by: • Identifying gaps in the implementation of Record Management processes • Issuing 6 reports on findings and recommendations for improvement ***Disclaimer*** Should the identified institutions be unavailable, alternative institutions will be attended to in the interest of progressive development.

TECHNICAL INDICATOR 4.3	
Source of data	Reports by the Department of Culture, Sport and Recreation (Provincial Archives) and Auditor-General reports
Method of calculation/ Assessment	Evaluation of compliance to Record Management Prescripts
Means of verification	Quantitative 6 Compliance Feedback reports
Assumptions	All 6 Municipalities adhere to Record Management policies and procedures
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative Year-End
Reporting cycle	Quarterly
Desired performance	Improved record management in municipalities.
Indicator responsibility	Senior Manager: Norms and Standards

TECHNICAL INDICATOR 4.4	
Indicator title	Number of Enterprise Risk Management Frameworks (ERMF) issued to standardize Risk Management processes in public institutions
Definition	This is a process, which involves reviewing, updating and issuing one Provincial ERM Framework to public sector institutions
Source of data	New reforms and developments and Best Practices in Risk Management
Method of calculation/ Assessment	Analysis of current framework vs the new developments
Means of verification	Approved ERMF
Assumptions	All Votes, Public Entities and Municipalities implement the Enterprise Risk Management Framework
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Non-Cumulative Year-End
Reporting cycle	Annually
Desired performance	Standardised effective risk management processes
Indicator responsibility	Manager: Provincial Risk Management

TECHNICAL INDICATOR 4.5	
Indicator title	Number of evaluations performed on effectiveness of Risk Management processes
Definition	The Provincial Risk Management framework, methodology and guideline is the tool that involves the following: • Evaluation of the effectiveness of Risk Management Committees and provide feedback • Evaluation of Risk Assessment reports and provide feedback
Source of data	Risk Assessment Reports and RMC meetings
Method of calculation/ Assessment	Attend RMC and Evaluate risk assessment reports
Means of verification	Feedback Reports
Assumptions	All Votes, Public Entities and Municipalities implement the Enterprise Risk Management Framework
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Non-cumulative Year-End
Reporting cycle	Quarterly
Desired performance	Effective implementation of the Provincial Enterprise Risk Management Framework and guidelines.
Indicator responsibility	Manager: Provincial Risk Management

TECHNICAL INDICATOR 4.6	
Indicator title	Number of public institutions' Risk Maturity levels assessed
Definition	2 Votes (Community Safety, Security and Liaison and Social Development), 1 Public Entity (MRTT) and 3 Municipalities (Nkangala District Municipality, Ehlanzeni District Municipality and Gert Sibande District Municipality) assessed in terms of risk maturity level and supported to improve the level by: • Developing a Risk Maturity assessment tool • Analysing the results of the evaluation • Developing a Support Plan and action plan to increase the maturity level ***Disclaimer*** Should the identified institutions be unavailable, alternative institutions will be attended to in the interest of progressive development.
Source of data	Risk Maturity assessment tool
Method of calculation	Analysis of source data

TECHNICAL INDICATOR 4.6	
(where applicable)	
Spatial Transformation (where applicable)	N/A
Calculation type	Non-cumulative Year-End
Reporting cycle	Quarterly
Desired performance	Increased Risk Maturity Levels
Indicator responsibility	Manager: Provincial Risk Management

PROVINCIAL INTERNAL AUDIT

TECHNICAL INDICATOR 4.7	
Indicator title	Percentage of Internal audit plans for Public institutions analysed
Definition	Analysis of received Internal Audit plans in terms of a predetermined questionnaire, National Treasury internal audit framework, IIA standards, King IV and other best practice guidelines.
Source of data	Internal Audit plans received from Votes, Municipalities and Public Entities.
Method of calculation/ Assessment	• Receive Internal Audit Plans (100% of Internal Audit plans received and analysed refers to all internal audit plans submitted) • Analyse the plans by using template designed • Issue reports on findings • All internal audit plans received and analysed • Sum of plans received divided by Sum of plans analysed multiply by 100 equals to total Percentage • Baseline= 31/31*100=100% • Number expected: 11 Votes, 19 Municipalities and 4 Public Entities • Bi-annually (1st quarter Municipalities and 4th quarter Votes and Public Entities)
Means of verification	Evaluation Reports
Assumptions	All Votes, Public Entities and Municipalities' internal audit plans that are in line with applicable set of legislation and best practice guidelines.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Non-cumulative Year-End
Reporting cycle	Bi-Annually
Desired performance	Effective internal audit processes

TECHNICAL INDICATOR 4.7	
Indicator responsibility	Manager: Provincial Internal Audit

TECHNICAL INDICATOR 4.8	
Indicator title	Number of evaluations performed on effectiveness of Audit Committees of public institutions
Definition	Evaluation of Audit Committees according to applicable legislation and best practice guidelines, e.g. IIA standards, National Treasury Internal Audit Framework and King IV.
Source of data	Audit Committee meetings and information packs
Method of calculation/ Assessment	Qualitative and Quantitative - Observation of Audit Committee meetings and engagements
Means of verification	38 Evaluations
Assumptions	All Votes, Public Entities and Municipalities have effective Audit Committees
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative Year-End
Reporting cycle	Quarterly
Desired performance	Effective audit committees
Indicator responsibility	Manager: Provincial Internal Audit

ANNEXURE A: AMENDMENTS TO THE STRATEGIC PLAN

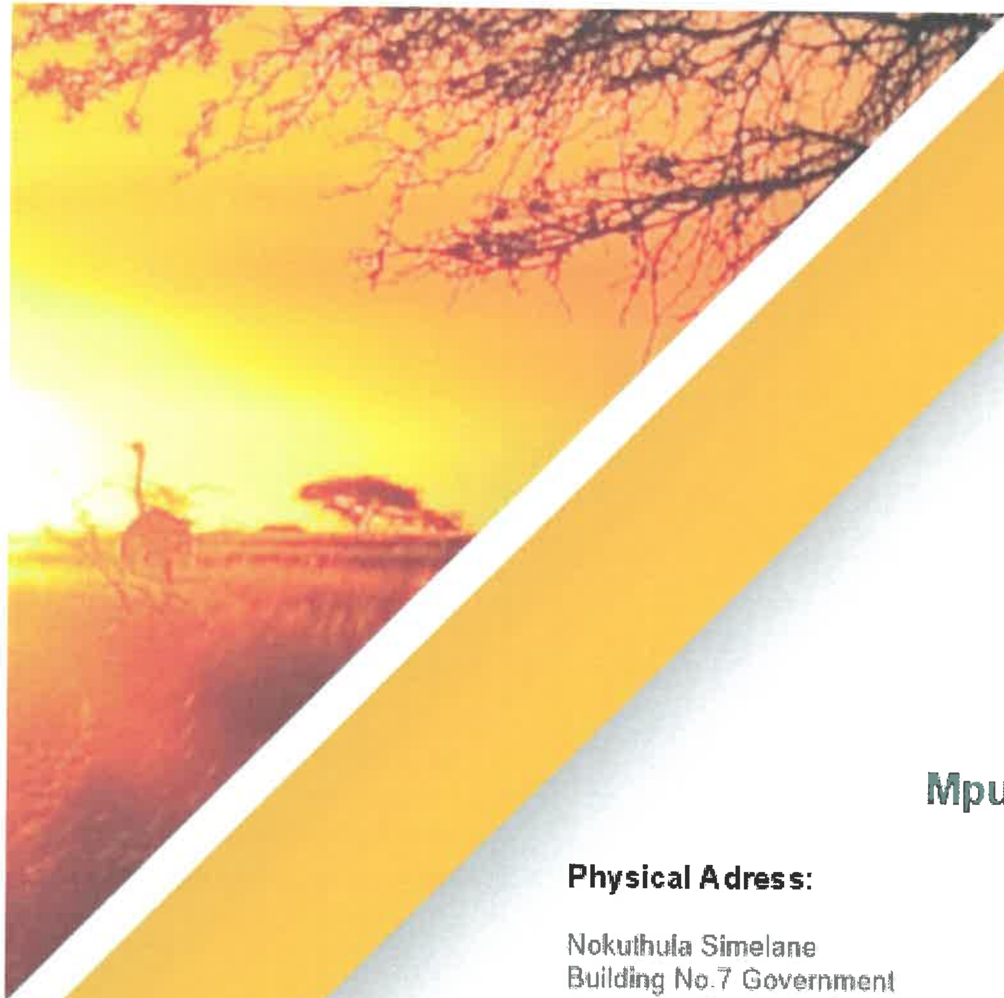
Not Applicable.

ANNEXURE B: CONDITIONAL GRANTS

Name of Grant	Purpose	Outputs	Current Annual Budget (R thousand)	Period of Grant
N/A				

ANNEXURE C: DISTRICT DEVELOPMENT MODEL

Areas of intervention	Five-year planning period					
	Project description	Budget allocation	District Municipality	Location: GPS coordinates	Project Leader	Social partners
Financial Recovery Plan	Support to 5 Municipalities on the implementation of the FRPs on: • Funded budgets • SCM • Asset Management • Governance matters	Operational Budget	Nkangala, Ehlanzeni, Gert Sibande	Emalahleni LM, Govan Mbeki LM, Msukaligwa LM, Thaba Chweu LM, Lekwa LM	Mr B Straus, Mr CT Dlamini, Ms J Bezuidenhout	N/A
Governance improvement	Support municipalities with their implementation of governance requirements: • Attend risk and internal audit committees • Provide training on SCM • Support on accounting standards and financial statements	Operational Budget	Nkangala, Ehlanzeni, Gert Sibande	All municipalities	Mr B Straus, Mr CT Dlamini, Ms J Bezuidenhout	N/A



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