

Annual Performance Plans

2009/10 - 2011/12

Vision

*“A leading and influential Provincial Treasury in fiscal discipline
For
a better life of Free State communities”*

Mission

**As a leading agent, promote responsive and sustainable service delivery
that is in line with government priorities in an
economical, efficient and effective manner through:**

- prudent resource management
- Sound processes
- systems and reporting measures
- prompt and quality services
- policy and statutory compliance

Values

Every employee is expected to be guided by
the principles and core values that the Department espouse by:

- Performance
- Discipline
- Consistency
- Transparency
- Integrity
- Sensitivity
- Accountability
- Diligence
- Prudence
- Professionalism
- Fairness
- Consultation
- Responsiveness

Contents

Part A:

Vision, Mission, Core values	2
1. FOREWORD BY THE EXECUTIVE AUTHORITY	6
2. OVERVIEW BY THE ACCOUNTING OFFICER	7
3. STRATEGIC PLAN UPDATES	8
3.1 Strategic goals and objectives	9
4. LEGISLATIVE AND OTHER MANDATES	10-12

Part B:

5. PROGRAMME AND SUB-PROGRAMME PERFORMANCE TARGETS	
5.1 Programme 1: Administration	14-26
5.2 Programme 2: Sustainable Resource Management	27-34
5.3 Programme 3: Asset and Liability management	35-39
5.4 Programme 4: Financial governance	40-49
6. RECONCILIATION OF BUDGET WITH PLAN	50-51
7. IMPLEMENTATION OF THE CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT	52
8. MEDIUM TERM REVENUE	52
8.1 Summary of revenue (Provincial Treasury)	52
8.2 Departmental revenue collection	52
8.3 Conditional Grants	53
8.4 Donor funding	53
9. COORDINATION, CO-OPERATION AND OUTSOURCING PLANS	53
9.1 Interdepartmental linkages	53
9.2 Local government linkages	53
9.3 Public entities	53
9.4 Public, private partnership, outsourcing	53
10. FINANCIAL MANAGEMENT	53
10.1 Strategies to address audit queries	53
10.2 Implementation of PFMA	53

Part C:

11. ANNUAL PERFORMANCE PLAN OF YEAR- ONE	
11.1 Programme 1: Administration	54-63
11.2 Programme 2: Sustainable Resource Management	64-69
11.3 Programme 3: Asset and Liability management	70-72
11.4 Programme 4: Financial governance	73-77

PART A

OVERVIEW AND STRATEGIC PLAN UPDATES

Acronyms

AFS	: Annual Financial Statements
APP	: Annual Performance plans
BAS	: Basic Accounting System
EPWP	: Expanded Public Works Project
FSGDS	: Free State Growth and Development Strategy
IDIP	: Infrastructure Delivery Improvement Programme
IDP	: Integrated Development Plan
IFMS	: Integrated Financial Management Systems
IRM	: Infrastructure Reporting Model
IYM	: In Year Monitoring
KPI	: Key Performance Indicator
LOGIS	: Logistical Information System
MFMA	: Municipal Finance Management Act
MIS	: Management Information System
MOU	: Memorandum of Understanding
MTEF	: Medium Term Expenditure Framework
PERSAL	: Personnel Salary system
PMI	: Performance Measure Indicator
PPP	: Public Private Partnership
PROPAC	: Provincial Public Accounts Committee
SAM	: Social Accounting Matrix
SCM	: Supply Chain Management
SDBIP	: Service Delivery Budget Implementation Plan

Part A: Overview and Strategic Plan updates

1. Foreword by the Executive Authority

The Annual Performance Plan 2009/10 - 2011/12 represents a new opportunity for the Free State Provincial Government in general and the Department of Treasury in particular as it heralds the beginning of the new political term of office. Thus we will amongst other things work towards the realization of our vision encapsulated in our key strategic thrusts, viz:

- A department capable to render effective and efficient service of high quality
- Promote sustainable and credible budgets within the Free State Provincial towards realizing the goals and Objective of the government
- Manage and ensure the successful implementation of transversal financial systems
- Promote accountability through the substantive reflection of the financial activities in the provincial and Local sphere of government.

The Government of the Republic of South in the document: Towards the Fifteen Year Review reflected that "while financial management in provinces has improved over the past decade and a half, there are still some serious challenges. For example, the percentage of unqualified audits opinions. so, while the PFMA has improved public financial management, challenges remain." These same challenges also remain in the Free State and we therefore aim at drastically reducing these audits amongst other things as we play our role in this new MTSF.

In conducting our business this year, we are mindful of the current unfavourable economic conditions. We will take cognizance of the President's words in delivering the state of the Nation Address when he said that "the economic downturn will affect the pace at which South Africa is able to address its social and economic challenges." This we have factored in the way in which we will be monitoring the Departments this year. We will do this together with many social partners, because together we can do more.

.....
MR SJ MOHAI
MEC:FINANCE
DATE:

2. Overview by the Accounting officer

The recent changes in the provincial administration following the national general elections have meant a new focus on the way in which provincial departments have to execute their responsibilities in the quest to accelerate service delivery. The Provincial Treasury is an important partner in this quest, sees itself as playing no lesser role than our sister provincial departments. These changes, therefore, do not imply changes in the mandating legislature of the Treasuries, but bring with them a new dawn of responsibility in which the Treasury has to execute its responsibilities. It implies a new approach to the processes that have been followed in the management of provincial resources.

The stability in policies or programmes governing operations of Provincial Treasuries imply further that any further operational changes that may be necessary in the provincial government can be anticipated and arrested as they happen. It remains important that as the Provincial Treasury continues to focus on its core functions and responsibilities emanating from the Public Finance Management Act (PFMA) Act 1 of 1999, as amended, Treasury Regulations promulgated in terms of Section 76 of the Act, and oversight and support functions to be executed in respect of Municipalities in terms of the Municipal Finance Management Act (MFMA), Act 56 of 2003, it does so in a manner that:

- Facilitates effective and efficient management of provincial assets, liabilities and financial management systems
- Promotes accountability and transparency through substantive reflection of financial activities of the Province, as well as effective compliance with prevailing financial norms and standards
- Promotes the use of government service delivery as a catalyst for enhance economic growth and development and social equity

The fact that functions, activities and practices related to the afore mentioned are already well entrenched in the Provincial Treasury, does not imply that it will be business as usual over the period of this APP. On the contrary, the need to add value through departmental operations, heighten the need for careful planning to ensure meaningful contribution towards the progressive realization of Strategic Objectives over the planning period.

To this end, this plan represents a response to the challenge of ensuring that all gains emanating from greater effectiveness in the execution of financial management functions, to translate into improved service delivery. It remains a reality that improved service delivery will not automatically materialize with the passing of legislature, regulations and best-practice guidelines. Through strengthening of planning, budgeting and reporting links, this plan thus constitutes an important steppingstone in the evolving movement away from an input-focused system of planning, towards a system of performance measurement more strongly focused on actual performance and improved transparency and accountability with regard to the management of departmental resources.

The main advantage that this APP brings is that it forces departmental operations to become less linear and more interactive and collaborative. At a general level, it is thus an ideal instrument to sensitize staff throughout the department, as the key performance Indicators identified allow them to align their day-to-day work to support the department's plan to achieve set Strategic Objectives, and thereby assist the provincial government to attain its Strategic and Operational Objectives.

It also assist to drive home the necessity of a productive, cost conscious, hardworking and committed staff component as the transparency of the plan renders the department (and implicitly employees) accountable to a variety of internal and external stakeholders with regard to performance achieved. Views, inputs and comments during the implementation phase of this plan would be welcomed as it would assist to improve future plans. This APP is therefore an instrument against which the Provincial Treasury may be measured in its quest to contribute to the betterment of the lives of the citizens of the Free State province. It is a call to uncompromised duty and contribution by all officials within the department to give more than their utmost best in the execution of their responsibilities and is a reminder to all of us that ineffectiveness, inefficiency, uneconomic application of resources and less than 100% subscription to Batho Pele principles is the enemy that we shall fight with all our might.

.....
 AS FOURIE
 ACTING CEO: PROVINCIAL TREASURY
 DATE: 13/07/2009

3. Strategic Plan Update Analysis

This annual performance plan is a product of broad consultation processes where key employees were consulted and involved in all the phases of planning. This broad consultative initiative was intended to solicit direct involvement of directorate staff members with the consequence to encourage ownership of the document and the plan.

There are no changes on departmental strategic goals and objectives for 2009/10 planning period. Measurable objectives were not changed but reformulated to make them more meaningful. Some targets are still reflected as percentage, however qualified by narrative statements and baseline figures as most are reflecting quality or standard of services being rendered.

The approved risk register incorporated in this plan as an annexure, is intended to keep focus on identified risks and the corresponding performance measures.

The 2009/10 plan will serve as a basis for the development of the next five year strategic plan.

3.1 Strategic goals and objectives

Strategic Goals

- A department capable to render effective and efficient service of high quality
- Promote sustainable and credible budgets within the Free State Province towards realizing the goals and Objective of the government
- Manage and ensure the successful implementation of transversal financial systems
- Promote accountability through the substantive reflection of the financial activities in the Provincial and Local sphere of government

Strategic Objectives

Programme 1: Administration

- To ensure that an adequate support service is rendered to the MEC towards ensuring the effective and efficient functioning of the department
- To create a highly skilled responsive and competent workforce for the department
- To ensure that allocated funds are planned, managed and spent efficiently and effectively
- To procure and maintain quality goods and services in an economical and effective manner
- To ensure independent assessment of the adequacy and effectiveness of internal controls and risk management

Programme 2: Sustainable Resource Management

- To influence the development and/or implementation of government policies and programmes in support of enhanced economic growth and development within the Free State Province
- To enhance the provincial revenue growth through the development and implementation of sound fiscal policy framework in the Free State Province
- To ensure that Provincial financial resources are allocated in line with government priorities
- To monitor and advise on financial and non-financial performance of provincial departments and public entities

Programme 3: Assets and Liability Management

- To promote the effective, efficient and transparent management of physical and financial assets and the implementation of alternative service delivery modules and supply chain management framework
- To manage and ensure the successful implementation of transversal financial management systems

Programme 4: Financial Governance

- To promote prudent financial management within Free State Provincial Government
- To create and sustain a culture of accountability within the Free State Provincial Government
- To enhance the successful implementation and promote consistent application of the MFMA within local government

4. Legislative and other mandates.

<p>The Constitution of the Republic South Africa of Act 108 of 1996</p>	<p>National, provincial and municipal budgets 215.</p> <p>(1) national, provincial and municipal budgets and budgetary processes must promote transparency, accountability and effective financial management of the economy, debt and the public sector</p> <p>(2) national legislation must prescribe-</p> <p>(a) the form of national, provincial and municipal budgets ;</p> <p>(b) when national and provincial budgets must be tabled; and</p> <p>(c) budgets in each sphere of government must show the sources of revenue and the way in which proposed expenditure will comply with national legislation.</p> <p>(3) budgets in each sphere of government must contain--</p> <p>(a) estimates of revenue and expenditure, differentiating between capital and current expenditure;</p> <p>(b) proposals for financing any anticipated deficit for the period for which they apply, and</p> <p>(c) an indication of intentions regarding borrowing and other forms of public liability that will increase public debt during the ensuing year.</p>
<p>Public Finance Management Act No. 1 of 1999 (as amended)</p>	<p>18. Functions and powers,</p> <p>(1) A provincial treasury must--</p> <p>(a) prepare the provincial budget;</p> <p>(b) exercise control over the implementation of the provincial budget;</p> <p>(c) promote and enforce transparency and effective management in respect of revenue, expenditure, assets and liabilities of provincial departments and provincial public entities; and</p> <p>(d) ensure that its fiscal policies do not materially and unreasonably prejudice national economic policies.</p> <p>2) A provincial treasury--</p> <p>a) must issue provincial treasury instructions not inconsistent with this Act;</p> <p>b) must enforce this Act and any prescribed national and provincial norms and standards, including any prescribed standards of generally recognized accounting practice and uniform classification systems, in provincial departments;</p> <p>c) must comply with the annual Division of Revenue Act, and monitor and assess the implementation of that Act in provincial public entities;</p> <p>d) must monitor and assess the implementation in provincial public entities of national and provincial norms and standards;</p> <p>e) may assist provincial departments and provincial public entities in building their capacity for efficient, effective and transparent financial management;</p> <p>f) may investigate any system of financial management and internal control applied by provincial department or a provincial public entity;</p> <p>g) must intervene by taking appropriate steps, which may include the withholding of funds, to address a serious or persistent material breach of this Act by a provincial department or a provincial public entity;</p> <p>h) must promptly provide any information required by the National Treasury in terms of this Act; and</p> <p>i) may do anything further that is necessary to fulfill its responsibilities effectively.</p>
<p>Treasury Regulations, May 2005 issued in terms of PFMA Act 1 of 1999 (as amended)</p>	<p>76. Treasury regulations and instructions, inter alia,</p> <p>1) The National Treasury must make regulations or issue instructions applicable to departments, concerning--</p> <p>a) any matter that must be prescribed for departments in terms of this Act;</p> <p>b) the recovery of losses and damages;</p> <p>c) the handling of, and control over, trust money and property;</p> <p>d) the rendering of free services;</p> <p>e) the writing off of losses of state money or other state assets or amounts owed to the state;</p> <p>f) liability for losses and damages and procedures for recovery;</p>

	<ul style="list-style-type: none"> g) the cancellation or variation of contracts to the detriment of the state; h) the settlement of claims by or against the state; i) the waiver of claims by the state; j) the remission of money due to the Revenue Fund, refunds of revenue and payments from the Revenue Fund, as an act of grace; k) the alienation, letting or other disposal of state assets; and l) gifts or donations by or to the state. <p>2) The National Treasury may make regulations or issue instructions applicable to departments, concerning-</p> <ul style="list-style-type: none"> a) any matter that may be prescribed for departments in terms of this Act; b) the charging of expenditure against particular votes; c) the establishment of and control over trading entities; d) the improvement and maintenance of immovable state assets; e) fruitless and wasteful, unauthorised and irregular expenditure; f) the determination of any scales of fees, other charges or rates relating to revenue accruing to, or expenditure from, a Revenue Fund; g) the treatment of any specific expenditure; h) vouchers or other proofs of receipts or payments, which are defective or have been lost or damaged; i) assets which accrue to the state by operation of any law; or j) any other matter that may facilitate the application of this Act. <p>3) Regulations in terms of subsection (1) or (2) may prescribe matters for which the prior approval of a treasury must be obtained.</p>
<p>Municipal Finance Management Act 56 of 2003</p>	<p>Chapter 2 General functions of National Treasury and Provincial Treasuries, inter alia,</p> <p>3. A provincial treasury must in accordance with a prescribed framework -</p> <ul style="list-style-type: none"> (a) fulfil its responsibilities in terms of this Act; (b) promote the object of this Act as stated in section 2 within the framework of co-operative government set out in Chapter 3 of the Constitution; and (c) assist the National Treasury in enforcing compliance with the measures established in terms of section 216(1) of the Constitution, including those established in terms of this Act. <p>(4) To the extent necessary to comply with subsection (3), a provincial treasury-</p> <ul style="list-style-type: none"> (a) must monitor- <ul style="list-style-type: none"> (i) compliance with this Act by municipalities and municipal entities in the province; (ii) the preparation by municipalities in the province of their budgets; (iii) the monthly outcome of those budgets; and (iv) the submission of reports by municipalities in the province as required in terms of this Act; (b) may assist municipalities in the province in the preparation of their budgets; 5 (c) may exercise any powers and must perform any duties delegated to it by the National Treasury in terms of this Act; and (d) may take appropriate steps if a municipality or municipal entity in the province commits a breach of this Act.
<p>Division of Revenue Act (Act 2 of 2008)</p>	<p>Duties of Provincial Treasuries</p> <p>31.(1) The provincial treasury must reflect Schedule 5 allocations separately in the province's appropriation Bill or a schedule to its appropriation Bill.</p>

	<p>(2) (a) The provincial treasury must on the same day that its budget is tabled in the provincial legislature or a later date approved by the National Treasury, but not later than 14 April 2008, publish the following in the Gazette:</p> <ul style="list-style-type: none"> (i) the indicative allocation per municipality for every allocation to be made by the province to municipalities from the province's own funds; (ii) the indicative allocation to be made per school in the province; (iii) the indicative portion of the Integrated Housing and Human Settlement Development allocation to each municipality; (iv) the indicative allocation to any national or provincial public entity for the implementation of a programme funded by a Schedule 5 allocation on behalf of a province or for assistance provided to the province in implementing such a programme; (v) the envisaged division of the allocation contemplated in subparagraphs (i)-(iv), in respect of each municipality and school, for the next financial year and the 2010/11 financial year; (vi) the conditions and other information in respect of the allocations referred to in subparagraphs (i), (ii) and (iii) to facilitate performance measurement and the use of required inputs and outputs; and (vii) the budget of each hospital in a format determined by the National Treasury. <p>(b) The allocations and budgets referred to in paragraph (a) must be deemed to be final if the legislature passes the appropriation Bill without any amendments.</p> <p>(c) In the event that the legislature amends the appropriation Bill the accounting officer of the provincial treasury must publish amended allocations and budgets in the Gazette within 14 days of legislature passing the appropriation Bill.</p> <p>(3) (a) Despite anything to the contrary contained in any law, a provincial treasury may, in accordance with a framework determined by the National Treasury, amend the allocations referred to in subsection (2) or make additional allocations to municipalities that were not published in terms of subsection (1) or (2).</p> <p>(b) The amended allocations and allocations referred to in paragraph (a) must be published in the province's budget documents that are submitted with an adjustment appropriation Bill to its legislature.</p> <p>(c) The provisions of subsection (2), with the necessary changes, apply in respect of allocations referred to in paragraph (b).</p> <p>(4) Where a function for which a province receives a Schedule 5 allocation is assigned to a municipality during a financial year and the province has not appropriated funds to that municipality for the performance of that function, the province must transfer the allocation to the municipality in terms of section 226(3) of the Constitution as a direct charge against that province's Revenue Fund and must inform the National Treasury of the transfer.</p> <p>(5) (a) A provincial treasury must, as part of its consolidated monthly report in terms of section 32 of the Public Finance Management Act, in the format determined by the National Treasury, report on -</p> <ul style="list-style-type: none"> (i) actual transfers received by the province from national departments; (ii) actual expenditure on such allocations, excluding Schedule 4 allocations, up to the end of that month; and (iii) actual transfers made by the province to municipalities, and actual expenditure by municipalities on such allocations.
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PART B

PROGRAMME AND SUB-PROGRAMME PERFORMANCE TARGETS

5. Part B: Programme and sub-programme performance targets

5.1 PROGRAMME 1: ADMINISTRATION

The role of Programme 1 is to provide leadership, strategic management in accordance with legislation, regulations and policies as well as to ensure there is appropriate support service to all other programmes. There are six operational sub-programmes:

1.1 Office of the MEC	Provide for the efficient operation of the Office of the MEC.
1.2 Management Services	Provide for the efficient operation of the Office of the CEO Provide for the cost related to efficient running of the programme
1.3 Corporate Services	Provide an effective corporate support service to the Department.
1.4 Financial Management (office of the CFO)	Provide an effective financial management support service as well as effective and efficient SCM service to the department.
1.5 Internal Audit	Provide an effective internal audit service to the Department.

Sub-programme 1.1: (Office of the MEC)

Specified policies, priorities and strategic objectives

This sub-programme provides for the efficient operation of the Office of the MEC

Strategic objective linked to this sub-programme

To ensure that an adequate support service is rendered to the MEC towards ensuring the effective and efficient functioning of the department

Progress analysis

The office of the MEC fully participated in the selection and appointment of interns from previously disadvantaged communities geographically. Amongst other involvement are the preparations for capacity building exercise and motivational talks for mentors and protégés. The MEC availed himself for the following government and departmental initiatives, namely, Take a child to work, Media networking sessions, Media briefing session, Donation of blankets to elderly, Donation of school uniform, heaters ,air conditioners to platooning schools and Women indaba.

Amongst appointments prioritized in the MEC's diary were: Executive councils, EXCO meets the people, EXCO clusters, Imbizo, Government functions and events, Budget councils, Budget council lekgotla, Legislature sittings, Premier Coordination Fora, Audit committees, Extended Top Management, MTEC Budget Hearings, Infrastructure Reviews, Provincial Budget Presentation, Launch of the Provincial Socio- Economic Outlook, International visits, The XV11 international Aids Conference.

The new MEC: Finance has been appointed following the 2009 general elections.

Analysis of constraints and measures planned to overcome them

The office has limited staff as prescribed by the Ministerial Handbook

Description of planned quality improvement measures:

Train ministerial staff in various aspects of administration

Specification of measurable objectives and performance indicators

Table 1.1: Sub-Programme 1.1: (Office of the MEC) Strategic Objectives, Measurable objectives, Performance Measures indicators and targets

<i>Sub-programme 1.1: Office if the MEC</i>		<i>Strategic Goal 1: A department capable to render effective and efficient services of high quality</i>							
<i>Strategic Objective</i>	<i>Measurable Objective</i>	<i>Linkage to FSGDS</i>	<i>Performance Measure/ Indicator</i>	<i>Actual 2006/07</i>	<i>Actual 2007/08</i>	<i>2008/09 Estimate</i>	<i>2009/10 Target</i>	<i>2010/2011 Target</i>	<i>2011/2012 Target</i>
To ensure that an adequate support service is rendered to the MEC towards ensuring the effective and efficient functioning the department	Render an integrated quality support service to the MEC	Refocus & emphasize Presidential Izimbizo Programme , Izimbizo Focus Week, Exco-meets- the people and regular feedback sessions	Number of meetings planned and chaired by the MEC	N/A	N/A	100%	150	150	150
	Promote an effective and efficient functioning of the office of the MEC	Deploy skilled staff in provincial government and municipalities	Accurate and efficient records management system implemented	N/A	N/A	100%	1	1	1
		Repositioning ourselves for the implementation of the single Public Service Act. (Redeployment of staff from LG- Provincial vis-à-vis)	Turn-around time for documents received by the Office of the MEC	5 working days	5 working days	2 working days	2 working days	2 working days	2 working days

Sub-programme 1.2: (Management Services)

Specified policies, priorities and strategic objectives

The purpose of this sub-programme is to provide strategic leadership to the department.

Strategic objective linked to this sub-programme

To ensure that an adequate support service is rendered to the CEO and MEC towards ensuring the effective and efficient functioning of the department

Progress analysis

The new CEO of the department was appointed with effect from 01 February 2009.

In terms of providing strategic direction and support, the CEO has a number of planned meetings and strategic planning sessions scheduled for the year, to ensure that support systems are in place towards ensuring effective and efficient functioning on the Department. These include meetings which are chaired by the CEO and those that the Department participates in. The Department is also represented in various committee meetings nationally and provincially where budget issues and other matters relating to the Department are discussed.

Project Management systems will be put in place to support timeous service delivery in the Department. These systems would assist in monitoring and tracking of various projects.

To ensure adherence with protocol, the Office of the CEO has introduced formal reporting lines. Standard documentation templates have been to ensure consistency and improve efficiency in the Department. An electronic document registry system has also been set up to assist in documents tracking and monitoring incoming and outgoing correspondence.

Structures have been put in place to deal with the investigation and implementation processes for managing the cash flow of the province and ensuring that department spending remain within allocated funds are managed and spent in an efficient manner.

The CEO was also appointed as the Chairperson of the Economic and Infrastructure Development Cluster. The Cluster would be responsible to planning, implementing, monitoring, evaluation and reporting the Programme of Action projects, which emanated from the State of Province address and Operation Hlasela.

Analysis of constraints and measures planned to overcome them

- Internal stakeholders providing short notice on requests for approval of submissions
- External stakeholders providing short meeting notice schedules to the CEO

Description of planned quality improvement measures

- Internal programmes to prioritise internal work processes
- Prioritise both internal and external engagement

Specification of measurable objectives and performance indicators

Table 1.2: Sub-Programme 1.2: (Management Services) Strategic Objectives, Measurable objectives, Performance Measures indicators and targets

Sub-programme 1.2: Management Services		Strategic Goal: A department capable to render effective and efficient service delivery of high quality								
Sub-programme Strategic Objective	Measurable Objective	Linkage to FSGDS	Performance Measure/ Indicator	Actual 2006/07	Actual 2007/08	2008/09 Estimate	2009/10 Target	2010/2011 Target	2011/2012 Target	
To ensure that an adequate support service is rendered to the CEO towards ensuring the effective and efficient functioning of the office	Render an integrated quality support service to the CEO	Increase programmes for leadership management development	Number of meetings planned and chaired by the CEO	N/A	N/A	100% of 150 meetings	103	105	105	
	Effective and efficient functioning of the office of the CEO	Deploy skilled staff in provincial government and municipalities Implement the African Peer Review action plan	Accurate and efficient electronic records management system implemented	N/A	N/A	100%	1 Upgraded electronic records system implemented	Upgraded electronic records system implemented	Upgraded electronic records system implemented	
	Ensure that the CEO fully execute internal and external engagements for the department			Turn-around time for documents received by the Office of the CEO	N/A	N/A	2 days	2 days	2 days	2 days
				Number of strategic leadership meetings held	60%	11 monthly meetings with management	12 monthly meetings with Senior management	12 monthly meetings with Senior management	12 monthly meetings with Senior management	12 monthly meetings with Senior management
				N/A	N/A	4 Strategic planning and review sessions	4 Strategic planning and review sessions	4 Strategic planning and review sessions	4 Strategic planning and review sessions	
				N/A	Quarterly meetings with the MEC and Senior Executive Management	Quarterly meetings with the MEC and Senior Executive Management	Quarterly meetings with the MEC and Senior Executive Management	Quarterly meetings with the MEC and Senior Executive Management	Quarterly meetings with the MEC and Senior Executive Management	

Sub-programme 1.3: (Corporate Services)

Specified policies, priorities and strategic objectives

The purpose of this sub-programme is to provide an effective corporate support service to the Department.

Strategic objective linked to this sub- programme

To create highly skilled, responsive and competent workforce for the Department

Progress Analysis

- The vacancy rate of the department decreased from 20% to 8% in 2008/09 financial year
- There has been an improvement in the employment equity figures of the Department, as all of the appointments made during the fourth quarter were from designated groups.
- Organizational structure was reviewed and approved during the 2nd quarter of 2008/09
- Pay progression and performance rewards paid in time
- 565 officials are trained in line with service identified needs
- Special programme policies (Bereavement and HIV) has been reviewed and approved

Analysis of constraints and measures planned to overcome them

- Meet all the Employment Equity targets
- High vacancy rate, although the department fills significant number of posts each year, it is also losing employees to other public service departments and private sectors.

Description of planned quality improvement measures

- The department will prioritize to appoint black women in senior management positions and people with disabilities in all occupational categories
- Implementation of the retention strategy to address to address the problem of staff turnover

Specification of measurable objectives and performance indicators

Table 1.3: Sub-Programme 1.3: (Corporate Services) Strategic Objectives, Measurable Objectives, Performance Measures indicators and targets

Sub-programme 1.3: Corporate Services		Strategic Goal: A department capable to render effective and efficient service delivery of high quality							
Strategic Objective	Measurable Objective	Linkage to FSGDS	Performance Measure/ Indicator	Actual 2006/07	Actual 2007/08	2008/09 Estimate	2009/10 Target	2010/2011 Target	2011/2012 Target
To create a highly skilled responsive and competent workforce for the department	Recruit, maintain and retain sufficient and adequate human resource in line with government's transformation goals and objectives	Deploy skilled staff in provincial government and municipalities Improving representation of women in SMS and people with disability Audit of existing skills profiles at provincial and local government and placement thereof Gender mainstreaming training Implement the African Peer Review action plan	Funded posts filled on the approved staff establishment	39	App =109 Promotions 36 Transfers=16 (85%)	353 on approved staff establishment	370 filled posts on the staff establishment	382 filled posts on the staff establishment	390 filled posts on the staff establishment
			Limit the number of staff leaving the department	New Performance Measure	N/A	28 terminations	40	40	40
			Number of appointments in line with EE plan • Black • Females • Disabled	Employment equity plan was updated on quarterly basis	1 plan reviewed and updated	B=male 42 B=Females 29 Disabled=0	B=male 144 B=Females 144 Disabled=4	B=male 145 B=Females=144 Disabled=6	B=male 150 B=Females=148 Disabled=8
			Number of reviewed, approved and implemented departmental HRM policies	New Performance Measure	4	8	8	8	
			Number of Provincial and National days celebrated	New Performance Measure	4	11	5	5	
			Number of wellness workshop offered	New Performance Measure	7	14	10	10	
			Quarterly compliance report on relevant aspect of OHS Act	N/A	OHS act implemented	4	4	4	
			Number of posts evaluated on the staff establishment	New Performance Measure	N/A	32	370	382	390
			Annual review of organizational structure by specified dead-line.	1 approved organizational structure	1 approved organizational structure	1 approved organizational structure	June 2009	June 2010	June 2011
			Performance bonuses to qualifying officials finalised within the prescribed timeframe	79% salary 1-12	N/A	July 2008	July 2009	July 2010	July 2011
Pay progression for qualifying officials finalised within the prescribed timeframe	100%	N/A	July 2008	July 2009	July 2010	July 2011			

Sub-programme 1.3: Corporate Services		Strategic Goal: A department capable to render effective and efficient service delivery of high quality							
Strategic Objective	Measurable Objective	Linkage to FSGDS	Performance Measure/ Indicator	Actual 2006/07	Actual 2007/08	2008/09 Estimate	2009/10 Target	2010/2011 Target	2011/2012 Target
	Ensure that the department functions within a legally complaint framework		Number of awareness campaign held on Legal and Labour Relations matters conducted	N/A	80 employees trained	3	4	4	4
			Number of days to finalise disciplinary cases in accordance with legislation	100%	Handled within 30 working days	14 days	14 days	14 days	14 days
			Policy compliance report on MISS produced on quarterly basis	N/A	N/A	11 legislative requirements	4	4	4
			Designated officials and employees declaring financial interests	100%	N/A	25	19 SMS members	20 SMS members	20 SMS members
			Number of identified staff vetted	N/A	N/A	198	370	382	390
			Number of service providers in rand category contracted to the department vetted	N/A	N/A	N/A	><R500 ><R5,000 ><R30,000 ><R100,000	><R500 ><R5,000 ><R30,000 ><R100,000	><R500 ><R5,000 ><R30,000 ><R100,000
			Monthly report on inspections and findings related to security aspects	0	2	4	12	12	12
			Number of security awareness programmes	0	2	0	6	6	6
			Number of interns appointed	10 interns appointed	22 interns appointed	25	20	20	10
			Number of employees trained in line with needs	264 officials trained	542 officials trained	565	350	382	390
			Number of induction sessions conducted	3 induction sessions	5	4 induction sessions	4	4	4
			Number of workplace skills plans in place	1	Not done lack of capacity	1	1	1	1
			Number of full/part time bursaries awarded	N/A	17	24	25	25	25
	Recruit, maintain and retain sufficient and adequate human resource in with government's transformation goals and objectives	Massified induction training programmes for recruited and already appointed employees Audit of existing skills profiles at provincial and local government and placement thereof							

Sub-programme 1.3: Corporate Services		Strategic Goal: A department capable to render effective and efficient service delivery of high quality							
Strategic Objective	Measurable Objective	Linkage to FSGDS	Performance Measure/ Indicator	Actual 2006/07	Actual 2007/08	2008/09 Estimate	2009/10 Target	2010/2011 Target	2011/2012 Target
		Implement public service human resource strategy	Quarterly newsletter produced	3	1	4	41	41	41
		Increase programmes for leadership and management development	Number of service delivery improvement plans	4	2	2	4	4	4
			Media liaison activities	3	2	4	4	4	4
			Number of batho pele information session	0	0	0	54	54	54
		Targeted and focus recruitment and capacitating of all communications officer	Number of e-portals developed and maintained	N/A	N/A	N/A	4	Annual maintenance	Annual maintenance
			Network infrastructure designed, deployed and monitored in 4 phases	1 disaster recovery plan developed	Network not audited	0	Completion	3rd phase deploy IP telephony	4th phase Annual maintenance and monitoring
		Refocus & emphasize Presidential Izimbizo Programme, Izimbizo Focus Week, Exco-meets- the people and regular feedback sessions	Number of IT workshop conducted	New Performance Measure	N/A	10	6	6	6
	Enhance internal and external communication	Re-orientation of public servants with new mandate of the ruling party	Developed and implemented master system plan	100%	N/A	1	1	1	1
		Targeted and focus recruitment and capacitating of all communications officer							
		Coordinate, integrated and focused communication strategy and plan for the Provincial Government to be implemented and rolled-out							

Sub-programme 1.4: (Financial Management - office of the CFO)

Specified policies, priorities and strategic objectives

This sub-programme provides an effective financial management support service to the Department.

Strategic objectives linked to this sub-programme

To ensure that allocated funds are planned, managed and spent efficiently and effectively;
To ensure procurement and maintenance of quality goods and services in an economical manner

Progress analysis

- Adjustment budget tabled within set due date
- The accounting months on BAS is closed within the set timeframes and not forced closed by National Treasury. An average of 93% was achieved in respect of the key performance indicators by the end of fourth quarter.
- 87% of creditors were paid within 30 days of rendering services by the end of fourth quarter
- The department is in process of converting the 2 BAS systems and has been finalised
- Planning sessions were held with all directorates in producing the 2009/10 Annual Performance Plans.
- The 2007/08 Annual Report was tabled in the Legislature on 03 October 2008
- The draft demand , procurement plan has been developed and presented
- Requested internal audit to investigate the R1.6 million that led to the qualification
- Asset Management has improved in the department. Stocktaking program, updating and verification of room lists are completed.
- Departmental Transport Advisory Committee is fully functional; therefore there is an improvement in the departmental transport management system.
- Actual expenditure was R138 051 million against a budget of R141 131 million which represent budget spending of 97.82% deviated by 2%.
- All performance information report produced within prescribed timeframes

Analysis of constraints and measures planned to overcome them

- Accurate budgeting and spending of funds within the department
- Ensure effective asset management
- Lack of understanding LOGIS system to asset related issues
- Shortfall in the budget

Description of planned quality improvement measures

- Financial Management and Public Finance to amend the state of expenditure
- Fully completed the NID and LOGIS reconciliation
- Capacitate Users on asset management
- Obtain report from internal audit on the R1.6 million
- Implementation of cost containment measures to cover the shortfall

Sub-programme 1.4: Financial Management		Strategic Goal: A department capable to render effective and efficient services of high quality							
Strategic Objective	Measurable Objective	Linkage to FSGDS	Performance Measure/ Indicator	Actual 2006/07	Actual 2007/08	2008/09 Estimate	2009/10 Target	2010/2011 Target	2011/2012 Target
To ensure that allocated funds are planned, managed and spend effectively and efficiently.	Provide an effective and accurate financial administrative support within the department.		adherence to predetermined financial and banking KPI's	95%	96%	94%	95%	95%	95%
	Allocate and monitor all budget resources within the department inline with government priorities		90% of set banking KPI'S	N/A	N/A	N/A	90% of set KPI's	90% of set KPI's	90% of set KPI's
	Prepare the annual financial statement for the department		Adherence to key Budget Deadlines: <ul style="list-style-type: none"> Produce credible Adjustment Budget (one report submitted November) Produce credible Budget Statement II (2 drafts and 1 final report submitted January) 	1	1	1	1	1	1
	Prepare annual report for the department		Adherence to PFMA Reporting requirements: Compile in year monitoring (IYM) reports Adjustment Budget (one report submitted November) Budget Submission (one report submitted August) Accurate Annual Financial Statements before (May) each year Annual Report (August)	3 reports	3 reports	3 reports	3 reports	3 reports	3 reports
				N/A	N/A	12	12	12	12
				1 report	1 report	1 report	1 report	1 report	1 report
				1 report	1 report	1 report	1 report	1 report	1 report
				1 set of AFS	1 set of AFS	1 set of AFS	1 set of AFS	1 set of AFS	1 set of AFS
				1	1	1	1	1	1

Sub-programme 1.4: Financial Management		Strategic Goal: A department capable to render effective and efficient services of high quality							
Strategic Objective	Measurable Objective	Linkage to FSGDS	Performance Measure/ Indicator	Actual 2006/07	Actual 2007/08	2008/09 Estimate	2009/10 Target	2010/2011 Target	2011/2012 Target
To ensure that allocated funds are planned, managed and spent effectively and efficiently	Proper management of departmental performance information, planning, monitoring, evaluation and reporting processes	Improve joint planning across all spheres of government. (new IDP format and analysis document) Strengthen Provincial wide monitoring evaluation, including municipalities Align department, municipalities and public entities strategic plans in line with reviewed FSGDS	Published Annual performance plans/ Strategic Plans	1 APP	1 APP	1 APP	1 APP	1 APP	1 APP
			Assist in production of operational plans for all directorates	0	0	4	August 2009	May 2010	May 2011
To Procure and maintain quality goods and services in an economical and effective manner	Manage assets and transport effectively and efficiently Procure goods and services in the department in line with the demand and planning principles	Re-orientation of public servants with new mandate of the ruling party	Quarterly Performance Information Reports produced and submitted	4	4	4	4	4	4
			Facilitate engagement meetings regarding APP and SPP held	N/A	N/A	4	4	4	4
To Procure and maintain quality goods and services in an economical and effective manner	Render an effective and efficient logistics management service to all the users within the department	Re-orientation of public servants with new mandate of the ruling party	Quarterly reports on Programme of Actions submitted	N/A	N/A	4	4	4	4
			Number of reports submitted on Departmental injunctions	N/A	N/A	4	4	4	4
To Procure and maintain quality goods and services in an economical and effective manner	Manage assets and transport effectively and efficiently	Re-orientation of public servants with new mandate of the ruling party	Number of Strategic Planning Forum & M & E meetings attended	0	0	0	10	10	10
			National CFO meetings attended	1	2	2	2	4	4
To Procure and maintain quality goods and services in an economical and effective manner	Procure goods and services in the department in line with the demand and planning principles	Re-orientation of public servants with new mandate of the ruling party	Effective Management of all Departmental Assets to meet minimum LOGIS asset register requirements	N/A	N/A	100% 1 complete asset management register	1 complete asset management register	1 complete asset management register	1 complete asset management register
			Annual Demand Management Plan aligned with the APP/ Budget	N/A	N/A	1	Annually	Annually	Annually
To Procure and maintain quality goods and services in an economical and effective manner	Render an effective and efficient logistics management service to all the users within the department	Re-orientation of public servants with new mandate of the ruling party	All bids considered for procurement by bid committee	N/A	N/A	100 1 report	1 report	1 report	1 report
			93% of the number of creditors paid within 30 days	N/A	N/A	100% compliance	95% of 200 creditors paid within 30 days	95% of 200 creditors paid within 30 days	95% of 200 creditors paid within 30 days

Specification of measurable objectives and performance indicators

Sub-programme 1.5: (Internal Audit)

Specified policies, priorities and strategic objectives

This sub-programme provides an effective internal audit service to the Department.

Strategic objective linked to this sub-programme

To ensure independent assessment of the adequacy and effectiveness of internal controls and risk management practices

Progress analysis

- 34 performance and financial audit has been completed by the end of fourth quarter
- The unit currently use an automated audit system (teammate), training has been provided to all users to implement the system
- The audit plan compilation based on the three year rolling plan has been presented to the Audit Committee for approval
- Risk management section has been established and temporarily placed within the Internal Audit Directorate
- Risk assessment has been facilitated and the report finalised.

Analysis of constraints and measures planned to overcome them

- Reliance by Auditor General
- Automated Audit System
- Compliance with IIA Standards
- Coordination of Assurance Services

Description of planned quality improvement measures

- Development and implementation of annual training plan;
- Internal and External Quality assurance reviews;
- Information sessions and workshops;
- Development of procedure manuals for all internal audit activities

Specification of measurable objectives and performance indicators

Table 1.5: Sub-Programme 1.5: (Internal Audit) Strategic Objectives, Measurable objectives, Performance Measures indicators and targets

Sub-programme 1.3: Corporate Services		Strategic Goal: A department capable to render effective and efficient service delivery of high quality							
Strategic Objective	Measurable Objective	Linkage to FSGDS	Performance Measure/ Indicator	Actual 2006/07	Actual 2007/08	2008/09 Estimate	2009/10 Target	2010/2011 Target	2011/2012 Target
To ensure independent assessment of the adequacy and effectiveness of internal controls and risk management	Ensure that the internal audit effort support the attainment of the strategic objective of the department		Number of audits performed per year	N/A	N/A	34	34	56	56
	Enhance the implementation of internal controls towards appropriately addressing risks within the department		Number of days after completion of audit within which a report is issued	N/A	N/A	10	7 days	5	2
	Ensure compliance with best practices, norms and standards within the internal audit environment		Number of unresolved recommendations of Auditor General's management letter at the year end	N/A	N/A	0	0	0	0
	Promote adoption of sound risk management practices within the Department		Date of completion of the departmental risk register	N/A	N/A	1 Risk assessment report by 31/03/2009	1 Risk assessment report by 31/03/2010	1 Risk assessment report by 31/03/2011	1 Risk assessment report by 31/03/2012
To ensure independent assessment of the adequacy and effectiveness of internal controls and risk management	Promote adoption of sound risk management practices within the Department		Number of workshops conducted at service points for Internal controls	N/A	N/A	N/A	N/A	4	4
	Promote adoption of sound risk management practices within the Department		Level of reliance placed by Auditor General on work performed by Internal Audit	N/A	N/A	60%	70% of reliance	70% of reliance	70% of reliance
	Promote adoption of sound risk management practices within the Department		Date of the review of the risk management framework	N/A	N/A	N/A	31/03/2010	31/03/2011	31/03/2012
	Promote adoption of sound risk management practices within the Department		Updated risk registers for the department	N/A	N/A	N/A	4	4	4
	Promote adoption of sound risk management practices within the Department		Number of risk mitigation reports presented to Management	N/A	N/A	N/A	4	4	4
	Promote adoption of sound risk management practices within the Department		Annual finalization of risk assessment report	N/A	N/A	N/A	31/03/2010	31/03/2011	31/03/2012
			Number of training/workshop sessions held	N/A	N/A	N/A	4	4	4

5.2 PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

The role of Programme 2 is to provide professional advice and support on provincial economic analysis, fiscal policy, and the management of the annual budget process and the implementation of Provincial Budgets. There are five operational sub-programmes:

2.1 Programme support	Provide for the cost related to efficient running of the programme
2.2 Economic Analysis	Provide for provincial economic and social research and analysis that informs fiscal policy development and the annual budget process thereby contributing to the provincial growth and development strategy.
2.3 Fiscal Policy	Provide fiscal policy advice, determine the Medium Term Fiscal framework, develop and optimise the provincial revenue base and develop the provincial borrowing framework.
2.4 Budget Management 2.5 Public Finance	Prepare the provincial budget in line with provincial growth and development strategy. Monitor Budget Implementation and advice on the compilation of expenditure and non-financial performance reports.

Sub-programme 2.2: (Economic Analysis)

Specified policies, priorities and strategic objectives

This sub-programme provides for provincial economic and social research and analysis that informs fiscal policy development and the annual budget process thereby contributing to the provincial growth and development strategy.

Strategic Objective linked to this sub-programme

To influence the development and/or implementation of government policies and programmes in support of enhanced economic growth and development within the Free State Province

Progress analysis

- Regional Econometric Model developed
- The 10 year Socio-Economic Review of the Free State was finalised and published.
- Development of partnerships with research units in other departments, notably Social Development, Education, Health and Public Works, Roads and Transport.
- The directorate is also a role player in highlighting and elevating the role of research in public policy making and implementation.

Analysis of constraints and measures planned to overcome them

- Research experience and proficiency in analytical work

Description of planned quality improvement measures

- Build capacity through the provisioning of training and other capacity building initiatives

Specification of measurable objectives and performance indicators

Table 2.2: Sub-Programme 2.2: (Economic Analysis) Strategic Objectives, Measurable objectives, Performance Measures indicators and targets

Sub-programme 2.2: Economic Analysis		Strategic Goal 2: Promote sustainable and credible budgets within the Free State Province towards realizing the goals and objectives of government.							
Strategic Objective	Measurable Objective	Linkage to FSGDS	Performance Measure/ Indicator	Actual 2006/07	Actual 2007/08	2008/09 Estimate	2009/10 Target	2010/2011 Target	2011/2012 Target
To influence the development and/or implementation of government policies and programmes in support of enhanced economic growth and development within the Free State Province	Update socio economic database to inform planning and decision making	Develop framework for effective infrastructure regulation in support of government economic objectives	Updated database by the end of financial year	N/A	1	183	31 March 2010	31 March 2011	31 March 2012
	Utilization of the regional CGE Model to assess the policy implications on various socio-economic indicators		Piloting Capacity building	N/A	1 Workshop for departments & 5 for districts	0	1 (Development stage)	1 (Piloting)	1 (Implementation & maintenance)
	Assess the impact and implications of various fiscal objectives on selected socio-economic variables		Number of research based reports produced	N/A	Published as chapter 6 of the Socio- Economic	4	4	4	4
Influence the direction, development and implementation of government policy through the publication of an annual discussion document			Workshops conducted with stakeholders	N/A	N/A	6	6	6	6
			Produce discussion document (IMTBPS)	N/A	N/A	N/A	N/A	1	1
			Publish QLMR	N/A	N/A	N/A	1	1	1
			Number of discussion documents produced	N/A	N/A	1	1	1	1

Sub-programme 2.3: (Fiscal Policy)

Specified policies, priorities and strategic objectives

This sub-programme provides fiscal policy advice, determine the Medium Term Fiscal framework, develop and optimise the provincial revenue base and develop the provincial borrowing framework.

Strategic Objective linked to this sub-programme

To enhance the provincial revenue growth through the development and implementation of sound fiscal policy framework in the Free State Province

Progress analysis

- 7 departments have reasonable revenue base

Analysis of constraints and measures planned to overcome them

- The directorate has undergone major re-structuring and strategic changes for 2009/10 in order to position itself strategically to fulfil fiscal direction and leadership in the Province.

Description of planned quality improvement measures

- The total restructuring will result in a more dynamic approach from the unit and an anticipated smarter method of working together with more credible outputs.

Specification of measurable objectives and performance indicators

Table 2.3: Sub-Programme 2.3: (Fiscal Policy) Strategic Objectives, Measurable objectives, Performance Measures indicators and targets

Sub-programme 2.3: Fiscal Policy		Strategic Goal: Promote sustainable and credible budgets within the Free State Province towards realizing the goals and objectives of government.								
Strategic Objective	Measurable Objective	Linkage to FSGDS	Performance Measure/ Indicator	Actual 2006/07	Actual 2007/08	2008/09 Estimate	2009/10 Target	2010/2011 Target	2011/2012 Target	
To enhance the provincial revenue growth through development and implementation of sound fiscal policy framework in the Free State Province	Develop credible revenue budget for the departments		Credible revenue base for 11 departments	55%	N/A	N/A	11	0	0	
	Monitor revenue performance against target		Train Departments on revenue				6	11	11	
	Ensure 100% compliance with legislative prescripts, PFMA, Procedures, TR and departmental policies		Revenue target analysis reports	N/A	N/A	N/A	12	12	12	
			Overpayment to Provincial revenue fund report.	N/A	N/A	N/A	12	12	12	
			Quarterly meetings on revenue.	N/A	N/A	N/A	4	4	4	
			Develop & issue guidelines on revenue related matters	N/A	7 Policies reviewed	8 Departments	3	4	4	
			Conduct revenue inspections	N/A	7 Departments	N/A	8	16	20	
			Evaluate Annual Performance Plan of revenue generating department.	N/A	N/A	N/A	8	11	11	
			Research Report on Provincial Equitable share formula	N/A	N/A	N/A	2	1	1	
			Review Components of Provincial Equitable Share	N/A	N/A	N/A	4	4	4	
			1 Submission on PES on the FCC's Division of Revenue recommendations	N/A	reviewed	N/A	1	1	1	
			Quarterly report on all measures taken to optimise conditional grants	N/A	N/A	N/A	4	4	4	
			1 Report, on donor funding (allocation, spending, challenges, compare to other provinces and provide recommendations on how to improve)	N/A	N/A	N/A	4	4	4	
			Establish database of FS current Donor funding	N/A	N/A	N/A	1	0	0	
			1 Report on findings	N/A	N/A	N/A	1	1	1	
	Optimise/Raise revenue from Conditional Grants		Manage Donor Funding							
	Ensure compliance with SA prescripts, Donor Country requirements									

Sub-programme 2.4: (Budget Management)

Specified policies, priorities and strategic objectives

This sub-programme prepares the provincial budget in line with provincial growth and development strategy.

Strategic Objective linked to this sub-programme

To ensure that provincial financial resources are allocated in line with the government priorities

Progress analysis

- The sub-programme managed to prepare a credible and developmental budget for the period under review in pursuit of improved public expenditure management.
- Significant progress had been made with regard to preparation and tabling of performance plans
- Adjustment budget 2008/09 has been tabled on 26 November 2008
- MTEC hearing report for all stakeholders were produced and finalised

Analysis of constraints and measures planned to overcome them

- Ensure the alignment of Strategic and Performance Plans with budgets and Free State Growth and Development Strategy
- Improve the credibility and quality of the departmental budget inputs and Annual Performance Plans

Description of planned quality improvement measures

- Budget Management sub-programme will ensure the preparation of the provincial budget in line with the provincial growth and development strategy. This entails ensuring that the provincial budgeting processes are aligned to the national planning processes.
- The sub-programme managed to prepare a credible and developmental budget for the period under review in pursuit of improved public expenditure management.

Specification of measurable objectives and performance indicators

Table 2.3: Sub-Programme 2.4: Budget Management Strategic Objectives, Measurable objectives, Performance Measures indicators and targets

Sub-programme 2.2: Budget Management		Strategic Goal: Promote sustainable and credible budgets within the Free State Province towards realizing the goals and objectives of government.							
Strategic Objective	Measurable Objective	Linkage to FSGDS	Performance Measure/ Indicator	Actual 2006/07	Actual 2007/08	2008/09 Estimate	2009/10 Target	2010/2011 Target	2011/2012 Target
To ensure that provincial financial resources are allocated in line with government priorities.	Enhance the preparation of the strategic and annual performance plans of provincial departments.	Improve joint planning across all spheres of government. (new IDP format and analysis document)	Number of analytical reports	N/A	N/A	1 consolidated report	1 consolidated report	1 consolidated report	1 consolidated report
	Prepare and recommend the appropriation of funds to provincial departments in line with government priorities.	Align department, municipalities and public entities strategic plans in line with reviewed FSGDS	Number of assessment reports	N/A	1 report per department	2 assessment reports	3 assessment reports	3 assessment reports	3 assessment reports
			Tabled Provincial Budget in line with National prescripts	Provincial budget tabled on 17 February 2006 (week after National budget)	Credible Provincial budget tabled on 28 February 2007 (week after National budget)	Credible Provincial budget tabled within 2 weeks after National budget	Credible Provincial budget tabled within 2 weeks after National budget	Credible Provincial budget tabled within 2 weeks after National budget	Credible Provincial budget tabled within 2 weeks after National budget
			Tabled Adjustment Budget in line with National prescripts	Adjustment budget tabled on 20 November 2006	Adjustment budget tabled on 19 November 2007	Credible Adjustment budget tabled within 30 days after National adjustment Budget	Credible Adjustment budget tabled within 30 days after National adjustment Budget	Credible Adjustment budget tabled within 30 days after National adjustment Budget	Credible Adjustment budget tabled within 30 days after National adjustment Budget
			Report on alignment of budget, strategic and annual performance plans	1 report per department	1 report per department	1 report per department	1 report per department	1 report per department	1 report per department

Sub-programme 2.5: (Public Finance)

Specified policies, priorities and strategic objectives

This sub-programme monitors budget implementation and advice on the compilation of expenditure and non-financial performance reports.

Strategic Objective linked to this sub-programme

To monitor and advise on financial and non-financial performance of provincial departments and public entities

Progress analysis

- The Directorate managed to create a financial data base where officials within the Provincial Treasury have access to information on provincial expenditure trends and figures.
- Quarterly presentations to the Executive Council, National Council of Provinces, the Finance Committee on the projected Provincial Budget outcome.
- Ensure that departments continuously adhere to the submission dates of the IYM (In-year Monitoring model) on the 15th of each month and submit to National Treasury on the 22nd..
- Timely submission of the IRM (Infrastructure Reporting Model) and Non Financial Information on a quarterly basis to National Treasury.
- An Infrastructure review meeting held with all provincial departments and the implementation agents, to heightened focus on infrastructure roll-out that will assist to further accelerate the rate of infrastructure delivery.

Analysis of constraints and measures planned to overcome them

- Monitor and report on infrastructure spending in the province.
- Monitor and report on financial performance of the province.
- Monitor on the non-financial data and the unit's capacity to effectively evaluate the non-financial information.
- Monitor the implementation of public entities budgets and non-financial information.

Description of planned quality improvement measures

- Provide training to new and existing personnel around the In-Year- Monitoring System and the Infrastructure Reporting Model and the analysis with regard to the non-financial data.
- Ensure the monthly and quarterly submission of reports of provincial departments as well as public entities.

Specification of measurable objectives and performance indicators

Table 2.5: Sub-Programme 2.5: (Public Finance) Strategic Objectives, Measurable Objectives, Performance Measures indicators and targets

Sub-programme 2.2: Public Finance		Strategic Goal: Promote sustainable and credible budgets within the Free State Province towards realizing the goals and objectives of government.							
Strategic Objective	Measurable Objective	Linkage to FSGDS	Performance Measure/ Indicator	Actual 2006/07	Actual 2007/08	2008/09 Estimate	2009/10 Target	2010/2011 Target	2011/2012 Target
To monitor and advise on financial and non-financial performance of provincial departments and public entities	Assess expenditure performance of departments and Public Entities against budgets	Strengthen Provincial wide monitoring evaluation, including municipalities	Number of assessment reports prepared in terms of In Year Monitoring Model	12 consolidated reports (departments)	12 consolidated reports (departments)	18 consolidated reports (Departments and Public Entities)	18 consolidated reports (Departments and Public Entities)	18 consolidated reports (Departments and Public Entities)	18 consolidated reports (Departments and Public Entities)
	Verify expenditure against conditional grants objectives		Number of compiled C-grant reports verified	N/A	N/A	4 consolidated reports	4 consolidated reports	4 consolidated reports	4 consolidated reports
	Assess expenditure performance against published infrastructure plans		Number of reports prepared in terms of infrastructure reporting model	4 consolidated reports (7 departments)	4 consolidated reports (7 departments)	4 consolidated reports (7 departments)	4 consolidated reports (7 departments)	4 consolidated reports (7 departments)	4 consolidated reports (7 departments)
	Verify performance of departments and public entities against set target		Number of reports prepared in terms of the quarterly performance model	4 consolidated reports	4 Consolidated reports (Departments)	8 Consolidate reports (4 Departments & 4 Public Entities)	8 Consolidate reports (4 Departments & 4 Public Entities)	8 Consolidate reports (4 Departments & 4 Public Entities)	8 Consolidate reports (4 Departments & 4 Public Entities)

3.5 PROGRAMME 3: ASSET AND LIABILITY MANAGEMENT

The role of programme 3 is to provide policy direction, facilitate the effective and efficient management of assets, liabilities and financial management systems.

3.1 Programme support	Provide for the cost related to efficient running of the programme
3.2 Assets Management	To facilitate the effective, efficient, economical and transparent management of physical and financial assets and the implementation of the PPP and SCM frameworks.
3.3 Liability management	Facilitate the effective and efficient management of liabilities.
3.4 Support and Interlinked Financial Systems	To manage the implementation and maintenance of financial systems.

Sub-programme 3.2: (Asset Management)

Specified policies, priorities and strategic objectives

The role of this sub-programme is to facilitate the effective, efficient, economical and transparent management of physical and financial assets and the implementation of the PPP and SCM frameworks.

Strategic Objective linked to this sub-programme

To promote prudent management of physical and financial assets and the implementation of supply chain management framework

Progress analysis

- The Asset Management Reform Programme was initiated in all Departments as well as the establishment of an Asset Management Forum. However, progress in the implementation of the reforms need to be monitored closely by this unit.
- The task team has been established since April 2008 to solve functionality matters of the centralized database system with the service provider.
- The departments are currently using the database system; the system for quotation management is still under suspension.
- Registration of suppliers is still ongoing through Quadrem

Analysis of constraints and measures planned to overcome them

- The implementation of Asset Management Reform Practices.

Description of planned quality improvement measures

- Develop, promote and monitor the implementation of policies for effective management of assets

Specification of measurable objectives and performance indicators

Table 3.2: Sub-Programme 3.2: (Assets Management) Strategic Objectives, Measurable objectives, Performance Measures indicators and targets

Sub-programme 3.2: Assets Management		Strategic Goal: To facilitate an environment to the effective and efficient management of assets and transversal financial systems within the Free State Provincial Government.							
Strategic Objective	Measurable Objective	Linkage to FSGDS	Performance Measure/ Indicator	Actual 2006/07	Actual 2007/08	2008/09 Estimate	2009/10 Target	2010/2011 Target	2011/2012 Target
To promote the prudent management of physical and financial assets and the implementation of supply chain management framework	Guide and monitor the implementation of asset management reform (physical asset management)	Adoption of supply chain management policy guidelines by all government, entities, district and local municipalities	Number of asset management reform project plan template implemented Number of asset management forums and training sessions conducted	New initiative commented in 2007/08 6 AM Forum & 32 Training Sessions	4 AM Forum & 14 Training Sessions	1 SCM forum, 3 AM Forum & 14 Training Sessions	4 AM Forum & 8 Training Sessions	4 AM Forum & 8 Training Sessions	4 AM Forum & 8 Training Sessions
	Guide and monitor the implementation of the supply chain management framework	Production of progress reports on the implementation plan Promotion of government procurement for Small Enterprises and resolve list through WEDLAC Implementation of the finalisation of the red tape reduction programme for SMME's	Number of FSP asset management steering committee meetings held Number of asset management inspection/ monitoring visits conducted • Inspection reports • Monitoring reports Number of supply chain management forums and training sessions conducted Number of monitoring and evaluation reports produced Number of supplier management system maintained	12 steering committee meetings held N/A	12 N/A	1 N/A	4 12 144	4 12 144	4 12 144

Sub-programme 3.2: Assets Management		Strategic Goal: To facilitate an environment to the effective and efficient management of assets and transversal financial systems within the Free State Provincial Government.							
Strategic Objective	Measurable Objective	Linkage to FSGDS	Performance Measure/ Indicator	Actual 2006/07	Actual 2007/08	2008/09 Estimate	2009/10 Target	2010/2011 Target	2011/2012 Target
	Guide the implementation of infrastructure delivery models and public private partnership projects	Implement PHASE 11 of EPWP Develop framework for effective projects	Number of infrastructure delivery meetings, including IDIP held Number of training sessions conducted / facilitated Number of infrastructure site visits conducted 20 project bi-monthly Number of infrastructure monitoring reports produced	12 steering committee meetings held 4 N/A N/A	46 2 100 projects N/A	48 2 70 projects N/A	46 1 120 projects 16	46 1 120 projects 16	46 1 120 projects 16
	Ensure proper and effective management of provincial revenue fund.		Timely and reliable Provincial revenue Fund annual financial statements Monthly cash transfer reports produced Facilitated revenue generation through investment ● Investment reports	In accordance with the prescripts N/A N/A	In accordance with the prescripts N/A N/A	1 N/A N/A	Finalisation of Financial Statements according to prescripts 12 12	In accordance with the prescripts 12 12	In accordance with the prescripts 12 12

Sub-programme 3.4 (Support and Interlinked Financial Systems)

Specified policies, priorities and strategic objectives

The aim of the sub-programme is to manage the implementation and maintenance of financial systems.

Strategic Objective linked to this sub-programme

To manage the implementation and maintenance of financial systems

Progress analysis

- The registration of suppliers and banking details on BAS are maintained within 10 working days
- 579 BAS, LOGIS and PERSAL users were trained at the end of the second quarter
- 98% efficient and effective support of PERSAL users in all departments
- Adhoc (MIS) and PERSAL reports enhanced accurate and credible PERSAL information to departments.

Analysis of constraints and measures planned to overcome them

- Lack of capacity and skills within the programme and departments regarding transversal systems
- Slow pace of the Integrated Financial Management Systems (IFMS) project
- Frustration and problems experienced with BAS updates, releases and support
- Upgrade BAS Balance Conversion between the old V2 BAS Database and New V3 Database
- Compliance with the Departmental ICT security policy and standard

Description of planned quality improvement measures

- Improve capacity level
- Urge National Treasury to expedite the IFMS project
- BAS training manuals from National Treasury that include Version 3 SCOA updates and enhancements have been requested.
- Finalisation of Audit closure of all Free State Departments
- Align implementation processes with set procedures, controls, arrangements and functions.

Specification of measurable objectives and performance indicators

Table 3.4: Sub-Programme 3.4: (Support and Interlinked Financial Systems) Strategic Objectives, Measurable objectives, Performance Measures indicators

Sub-programme 3.4: Support and Interlinked financial systems		Strategic Goal: To manage and ensure the successful implementation of transversal financial management systems							
Strategic Objective	Measurable Objective	Linkage to FSGDS	Performance Measure/ Indicator	Actual 2006/07	Actual 2007/08	2008/09 Estimate	2009/10 Target	2010/2011 Target	2011/2012 Target
To manage and ensure the successful implementation of transversal financial management systems.	Manage and maintain the transversal systems		Availability and stability of the Transversal systems	97% of working hours	95% of working hours	95% of working hours	95% of working hours	95% of working hours	95% of working hours
			Provide technical and functional support to Provincial Departments within working hours	8 working hours	8 working hours	8 hours	Respond to calls within 8 working hours	Respond to calls within 8 working hours	Respond to calls within 8 working hours
			Interfaces successfully integrated with external systems	100% Interfaced	100% Interfaced	100% of interfaced (Telkom-,Persal-, and bank interfaces	100% Interfaced	100% Interfaced	100% Interfaced
			Number of clear and user-friendly Transversal System Circulars and Practice Notes	N/A	N/A	27	26	26	26
			Credible and accurate Entity Register	7049 entities created	6575 entities created	100% credible and accurate Entity Registers	100% credible and accurate Entity Registers	100% credible and accurate Entity Registers	100% credible and accurate Entity Registers
			Items codified and standardized within 48 hours	6508 items codified	3589 items codified	100% of 3389	100% of 3389	100% of 3389	100% of 3389
	Strengthen the capacity in provincial departments on the utilization of the transversal systems.		Number of officials trained on BAS, PERSAL and LOGIS	BAS 604 PERSAL 579 LOGIS 450	BAS 563 PERSAL 413 LOGIS 347	BAS 141 PERSAL 463 LOGIS 491	BAS 250 PERSAL 250 LOGIS 350	BAS 250 PERSAL 250 LOGIS 350	BAS 250 PERSAL 250 LOGIS 500

4. PROGRAMME 4: FINANCIAL GOVERNANCE

The role of programme 4 is to promote accountability through substantive reflection of financial activities of the province as well as compliance with financial norms and standards. This programme consists of the following sub programmes:

4.1 Programme support	Provide for the cost related to efficient running of the programme.
4.2 Accounting Services	Ensure the effective implementation of accounting practices in line with Generally Recognised Accounting Practice; prepare consolidated financial information that reflects the financial position of the province.
4.3 Risk Management and Internal Audit	Promote effective optimal financial resource utilisation and Internal audit.
4.4 Norms and Standards: MFMA	Promote, support, monitor and report on the implementation of the MFMA at delegated municipalities and Municipal Entities in the Province and ensure quality reports translate in service delivery performance.

Sub-programme 4.2: (Accounting Services)

Specified policies, priorities and strategic objectives

The Accounting Service component is a key link between the Financial Accounting teams of provincial departments and Public Entities and the Provincial Treasury to encourage the implementation of sound accounting practices and ensure that financial reporting is a full reflection of the financial position of the Provincial Government.

Strategic Objective linked to this sub-programme

To promote prudent financial management within Free State Provincial Government

Progress analysis

- Key performance indicators have been developed in respect of banking related matters for departments and trading entities
- Comprehensive PAG circulars and Practice Notes were compiled and circulated to all Departments and Entities to provide additional guidance and emphasize all important matters related to the compilation of the Annual Financial Statements.
- Guidelines regarding compilation of Annual Financial Statements were issued timely.
- Informative training regarding the Annual Financial Statements were successfully conducted
- Preliminary average of 89% adherence to pre-determined KPI's achieved
- Training session to improve financial management capacity in provincial departments and entities were conducted.
- All Departments, Trading and Public Entities and other funds submitted their Annual Financial Statements to the Auditor General and the Provincial Treasury

Analysis of constraints and measures planned to overcome them

- Transformation to accrual accounting.
- Implementation of newly approved GRAP standards.
- Limited inputs/participation from all the stakeholders on the Exposure drafts and discussion papers issued by the Accounting Standards Board.
- Inclusion of inventory, movable and immoveable assets as well as minor assets in the financial statements of all departments.
- Limited time to complete consolidated financial statements /information in the event that the audit reports of all departments and public entities are not signed by 31 July and that the Annual Financial Statements figures of the Provincial Revenue Fund is confirmed by the Auditor General in agreed upon time frame.
- Issues raised on template and preparation guide for the compiling of Annual Financial Statements not resolved as per agreements with National Treasury.

- Training manuals on the utilisation, interpretation and clearance of asset & liability items need to be developed.
- Non-compliance with target dates by departments.

Description of planned quality improvement measures

- Inputs and work sessions in respect of practical implementation on Accounting Standards Board exposure drafts/GRAP standards and templates prepared by National Treasury.
- Regular consultation with the Office of the Auditor General and preparation of consolidated statements/information on draft statements.
- Promote quality of annual financial statements by providing inputs on templates prepared by National Treasury and the evaluation of draft departmental statements with feedback to the departments and entities.
- Treasury officials to attend necessary training as per their performance development plans.
- Skills and capacity building and Development of procedure manuals
- Monitoring reports on Key Performance Indicators (KPI's) and issues raised by the Auditor General on 2008/09 Annual Financial Statements and facilitates corrective actions.
- Continue with Financial Management Bilaterals with departments and public entities in 2009.
- National Treasury and Provincial Treasury to agree on way forward and provide guidance to eliminate problems regarding all asset related matters.
- Identify problem areas in annual financial statements and provide guidance in the form of processes, procedures, workshops, prescriptive instructions and training.
- Evaluation of financial management of public entities by monitoring Key Performance Indicators for all entities
- Expand on the evaluation of financial management of public entities by introducing Key Performance Indicators for all entities
- Maintain low vacancy rate by appointing new officials within the shortest possible timeframes.

Specification of measurable objectives and performance indicators

Table 4.2: Sub-Programme 4.2: (Accounting Services) Strategic Objectives, Measurable objectives, Performance Measures indicators

Sub-programme 4.2: Accounting Services		Strategic Goal 2: : Strategic Goal 1: To promote accountability through the substantive reflection of the financial activities in the provincial- and local sphere of government									
Strategic Objectives	Measurable Objective	Linkage to FSGDS	Performance Measure/ Indicator	Actual 2006/07	Actual 2007/08	2008/09 Estimate	2009/10 Target	2010/2011 Target	2011/2012 Target		
<i>To promote prudent financial management within Free State Provincial Government</i>	<i>To improve the implementation of accounting related legislation and policy frameworks within provincial departments and public entities (including capacity building)</i>	<i>Ensure improvement of financial management</i>	<i>Number of Departments monitored to adhere to 87% accounting related KPI's from weighted 100%</i> <i>Number of Trading Entities monitored to adhere to 87% accounting related KPI's from weighted 100%</i> <i>Number of listed Public Entities monitored to adhere to 60% accounting related KPI's from weighted 100%</i>	<i>85.9%</i>	<i>83%</i>	<i>85%</i>	<i>11</i>	<i>11</i>	<i>11</i>		
	<i>To prepare the consolidated annual financial information for the Free State Provincial Government</i>	<i>Ensure improvement of financial management</i>	<i>Number of training session for Provincial Departments, public and Trading Entities:</i> <i>Timely submission of annual report for consolidated financial information to be tabled</i>	<i>New PMI</i>	<i>New PMI</i>	<i>5</i>	<i>4</i>	<i>4</i>	<i>4</i>		
	<i>To ensure the successful implementation of banking arrangements for the Provincial Department</i>	<i>Ensure improvement of financial management</i>	<i>Number of Departments and Trading Entities monitored to adhere to 82% of banking arrangement KPI from Weighted 100%</i>	<i>200 officials trained</i>	<i>222 officials trained</i>	<i>11 sessions</i>	<i>10 training sessions</i>	<i>9 training sessions</i>	<i>8 training sessions</i>		
				<i>31 October</i>	<i>31 March</i>	<i>26 October</i>	<i>23 October 2009</i>	<i>22 October 2010</i>	<i>21 October 2011</i>		
				<i>New Performance Indicator</i>	<i>New Performance Indicator</i>	<i>Identify KPI's for all Provincial Departments and Trading Entities</i>	<i>13</i>	<i>13</i>	<i>13</i>		

Sub-programme 4.3: (Norms and Standards - MFMA)

Specified policies, priorities and strategic objectives

To promote, support, monitor and report on the implementation of the MFMA at delegated municipalities and Municipal Entities in the Province to enhance service delivery performance

Strategic Objective linked to this sub-programme

To enhance the successful implementation of the MFMA

Progress analysis

- Asset management framework launched.
 - One assessment report produced for compliance with all the requirements of the SCM in 5 District municipalities and 19 local municipalities
 - Training sessions conducted for municipalities in the application of physical and financial assets management frame work.
 - Two Assessment reports in promoting credible annual budget within delegated municipalities produced per municipality.
 - Two Progress reports submitted to PROPAC.

Practice note in line with MFMA issued to municipalities.

Analysis of constraints and measures planned to overcome them

- No access to financial system of the municipalities as a result PT is unable to verify credibility of information in terms of section 71 reports and annual, quarterly and monthly returns.
- Late and non-submission of documents such as section 71 reports, budgets and related documents such as SDBIP, budget policies, timelines and the different returns.
- High turnover of municipal and Provincial Treasury staff
- Capacity constraints on both municipalities and PT
- Institutional arrangements
- Lack of minimum standards for financial systems.

Description of planned quality improvement measures

- Municipalities will be requested to submit supporting documentation for figures reported and more visits will be conducted to verify the information.
- Further promotion of MFMA compliance through technical support and intergovernmental forums such as the CFO forum etc.
- The MFMA unit has introduced a reporting requirement by way of a certificate of accuracy of which the municipal manager must certify the correctness and accuracy of information on section 71 report.
- Establishment of hands-on support unit
- Appointment of new personnel and specialization of functions
- Strengthen relations with sector departments and other stakeholders such as DBSA
- Benchmarking
- Development of minimum standards for financial systems by National Treasury.

Specification of measurable objectives and performance indicators

Table 4.4: Sub-Programme 4.3 (Norms and Standards MFMA) Strategic Objectives, Measurable Objectives, Performance Measures indicators

Sub-programme 4.3: Norms and Standards (MFMA)		Strategic Goal : To promote accountability through the substantive reflection of the financial activities in the provincial- and local sphere of government								
Strategic Objectives	Measurable Objective	Linkage to FSGDS	Performance Measure/ Indicator	Actual 2006/07	Actual 2007/08	2008/09 Estimate	2009/10 Target	2010/2011 Target	2011/2012 Target	
To enhance the successful implementation of the MFMA within local government	To promote the effective, efficient and transparent management of physical and financial assets within municipalities	Improve and coordinate revenue measures and mechanisms	Development and roll-out of asset management KPI's for all municipalities.	N/A	N/A	N/A	1 set of KPI's 24 municipalities	N/A	N/A	
			Number of assessment reports an asset management KPI's	N/A	N/A	N/A	12	N/A	N/A	
			Nr of Municipalities monitored to adhere to an average of 50% of Asset Management KPI's from weighted 100%	N/A	N/A	N/A	N/A	24	24	
	To promote the implementation of the supply chain management framework	Improve control of assets and resources	Number of SCM assessment reports	N/A	SCM Compliance survey conducted within all municipalities	24	48	24	24	

Strategic Goal : To promote accountability through the substantive reflection of the financial activities in the provincial- and local sphere of government										
Strategic Objectives	Measurable Objective	Linkage to FSGDS	Performance Measure/ Indicator	Actual 2006/07	Actual 2007/08	2008/09 Estimate	2009/10 Target	2010/2011 Target	2011/2012 Target	
To enhance the successful implementation of the MFMA within local government	Promote Establishment of functional Internal Audit Units and Audit Committees	Ensuring improvement in financial management	Develop Internal Audit KPI's for all municipalities	N/A	N/A	N/A	1 set of KPI's	N/A	N/A	
			Nr of Municipalities bi-annually monitored to adhere to an average of 50 % of Internal Audit KPI's from weighted 100%	N/A	N/A	N/A	6	12	25	
	To promote successful implementation of Risk Management framework	Ensuring improvement in financial management	Develop Risk Management KPI's for all municipalities	Develop Risk Management KPI's for all municipalities	N/A	N/A	N/A	1 set of KPI's	N/A	N/A
				Nr of Municipalities monitored to adhere to an average of 50% of Risk Management KPI's from weighted 100%	N/A	N/A	N/A	5	12	24
				Number of Draft Budget Assessment Reports	N/A	N/A	N/A	25	25	25
	To promote the development and implementation of credible municipal budgets	Improve and co-ordinate revenue Measures and mechanisms	Number of Approved Budget Assessment Reports	Number of Approved Budget Assessment Reports	N/A	N/A	N/A	25	25	25
				Number of Budget Timelines Assessment Reports	N/A	N/A	N/A	25	25	25
				Number of Adjustment Budget Assessment reports	N/A	N/A	N/A	Adjustment Budget Received	Adjustment Budget Received	Adjustment Budget Received
	To Monitor LG&H on effective implementation of PROPAC resolutions by municipalities	Ensuring improvement in financial management	No of evaluation reports to LG&H	No of evaluation reports to LG&H	N/A	N/A	4	4	4	4

Sub-programme 4.3: Norms and Standards (MFMA)		Strategic Goal : To promote accountability through the substantive reflection of the financial activities in the provincial- and local sphere of government									
Strategic Objectives	Measurable Objective	Linkage to FSGDS	Performance Measure/ Indicator	Actual 2006/07	Actual 2007/08	2008/09 Estimate	2009/10 Target	2010/2011 Target	2011/2012 Target		
To enhance the successful implementation of the MFMA within local government	To monitor, consolidate and analyse IYM of municipalities	Strengthen financial management capacity in municipalities	Number of IYM assessment reports	252	288	252	300	300	300		
			Consolidated reports (New PMI)	N/A	N/A	N/A	12	12	12		
			Publications (New PMI)	N/A	N/A	N/A	4	4	4		
	Coordinate training and building capacity at municipalities	Ensuring improvement in financial management	Number of training sessions conducted	N/A	4	4	4	4	4	4	
			Number of quarterly MFMA compliance reports	84	96	96	96	96	96		
	To monitor compliance with the MFMA	Ensure improvement in financial management	Number of annual returns (New PMI)	N/A	N/A	N/A	48	48	48	48	
			Quarterly report on 16 MFMA Implementation Priorities (New PMI)	N/A	N/A	N/A	4	4	4		
			Number of bi-annual returns	N/A	N/A	N/A	48	48	48		
			Number of monthly returns	N/A	N/A	N/A	288	288	288		

Sub-programme 4.4: (Risk Management and Internal Audit)

Specified policies, priorities and strategic objectives

This sub-programme aims to promote the development and implementation of norms and standards in the Provincial Departments and Public Entities.

Strategic Objective linked to this sub-programme

To create and sustain a culture of accountability within the FSGP

Progress analysis

- Effective implementation of legislative resolutions by all departments and public entities i.e. **51%** for Provincial departments and **55%** Public Entities.
- PSA/PSR, SCM and Financial Updated and aligned in all Provincial Departments:
- Developed KPI's for functional internal audits and risk management units
- Develop KPI's for functional Audit and Risk management Committees

Analysis of constraints and measures planned to overcome them

- Non adherence to appointment of Chief risk officers by provincial departments and public entities
- Some departments and entities do not utilize Barnowl Software for electronic capturing of risks.
- Non adherence to recommendations as contained in the first EXCO memo
- Lack of capacity (i.e. Only one official and two vacant posts within the sub-directorate) Non adherence to due date by public entities and provincial departments
- Non compliance to set norms & standards e.g. Circulars or regulations
- Submission of incomplete inputs
- Lack of interaction with the Provincial Departments and Public Entities

Description of planned quality improvement measures

- Departments and Entities were at least advised to shift people within institutions who can stay in the risk units until appointments are made.
- The training on Barnowl has been provided to all departments in July 2008 and installation of the updated software was done in September 2008.
- Follow-up letters issued to Departments and entities requesting them to give progress regarding the matters raised in the EXCO memorandum
- Advertisement of the vacant positions made and it is hoped that the positions will be filled in January 2009.
- Arrange information sessions with all stake holders
- Visit all stake holders to provide guidance
- Have regular meetings with all stake holders/clients
- Provide regular feedback to all stake holders/clients

Specification of measurable objectives and performance indicators

Table 4.4: Sub-Programme 4.4 (Risk Management and Internal Audit) Strategic Objectives, Measurable objectives, Performance Measures indicators

Sub-programme 4.4: Risk Management and Internal Audit		Strategic Goal : To promote accountability through the substantive reflection of the financial activities in the provincial- and local Sphere of government							
Strategic Objectives	Measurable Objective	Linkage to FSGDS	Performance Measure/ Indicator	Actual 2006/07	Actual 2007/08	2008/09 Estimate	2009/10 Target	2010/2011 Target	2011/2012 Target
To create and sustain a culture of accountability within the FSPG	To enhance the effective implementation of legislative (PROPAC) resolutions within provincial departments and public entities.	Ensuring improvement in financial management	An average of 90% implementation rate of legislative resolutions for 11 departments and 5 registered public entities	Assistance rendered at all sittings Preliminary assessments were done.	Timely preliminary assessments regarding implementation of resolutions	73% Implementation of Legislative resolutions for all 11 Departments and 5 Public Entities	80%	85%	90%
To enhance financial decision making in the Free State Provincial government	Promote integrity in government	Updated and aligned delegation in place for all provincial departments and public entities	<p>Departments:</p> <ul style="list-style-type: none"> PSA/PSR delegations MECs Accounting Officers SCM delegations Financial delegation <p>Entities:</p> <ul style="list-style-type: none"> HRM delegation SCM delegations Financial delegations 	New Performance Indicator	N/A 6 Departments 6 Departments 8 Departments	N/A 7 8 10	11 11 11 11	11 11 11 11	11 11 11 11

Strategic Goal : To promote accountability through the substantive reflection of the financial activities in the provincial- and local Sphere of government									
Strategic Objectives	Measurable Objective	Linkage to FSGDS	Performance Measure/ Indicator	Actual 2006/07	Actual 2007/08	2008/09 Estimate	2009/10 Target	2010/2011 Target	2011/2012 Target
	Successful implementation of the risk management framework within provincial departments and public entities towards promoting good governance and administration in the Free State Provincial Government	Ensuring improvement in financial management	Number of departments monitored bi-annually to achieve 75 % of KPI's for risk management units and committees from weighted 100%	New Performance Indicator	New Performance Indicator	11	11 60%	11 (67%)	11 (75%)
				N/A	N/A	5	5 (53%0	5 (56%)	5 (60%)
	Successful implementation of the internal audit framework within provincial departments and public entities.	Ensuring improvement in financial management	Number of public entities monitored bi-annually to achieve 60 % of KPI's for risk management units and committees from weighted 100%	N/A	N/A	11	11 (65%)	11 (75%)	11 (85%)
				N/A	N/A	5	5 (53%)	5 (56%)	5 (60%)

6. Reconciliation of budget with plan

Table: A.O.1:
Programme budget by sub-programme (R million) ¹

Sub-programme	Actual 2006/07 (Base)	2007/08 Actual	2008/09 Estimate	Average Annual change (%) ²	2009/10 Budget	2010/11 Target	2011/12 Target	Average annual change (%) ³
PROGRAMME 1								
Office of the MEC	3,882	3,582	4,446	8%	4,526	4,885	5,235	6%
Management Services	2,731	3,651	2,430	0.12%	13,300	2,710	2,844	124%
Corporate Services	13,179	17,049	23,488	34%	21,554	25,462	26,599	5%
Financial management	13,503	15,187	17,273	13%	21,194	22,417	23,881	12%
Internal Audit	1,664	2,148	3,054	36%	3,586	3,878	4,137	173%
Theft and Losses	4,025	299		-96%				0%
Total Programme	38,984	41,916	50,691	14%	64,160	59,352	62,969	11%
PROGRAMME 2								
Programme Support	1,067	1,152	1,095	2%	1,960	1,277	1,351	17%
Economic Analysis	547	2,855	4,023	231%	4,102	4,617	4,665	5%
Fiscal Policy	2,477	2,854	3,976	27%	4,384	4,665	5,004	8%
Budget Management	2,915	3,973	4,858	29%	5,251	5,093	5,148	2%
Public Finance	1,697	2,538	2,953	33%	3,299	3,515	3,715	8%
Total Programme	8,703	13,372	16,905	40%	18,996	19,167	19,883	6%

Sub-programme	Actual 2006/07 (Base)	2007/08 Actual	2008/09 Estimate	Average Annual change (%) ²	2009/10 Budget	2010/11 Target	2011/12 Target	Average annual change (%) ³
PROGRAMME 3								
Programme Support	879	856	954	9%	1,574	1,173	1,255	10%
Assets & Liabilities Management	7,287	9,905	9,151	28%	10,777	12,355	13,343	14%
Support and Interlinked Financial System	33,775	40,337	42,550	25%	41,706	43,149	45,163	2%
Total programme	41,941	51,098	52,655	26%	54,057	56,677	59,761	13%
PROGRAMME 4								
Sub-programme	Actual 2006/07 (Base)	2007/08 Actual	2008/09 Estimate	Average Annual change (%) ²	2009/10 Budget	2010/11 Target	2011/12 Target	Average annual change (%) ³
Programme Support	1,323	1,413	1,239	-7%	2,283	1,692	1,800	22%
Accounting Services	4,498	5,095	6,098	-6%	6,746	7,140	7,490	7%
Norms and standards	6,630	7,947	9,265	33%	10,221	10,963	11,536	8%
Risk management and internal audit	2,229	2,811	4,278	36%	5,794	7,299	7,806	23%
Total programme	14,680	17,266	20,880	78%	25,044	27,094	28,632	34%

7. Implementation of the capital investment, maintenance and asset management plan

This department does not have any capital investments.

8. Medium-term revenues

8.1 Summary of revenue

The following sources of funding are used for the Vote:

Table A.0.2: Summary of revenue: (Provincial Treasury)

R 000	Actual 2006/07	2007/08 estimate	2008/09 Budget	2009/10 Target	2010/11 Target	2010/11 Target
Voted by Legislature	115,124	112,379	135,703	156,018	155,624	163,669
Conditional grants						
Departmental receipts	4,555	4,733	5,428	6,239	6,666	7,303
Total revenue	119,679	127,112	141,131	162,257	162,290	170,972

8.2 Departmental revenue collection

The table below should give a summary of the revenue the department is responsible for collecting.

Table A.0.3: Departmental revenue collection: (Provincial Treasury)

R million	2006/07 Actual	2007/08 Actual	2008/09 Estimate	2009/10 Target	2010/11 Target	2011/2012 Target
Current revenue	73,727	62,614	62,580	75,279	78,488	82,412
Tax revenue	54	60	70	64	66	68
Non-tax revenue	27	522	205	177	180	184
Capital revenue	5	5	11	4	57	-
Departmental revenue	73,813	63,196	62,866	75,524	78,791	82,664

8.3 Conditional grants

None

8.4 Donor funding

None

9. Co-ordination, co-operation and outsourcing plans

9.1 Interdepartmental linkages

As Provincial Treasury, there is an involvement with all departmental and public entity activities and resource use.

9.2 Local government linkages

The department has established a MOU with the Department of Local Government and Housing and signed the agreement about three years ago. At the operational there are continuous engagements between the two departments, such as CFO Forum sessions, monthly and quarterly MIG meetings, joint meetings with the National Treasury and visits to municipalities. However, the level of corporation by the Department of Local Government and Housing is not always good. Commitment by both departments to the full implementation of the MOU will improve intergovernmental relations with officials in the Department of Local Government and Housing which will result to the eradication of duplications and also lead to harmonization of reporting.

9.3 Public entities

This department does not have any public entity.

9.4 Public, private partnerships, outsourcing etc.

None

10. Financial Management:

10.1 Strategies to address audit queries

Each and every audit query received from the Auditor-General is forwarded to the Internal Audit Directorate within Programme 1: Administration where it is registered in an audit-register specifically drawn up for this purpose. It is then marked out to the applicable component with a request to present a written answer to the query at a specific date. A system of reminders is also in place to ensure that the due date is met. A formal answer to the query is then forwarded to the Auditor General via the Internal Audit Directorate and the necessary inscriptions made in the audit register and copies thereof kept on file specifically opened for this purpose. As evidence that this system is working well, it is hereby stated that at no stage are any audit queries outstanding unnecessary.

10.2 Implementation of the Public Finance Management Act, 1999 (PFMA)

Departments and Public Entities will be capacitated on the content of the PFMA, National Treasury Regulation and Provincial Treasury Instructions.



PART C:

ANNUAL PERFORMANCE OF YEAR ONE PROGRAMME 1

Sub-programme 1.1: Office of the MEC		Strategic Goal : A department capable to render effective and efficient services of high quality						Budget R.C Value 2009/10	
		Quarterly Targets for 2009/10							
Strategic Objective	Measurable Objective	Performance Measure/ Indicator	2008/09 Estimate	2009/10 Target	PM Target Quarter 1	PM Target Quarter 2	PM Target Quarter 3	PM Target Quarter 4	
To ensure that an adequate support service is rendered to he MEC towards ensuring the effective and efficient functioning office	Render an integrated quality support service to the MEC	Number of meetings planned chaired by the MEC	100%	150	40	30	40	40	4,526
	Promote an effective and efficient functioning of the office of the MEC	Accurate and efficient records management system is implemented	100%	1	1	0	0	0	
		Turn-around time for documents received by the Office of the MEC	2 working days	2 working days	2 working days	2 working days	2 working days	2 working days	

Sub-programme 1.2: Management Services		Strategic Goal : A department capable to render effective and efficient services of high quality					Quarterly Targets for 2009/10				Budget R.C Value 2009/10	
Strategic Objective	Measurable Objective	Performance Measure/ Indicator	2008/09 Estimate	2009/10 Target	PM Target Quarter 1	PM Target Quarter 2	PM Target Quarter 3	PM Target Quarter 4				
To ensure that an adequate support service is rendered to the CEO towards ensuring the effective and efficient functioning of the office	Render an integrated quality support service to the CEO	Number of meetings planned and chaired by the CEO	100% of 150 meeting	103	27	27	27	27				13,300
	Effective and efficient functioning of the office of the CEO	Accurate and efficient records management system implemented	N/A	1 upgraded electronic record system implemented	25%	50%	75%	100%				
		Turn-around time for documents received by the Office of the CEO	2 days	2 days	2 days	2 days	2 days	2 days				
Ensure that the CEO fully execute internal and external engagements for the department		Number of strategic leadership meetings held	12 monthly meetings with senior management	12 monthly meetings with senior management	3 monthly meetings with senior management	3 monthly meetings with senior management	3 monthly meetings with senior management	3 monthly meetings with senior management				
			4 Strategic planning and review sessions	4 Strategic planning and review sessions	1 Strategic planning and review sessions	1 Strategic planning and review sessions	1 Strategic planning and review sessions	1 Strategic planning and review sessions				
			Quarterly meetings with the MEC and Senior Executive Management	Quarterly meetings with the MEC and Senior Executive Management	1 meeting with the MEC and Senior Executive Management	1 meeting with the MEC and Senior Executive Management	1 meeting with the MEC and Senior Executive Management	1 meeting with the MEC and Senior Executive Management				

Sub-programme 1.3 Corporate Services		Strategic Goal : A department capable to render effective and efficient service delivery of high quality								
		2009/10 Targets				Quarterly Targets for 2009/10				
Strategic Objective	Measurable Objective	Performance Measure/ Indicator	2008/09 Estimate	2009/10 Target	PM Target Quarter 1	PM Target Quarter 2	PM Target Quarter 3	PM Target Quarter 4	Budget R.C Value 2009/10	
To create a highly skilled responsive and competent workforce for the department	Recruit, maintain and retain sufficient and adequate human resource in line with government's transformation goals and objectives	Funded posts filled on the approved staff establishment	353 on approved staff establishment	370 filled posts on the staff establishment	345	353	361	370	21,554	
		Limit the number of staff leaving the department	28 terminations	40	<10	<10	<10	<10	<10	
		Number of appointments in line with EE plan	B=male 42 B=Females29 Disabled=0	B=male 144 B=Females 144 Disabled=41	B=male 36 B=Females28 Disabled=1	B=male 36 B=Females28 Disabled=1	B=male 36 B=Females28 Disabled=1	B=male 36 B=Females28 Disabled=1	B=male 36 B=Females28 Disabled=1	
		Number of reviewed, approved and implemented departmental HRM policies	8	8	8	8	8	8	8	
		Number of Provincial and National days celebrated	11	5	2	1	1	1	1	
		Number of wellness workshop offered	14	10	3	4	4	4	1	
		Quarterly compliance report on relevant aspect of OHS Act	4	4	1	1	1	1	1	
		Number of posts evaluated on the staff establishment	32	370	345	353	361	370	370	
		Annual review of organizational structure by specified dead-line.	1 approved organisational structure July 2008	June 2009	0	1	0	0	0	
		Performance bonuses to qualifying officials finalised within the prescribed timeframe	July 2009	July 2009	0	July 2009	0	0	0	

Strategic Goal : A department capable to render effective and efficient service delivery of high quality									
Quarterly Targets for 2009/10									
Strategic Objective	Measurable Objective	Performance Measure/ Indicator	2008/09 Estimate	2009/10 Target	PM Target Quarter 1	PM Target Quarter 2	PM Target Quarter 3	PM Target Quarter 4	Budget R.C Value 2009/10
		Pay progression for qualifying officials finalised within the prescribed timeframe	July 2008	July 2009	0	July 2009	0	0	
	Ensure that the department functions within a legally complaint framework	Number of awareness campaign held on Legal and Labour Relations matters conducted	3	4	1	1	1	1	
		Number of days to finalise disciplinary cases in accordance with legislation	14 days	14 days	14 days	14 days	14 days	14 days	
		Policy compliance report on MISS produced on quarterly basis	11 legislative requirements	4	1	1	1	1	
		Designated officials and employees declaring financial interests	25	19 SMS members	19	0	0	0	
		Number of identified staff vetted	198	370	345	353	361	370	
		Number of service providers (in rand category) contracted to the department vetted	New Performance Measure	><R500 ><R5,000 ><R30,000 ><R100,000	><R500 ><R5,000 ><R30,000 ><R100,000	><R500 ><R5,000 ><R30,000 ><R100,000	><R500 ><R5,000 ><R30,000 ><R100,000	><R500 ><R5,000 ><R30,000 ><R100,000	
		Monthly report on inspections and findings related to security aspects	4	12	3	3	3	3	
		Number of security awareness programmes	0	6	2	2	1	1	
		Number of internship appointed	25	20	20	0	0	0	
	Recruit, maintain and retain sufficient and adequate human resource in line with government's transformation goals and objectives	Number of employees trained in line with needs	565	350	100	100	100	50	
		Number of induction session conducted	4 induction sessions	4	1	1	1	1	
		Number of workplace skills plans in place	1	1	1	0	0	0	

Strategic Goal : A department capable to render effective and efficient service delivery of high quality									
Quarterly Targets for 2009/10									
Strategic Objective	Measurable Objective	Performance Measure/ Indicator	2008/09 Estimate	2009/10 Target	PM Target Quarter 1	PM Target Quarter 2	PM Target Quarter 3	PM Target Quarter 4	Budget R.C Value 2009/10
		Number of full/part time bursaries awarded	24	25	0	0	0	0	
	Enhance internal and external communication	Quarterly newsletter produced	3	4	1	1	1	1	
		Number of service delivery improvement plans	4	4	1	1		1	
		Media liaison activities	4	4	2	2	1	1	
		Number of batho pele information sessions	0	54	3	2	0	0	
		Number of e-portals developed and maintained	N/A	4	2	2	2	0	
		Network infrastructure designed, deployed and monitored in 4 phases	1 network infrastructure	Completion of phase 1 &2	1	0	0	0	
		Number of IT workshop conducted	10	6	2	2	1	1	
		Developed and implemented master system plan	1	1	1	0	0	0	

Sub-programme 1.4: Financial Management		Strategic Goal : A department capable to render effective and efficient services of high quality							
		Quarterly Targets for 2009/10							
Strategic Objective	Measurable Objective	Performance Measure/ Indicator	2008/09 Estimate	2009/10 Target	PM Target Quarter 1	PM Target Quarter 2	PM Target Quarter 3	PM Target Quarter 4	Budget R.C Value 2009/10
To ensure that allocated funds are planned, managed and spend effectively and efficiently.	Provide an effective and accurate financial administrative support with the department.	Adherence to predetermined financial and banking KPI's	94%	95%	96%	96%	96%	96%	21,194
	Allocate and monitor all budget resources within the department inline with government priorities	90% of set banking KPI'S	N/A	90% of set KPI's	0	0	1	0	
Prepare the annual financial statement for the department	Prepare annual report for the department	Adherence to key Budget Deadlines: <ul style="list-style-type: none"> • Produce credible Adjustment Budget (one report submitted November) • Produce credible Budget Statement II (2 drafts and 1 final report submitted January) 	1	1	0	0	1	0	
			3 reports	3 reports	0	1	1	1	1
Adherence to PFMA Reporting requirements: <ul style="list-style-type: none"> Compile in year Monitoring (IYM) reports Adjustment Budget (one report submitted November) Budget Submission (one report submitted August) Accurate Annual Financial Statements before (May) each year Annual Report (August) 		12	12	3	3	3	3	3	
		1 report	1 report	0	0	1	1	0	
		1 report	1 report	0	1	0	0	0	
		1 set of AFS	1 set of AFS	1	0	0	0	0	
		1	1	0	1	0	0	0	

Sub-programme 1.4: Financial Management		Strategic Goal : A department capable to render effective and efficient services of high quality										
		Quarterly Targets for 2009/10										
Strategic Objective	Measurable Objective Indicator	Performance Measure/ Estimate	2008/09 Target	2009/10 Target Quarter 1	PM Target Quarter 2	PM Target Quarter 3	PM Target Quarter 4	PM	PM	Budget R.C Value 2009/10		
To ensure that allocated funds are planned, managed and spent effectively and efficiently	Proper management of departmental performance information, planning, monitoring, evaluation and reporting processes	Published Annual performance plans/Strategic Plan	1 APP	1 APP	0	1	0	0	0			
		Assist in production of operational plans for all directorates	4	August 2009	August 2009	0	0	0	0	0		
		Quarterly Performance Information Reports produced and submitted	4	4	1	1	1	1	1	1		
		Facilitate engagement meetings regarding APP and SPP held	4	4	1	1	1	1	1	1		
		Quarterly reports on Programme of Actions submitted	4	4	1	1	1	1	1	1		
		Number of reports submitted on Departmental injunctions	4	4	1	1	1	1	1	1		
		Number of Strategic Planning Forum & M&E meeting attend	2	2	0	0	0	0	0	0		
		National CFO meetings attend	2	22	0	0	0	0	0	0		
		To Procure and maintain quality goods and services in an economical and effective manner	Manage assets and transport effectively and efficiently	Effective Management of all Departmental Assets to meet minimum LOGIS asset register requirements	100% 1 complete asset management register	1 complete asset management register	1 complete asset management register	1 complete asset management register	1 complete asset management register	1 complete asset management register	1 complete asset management register	
				Annual Demand Management Plan aligned with the APP/Budget Annually	Annually		Draft	Inputs	Analysis	Complete Demand plan		
All bids considered for procurement by bid committee	100%			1 report	Develop specification	Evaluate and advise	Award bids and contracts	Produce report				
Render an effective and efficient logistics management service to all the users within the department		93% of the number of creditors paid within 30 days	100% compliance	95% of 200 creditors paid within 30 days	95% of 200 creditors paid within 30 days	95% of 200 creditors paid within 30 days	95% of 200 creditors paid within 30 days	95% of 200 creditors paid within 30 days	95% of 200 creditors paid within 30 days			

Sub-programme 1.5: Internal Audit		Strategic Goal : A department capable to render effective and efficient services of high quality									
							Quarterly Targets for 2009/10				
Strategic Objective	Measurable Objective	Performance Measure/ Indicator	2008/09 Estimate	2009/10 Target	PM Target Quarter 1	PM Target Quarter 2	PM Target Quarter 3	PM Target Quarter 4	Budget R.C Value 2009/10		
To ensure independent assessment of the adequacy and effectiveness of internal controls and risk management	Ensure that the internal audit effort support the attainment of the strategic objective of the department	Number of audits performed per year	52	34	13	13	13	13	3,586		
	To enhance the implementation of internal controls towards appropriately addressing risks within the department	Number of days after completion of audit within which a report is issued	10	7days	7days	7days	7days	7days			
	Ensure compliance with best practices, norms and standards within the internal audit environment	Number of unresolved recommendations of Auditor General's management letter at the year end	0	0	0	0	0	0	0		
Promote adoption of sound risk management practices within the Department	Ensure compliance with best practices, norms and standards within the internal audit environment	Date of completion of the departmental risk register	1 risk assessment report by 31/03/2009	1 risk assessment report by 31/03/2010	0	0	0	1 risk assessment report by 31/03/2010			
	Number of workshops conducted at service points for Internal controls	N/A	4	1	1	1	1	1			
	Level of reliance placed by Auditor General on work performed by Internal Audit	60%	70% of reliance	0	0	70% of reliance	0	0			
Updated risk registers for the department	Date of the review of the risk management framework	N/A	31/03/2010	0	0	0	0	31/03/2010			
	Updated risk registers for the department	N/A	4	1	1	1	1	1			

Sub-programme 1.5: Internal Audit		Strategic Goal : A department capable to render effective and efficient services of high quality							
		Quarterly Targets for 2009/10							
Strategic Objective	Measurable Objective	Performance Measure/ Indicator	2008/09 Estimate	2009/10 Target	PM Target Quarter 1	PM Target Quarter 2	PM Target Quarter 3	PM Target Quarter 4	Budget R.C Value 2009/10
To ensure independent assessment of the adequacy and effectiveness of internal controls and risk management	Promote adoption of sound risk management practices within the Department	Number of risk mitigation reports presented to Management	N/A	4	1	1	1	1	
		Annual finalization of risk assessment report	N/A	31/03/2010	0	0	0	31/03/2010	
		Number of training/workshop sessions held	N/A	4	1	1	1	1	

PROGRAMME 2

Sub-programme 2.2: Economic Analysis **Strategic Goal 2: Promote sustainable and credible budgets within the Free State Provincial Government towards realizing the goals and objectives of government.**

Strategic Objective	Measurable Objective	Performance Measure/ Indicator	2008/09 Estimate	2009/10 Target	Quarterly Targets for 2009/10				Budget R.C Value 2009/10
					PM Target Quarter 1	PM Target Quarter 2	PM Target Quarter 3	PM Target Quarter 4	
To influence the development and/or implementation of government policies and programmes in support of enhanced economic growth and development within the Free State Province	Update socio economic database to inform planning and decision making	Updated database by the end of financial year	183	1	0	0	0	31 March	4,102
	Utilization of the regional CGE Model to assess the policy implications on various socio-economic indicators	Piloting Capacity building	0	1 (Development stages)	1 st phase	2 nd phase	3 rd phase	4 th phase	
	Assess the impact and implications of various fiscal objectives on selected socio-economic variables	Number of research based reports produced	4	4	1	1	1	1	
		Workshops conducted with stakeholders	6	6	1	2	2	1	
		Produce discussion document (1MTBPS)	N/A	1	0	1	0	0	
	Influence the direction, development and implementation of government policy through the publication of an annual discussion document	Publish QLMR	N/A	1	0	1	0	0	
		Number of discussion documents produced	1	0	0	0	1	1	

Sub-programme 2.3: Fiscal Policy		Strategic Goal: Promote sustainable and credible budgets within the Free State Provincial Government towards realizing the goals and objectives of government.									
		Quarterly Targets for 2008/9					2009/10 Target	2008/09 Estimate	Performance Measure/ Indicator	Measurable Objective	Strategic Objective
		PM Target Quarter 1	PM Target Quarter 2	PM Target Quarter 3	PM Target Quarter 4	Budget R.C Value 2009/10					
To enhance the provincial revenue growth through development and implementation of sound fiscal policy framework in the Free State Province	Develop credible revenue base for 11 departments	3	3	3	2	4,384	11	N/A	Credible revenue base for 11 departments	Develop credible revenue budget for the departments	
	Train Departments on revenue	0	0	0	6		6		Train Departments on revenue		
	Revenue targets analysis reports	3	3	3	3		12	N/A	Revenue targets analysis reports	Monitor revenue performance against target	
	Overpayments to Provincial Revenue Fund Reports	3	3	3	3		12		Overpayments to Provincial Revenue Fund Reports		
	Quarterly meetings on revenue	1	1	1	1		4		Quarterly meetings on revenue		
	Develop & issue guidelines on revenue related matters	1	1	1	0		3	8 Departments	Develop & issue guidelines on revenue related matters	Ensure 100% compliance with legislative prescripts, PFMA, Procedures, TR and departmental policies	
	Conduct revenue inspections	2	2	2	2		8	N/A	Conduct revenue inspections		
	Evaluate Annual Performance Plan of revenue generating department.	3	5	0	0		8	N/A	Evaluate Annual Performance Plan of revenue generating department.		
	Research Report on Provincial Equitable share formula	1	0	1	0		2	N/A	Research Report on Provincial Equitable share formula	Review components of the PES Model	
	Review 4 Components of Provincial Equitable Share	1	0	3	0		4	N/A	Review 4 Components of Provincial Equitable Share		
1 Submission on PES on the FFC's Division of Revenue recommendations	1	0	0	0		1	N/A	1 Submission on PES on the FFC's Division of Revenue recommendations			

Sub-programme 2.3: Fiscal Policy objectives of government.		Strategic Goal: Promote sustainable and credible budgets within the Free State Provincial Government towards realizing the goals and							
Strategic Objective	Measurable Objective	Performance Measure/ Indicator	2008/09 Estimate	2009/10 Target	Quarterly Targets for 2008/9				Budget R.C Value 2009/10
					PM Target Quarter 1	PM Target Quarter 2	PM Target Quarter 3	PM Target Quarter 4	
	Optimise/Raise revenue from Conditional Grants	Quarterly report on all measures taken to optimise conditional grants	N/A	4	1	1	1	1	
	Manage Donor Funding	1 Report, on donor funding (allocation, spending, challenges, compare to other provinces and provide recommendations on how to improve)	N/A	4	1	1	1	1	
		Establish database of FS current Donor funding	N/A	1	0	0	0	1	
	Ensure compliance with SA prescripts, Donor Country requirements	1 Report on findings	N/A	1	0	0	1	0	

Strategic Goal: Promote sustainable and credible budgets within the Free State Provincial Government towards realizing the goals and objectives of government.									
Sub-programme 2.4: Budget Management									
Strategic Objective	Measurable Objective	Performance Measure/ Indicator	2008/09 Estimate	2009/10 Target	PM Target Quarter 1	PM Target Quarter 2	PM Target Quarter 3	PM Target Quarter 4	Budget R.C Value 2009/10
To ensure that provincial financial resources are allocated in line with government priorities.	Enhance the preparation of the strategic and annual performance plans of provincial departments.	Number of analytical reports	0 consolidated report	1 consolidated report	N/A	1 draft analysis report per department	Produce a consolidated report	N/A	5,251
		Number of assessment reports	2 assessment reports	3 assessment and conduct	Issue guideline evaluation APP workshop	1 st draft reports to departments	N/A reports issued	Final evaluation to departments	
	Prepare and recommend the appropriation of funds to provincial departments in line with government priorities.	Tabled Provincial Budget in line with National prescripts	Credible Provincial budget tabled within 2 weeks after National budget	Credible Provincial budget tabled within 2 weeks after National budget	Initial allocation letters and Treasury guideline Issued to departments	Evaluate Budget Submission in line with the FSPGDS and APP	Preliminary allocation letters issued to departments	Final allocation letters issued to departments	Credible Provincial budget tabled within 2 weeks after National budget
		Tabled Adjustment Budget in line with National prescripts	Credible Adjustment budget tabled within 30 days after National Adjustment Budget	Credible Adjustment budget tabled within 30 days after National Adjustment Budget	Evaluation report of Rollover request	Conduct achievability exercise	Analysis of additional requests	Credible Adjustment budget tabled within 30 days after National Adjustment Budget	

Sub-programme 2.4: Budget Management									
Strategic Goal: Promote sustainable and credible budgets within the Free State Provincial Government towards realizing the goals and objectives of government.									
Strategic Objective	Measurable Objective	Performance Measure/ Indicator	2008/09 Estimate	2009/10 Target	PM Target Quarter 1	PM Target Quarter 2	PM Target Quarter 3	PM Target Quarter 4	Budget R.C Value 2009/10
		Report on alignment of budget, strategic and annual performance plans	1 report per department	1 report per department	Issue guidelines on preparation of APP's. Analysis of provincial priorities in line with PGDS	Issue 1 st assessment report per department. MTEC hearings/prepare MTEC report	Issue 2 nd assessment report per department Conduct Provincial Budget Lekgotla 1 Alignment report per department	Consolidated final assessment report Benchmark exercise Presentation	

Strategic Goal: - Promote sustainable and credible budgets within the Free State Provincial Government towards realizing the goals and objectives of government									
Sub-programme 2.5 Public finance		Strategic Goal: - Promote sustainable and credible budgets within the Free State Provincial Government towards realizing the goals and objectives of government							
Strategic Objective	Measurable Objective	Performance Measure/ Indicator	2008/09 Estimate	2009/10 Target	PM Target Quarter 1	PM Target Quarter 2	PM Target Quarter 3	PM Target Quarter 4	Budget R.C Value 2009/10
To monitor and advise on financial and non-financial performance of provincial departments and public entities	Assess expenditure performance of departments and Public Entities against budgets	Number of assessment reports prepared in terms of In Year Monitoring Model	18 consolidated reports (Departments and Public Entities)	18 consolidated reports (Departments and Public Entities)	5	5	4	4	3,299
	Verify expenditure against conditional grants objectives	Number of compiled C-grant reports verified	4 consolidated reports	4 consolidated reports	1	1	1	1	
	Assess expenditure performance against published infrastructure plans	Number of reports prepared in terms of infrastructure reporting model	4 consolidated reports (7 departments)	4 consolidated reports (7 departments)	1	1	1	1	
	Verify performance of departments and public entities against set target	Number of reports prepared in terms of the quarterly performance model	8 Consolidate reports (4 Departments & 4 Public Entities)	8 Consolidate reports (4 Departments & 4 Public Entities)	2 reports	2 reports	2 reports	2 reports	

PROGRAMME 3

Sub-programme 3.2 Assets Management

Strategic Goal: To facilitate an environment to the effective and efficient management of assets and transversal financial systems within the Free State Provincial Government.

Strategic Objective	Measurable Objective	Performance Measure/ Indicator	2008/09 Estimate	2009/10 Target	Quarterly Targets for 2009/10				Budget R.C Value 2009/10
					PM Target Quarter 1	PM Target Quarter 2	PM Target Quarter 3	PM Target Quarter 4	
To promote the prudent management of physical and financial assets and the implementation of supply chain management framework	Guide and monitor the implementation of asset management reform (physical asset management)	Number of asset management reform project plan template implemented	1	1	0	1	0	0	10,777
		Number of asset management forums and training sessions conducted	1 SCM, 3AM Forum & 14 Training Sessions	4 AM Forum & 8 Training Sessions	1AM 2 Training sessions	1AM 2 Training sessions	1AM 2 Training sessions	1AM 2 Training sessions	
		Number of FSPT asset management steering committee meetings held	1	4	1	1	1	1	
Support and monitor the implementation of the supply chain management framework	Guide the implementation of infrastructure delivery models and public private partnership projects	Number of asset management inspection/monitoring visits conducted	N/A						
		• Inspection reports		12	3	3	3	3	
		• Monitoring reports		144	36	36	36	36	
Support and monitor the implementation of the supply chain management framework	Guide the implementation of infrastructure delivery models and public private partnership projects	Number of supply chain management forums and training sessions conducted	2 SCM Forums 3 Training sessions	4 SCM Forums 4 training sessions	1 SCM Forums 1 training sessions	1 SCM Forums 1 training sessions	1 SCM Forums 1 training sessions	1 SCM Forums 1 training sessions	
		Number of monitoring and evaluation reports produced	25	44	11	11	11	11	
		Number of supplier management system maintained	0	1	1	1	1	1	
Support and monitor the implementation of the supply chain management framework	Guide the implementation of infrastructure delivery models and public private partnership projects	Number of infrastructure delivery meetings, including IDIP held	48	46	12	12	11	11	
		Number of training sessions conducted / facilitated	2	1	0	1	0	0	0

PROGRAMME 3

Sub-programme 3.2 Assets Management

Strategic Goal: To facilitate an environment to the effective and efficient management of assets and transversal financial systems within the Free State Provincial Government.

Strategic Objective	Measurable Objective	Performance Measure/ Indicator	2008/09 Estimate	2009/10 Target	Quarterly Targets for 2009/10					Budget R.C Value 2009/10
					PM Target Quarter 1	PM Target Quarter 2	PM Target Quarter 3	PM Target Quarter 4		
To promote the prudent management of physical and financial assets and the implementation of supply chain management framework		Number of infrastructure site visits conducted 20 project bi-monthly	70 projects	120 projects	30	30	30	30	30	
		Number of infrastructure monitoring reports produced	N/A	16	4	4	4	4	4	
	Ensure proper and effective management of provincial revenue fund.	Timely and reliable Provincial revenue Fund annual financial statements	1	Finalisation of Financial Statements according to prescripts	0	0	0	100% Finalisation of Financial Statements according to prescripts		
		Monthly cash transfer reports produced	N/A	12	3	3	3	3	3	
		Facilitated revenue generation through investment ● Investment reports	N/A	12	3	3	3	3	3	

Sub-programme 3.4 Support and Interlinked financial Systems		Strategic Goal: To facilitate an environment to the effective and efficient management of assets and transversal financial systems within							
Strategic Objective	Measurable Objective	Performance Measure/ Indicator	2008/09 Estimate	2009/10 Target	Quarterly Targets for 2009/10				Budget R.C Value 2009/10
					PM Target Quarter 1	PM Target Quarter 2	PM Target Quarter 3	PM Target Quarter 4	
To manage and ensure the successful implementation of transversal financial management systems.	Maintain the transversal systems	Availability and stability of the Transversal systems Provide technical and functional support to Provincial Departments within working hours	95% of working hours 8 hours	95% of working hours Respond to calls within 8 working hours	95% of working hours Respond to calls within 8 working hours	95% of working hours Respond to calls within 8 working hours	95% of working hours Respond to calls within 8 working hours	41,706	
	Strengthen the capacity in provincial departments on the utilization of the transversal systems.	Interfaces successfully integrated with external systems	100% of interfaced (Telkom-, Persal-, and bank interfaces)	100% Interfaced	100% Interfaced	100% of 3 Interfaces	100% of 3 Interfaces	100% of 3 Interfaces	
		Number of clear and user-friendly Transversal System Circulars and Practice Notes	27 Transversal systems circulars and practise notes issued	Logis 5 26 Transversal Systems circulars and practise notes issued	7	6	6	7	
	Credible and accurate Entity Register	100% credible and accurate Entity Register 5814 entities created on bas and logis	100% credible and accurate Entity Register	100% credible and accurate Entity Register	100% credible and accurate Entity Register	100% credible and accurate Entity Register	100% credible and accurate Entity Register		
		Items codified and standardized within 48 hours	100% 12670 requests 3646 codified 9021 ICN's	100% (3589)	100% of 3389	100% of 3389	100% of 3389	100% of 3389	
		Number of employeestrained on BAS, PERSAL and LOGIS	LOGIS 491 PERSAL 463 BAS 141	350 250 250	100 50 100	100 50 100	100 50 50	50 50 0	

PROGRAMME 4

Sub-programme 4.2 Accounting Servicest		Strategic Goal : To promote accountability through the substantive reflection of the financial activities in the provincial- and local sphere of government							
Strategic Objective	Measurable Objective	Performance Measure/ Indicator	2008/09 Estimate	2009/10 Target	Quarterly Targets for 2009/10				Budget R.C Value 2009/10
					PM Target Quarter 1	PM Target Quarter 2	PM Target Quarter 3	PM Target Quarter 4	
To promote prudent financial management within Free State Provincial Government	To improve the implementation of accounting related legislation and policy frameworks within provincial departments and public entities (including capacity building)	Number of Departments monitored to adhere to 87% accounting related KPI's from weighted 100%	85%	11	11	11	11	11	6,746
		Number of Trading Entities monitored to adhere to 87% accounting related KPI's from weighted 100%	85%	2	2	2	2	2	
	To prepare the consolidated annual financial information for the Free State Provincial Government	Number of listed Public Entities monitored to adhere to 60% accounting related	5	5	4	4	4	4	
		Number of training sessions for Provincial Departments, public and Trading Entities:	7	10	3	3	3	1	
	To ensure the successfulness of implementing of banking arrangements for the Provincial Departments	Timely submission of annual report for consolidated financial information to be tabled	6 November 2008	23 October 2009	0	0	23 October 2009	0	
		Number of Departments and Trading Entities monitored to adhere to 82% of banking arrangement KPI's from weighted 100%	Identify KPI's for all Provincial Departments and Trading Entities	13	13	13	13	13	

Sub-programme 4.3 Norms and Standards (MFMA)		Strategic Goal : To promote accountability through the substantive reflection of the financial activities in the provincial- and local sphere of government							
Strategic Objective		Quarterly Targets for 2009/10							
Measurable Objective	Performance Measure/ Indicator	2008/09 Estimate	2009/10 Target	PM Target Quarter 1	PM Target Quarter 2	PM Target Quarter 3	PM Target Quarter 4	Budget R.C Value 2009/10	
To enhance the successfulness of implementation of the MFMA within local government	To promote the effective, efficient and transparent management of physical and financial assets within municipalities	N/A	1 set of KPI's 24 municipalities	N/A	1 set of KPI's municipalities	24 municipalities	N/A	10,221	
	Number of assessment reports on asset management KPI's	N/A	12 Municipalities	N/A	N/A	N/A	12 Municipalities		
	To promote the implementation of the supply chain management framework	Number of SCM assessment reports	24	48	N/A	24	N/A	24	
To promote the establishment of functional Internal Audit Units and Audit Committees	Develop Internal Audit KPI's for all municipalities (New PMI)	N/A	1	N/A	1	N/A	N/A		
	Number of Municipalities bi-annually monitored to adhere to an average of 50% of Internal audit KPI's from weighted 100%	N/A	6	N/A	N/A	3	3		
To promote successful implementation of Risk Management Framework	Develop Risk Management KPI's for all municipalities	N/A	1	N/A	1	N/A	N/A		
	Number of Municipalities bi-annually monitored to adhere to an average of 50% of Risk Management KPI's from weighted 100%	N/A	5	N/A	N/A	2	3		
To promote the development and implementation of credible municipal budgets	Number of Draft Budget Assessment Reports	N/A	25	25	N/A	N/A	N/A		

Sub-programme 4.3 Norms and Standards (MFMA)		Strategic Goal : To promote accountability through the substantive reflection of the financial activities in the provincial- and local sphere of government							
Strategic Objective	Measurable Objective	Performance Measure/ Indicator	2008/09 Estimate	2009/10 Target	Quarterly Targets for 2009/10				Budget R.C Value 2009/10
					PM Target Quarter 1	PM Target Quarter 2	PM Target Quarter 3	PM Target Quarter 4	
		Number of Approved Budget Assessment Reports	N/A	25	N/A	25	N/A	N/A	
		Number of Budget/VA Timelines Assessment Reports	25	N/A	N/A	N/A	25		
		Number of Adjustment Budgets Assessment Reports	N/A	Adjustment Budgets received	N/A	N/A	N/A	Adjustment Budgets received	
	To monitor LG & H on effective implementation of PROPAC resolutions by municipalities	Number of evaluation reports to LG&H	N/A	4	1	1	1	1	
	To monitor consolidate and analyse IYM reports of municipalities	Number of IYM assessment reports	252	300	75	75	75	75	
		Consolidated reports Publication	N/A	12	3	3	3	3	
		Number of training sessions concluded	N/A	4	1	1	1	1	
	To co-ordinate training and building capacity at municipalities	Number of quarterly reports	4	4	1	1	1	1	
	To monitor compliance with the MFMA	Number of annual returns	96	96	24	24	24	24	
		Number of annual returns	N/A	48	N/A	24	24	24	N/A
		Quarterly MFMA Implementation of the 16 Priorities	N/A	4	1	1	1	1	
		Number of bi-annual returns	N/A	48	N/A	24	N/A	24	
		Number of monthly returns (New PMI)	N/A	216	N/A	72	72	72	

Risk Management and Internal Audit		Strategic Goal : To promote accountability through the substantive reflection of the financial activities in the provincial- and local sphere of government							
		Performance Measure/ Indicator	2008/09 Estimate	2009/10 Target	Quarterly Targets for 2009/10				Budget R.C Value 2009/10
Strategic Objective	Measurable Objective			PM Target Quarter 1	PM Target Quarter 2	PM Target Quarter 3	PM Target Quarter 4		
To create and sustain a culture of accountability within the FSPG	To enhance the effective implementation of legislative (PROPAC) resolutions within provincial departments and public entities.	An average of 90% implementation of legislative resolutions for 11 departments and 5 registered public entities	73% Implementation of Legislative resolutions for all 11 Departments and 5 Public Entities	80%	40%	65%	75%	80%	5,794
	To enhance financial decision making in the Free State Provincial Government	Updated and aligned delegation in place for all provincial departments and public entities Departments: PSA/PSR delegations • MEC'S • Accounting Officers SCM delegations Financial delegation Entities: • HRM delegation • SCM delegations • Financial delegations	Departments 20% of listed Public Entities						
		Number of departments monitored bi-annually to achieve 75 % of KPI's for risk management units and committees from weighted 100%	11 (60%)	11	-	11	-	11	

Risk Management and Internal Audit		Strategic Goal : To promote accountability through the substantive reflection of the financial activities in the provincial- and local sphere of government							
		Measurable Objective	Performance Measure/ Indicator	2008/09 Estimate	2009/10 Target	Quarterly Targets for 2009/10			
PM Target Quarter 1	PM Target Quarter 2					PM Target Quarter 3	PM Target Quarter 4		
	Successful implementation of the risk management framework within provincial departments and public entities towards promoting good governance and administration in the Free State Provincial Government	Number of public entities monitored bi-annually to achieve 60 % of KPI's for risk management units and committees from weighted 100%	4	5 (53%)	5	0	5	0	
	Successful implementation of the internal audit framework within provincial departments and public entities.	Number of departments monitored bi-annually to achieve 85 % of KPI's for internal audit units and committees from weighted 100%	11	11 (65%)	0	11	0	11	
		Number of public entities monitored bi-annually to achieve 60 % of KPI's for internal audit units and committees from weighted 100%	5	5 (53%)	0	5	0	5	

