

Provincial Treasury

3RD QUARTERLY PERFORMANCE REPORT

For
2011/2012

Free State Province



treasury

Department of
Treasury
FREE STATE PROVINCE

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PART 1: OVERVIEW BY THE ACCOUNTING OFFICER

This report serves to impartially give progress on how Provincial Treasury is performing against its pre-determined objectives. The report also covers the environment within which the Department operated, needless to mention that in spite of our good performance against set targets, the 3rd quarter of 2011-2012 had its own peculiar dynamics and challenges.

The following planning documents were successfully submitted during the 3rd Quarter, i.e., Inputs for the 2nd draft Annual Performance Plan and Estimates of Revenue Expenditure for the period 2012/2013. Progress on the implementation of 2011/2012 Budget injunctions was reported.

Details of how the all programmes and sub-programmes performed are contained in this report.

CHIEF EXECUTIVE OFFICER
Mr. H. L. KGOMONGWE
FREE STATE PROVINCIAL TREASURY
DATE: _____

Part 2: DEPARTMENTAL PERFORMANCE

2.1 SITUATIONAL ANALYSIS (*the environment within which programmes and subprogrammes operated*)

PROGRAMME 1: ADMINISTRATION

This programme comprises five sub-programmes namely, Office of the MEC, Management Services, Corporate Services, Financial Management (Office of the CFO) and Internal Audit.

Office of the MEC

The third quarter was mainly focused on the programme of EXCO for the office of the MEC. EXCO took certain decisions particularly in relation to its outreach programme and the programmes relating to the legacy programmes of the centenary celebrations of the governing party. Most of the activities relating to the office of the MEC were focused on these two main issues.

With regard to the legacy projects, the MEC was tasked by EXCO to lead a task team whose role was to advise the Department of Sport on Key features that needed to be renamed in the province. In this regard, the office provided support to the MEC in the form of research and attendance of various meetings relating to this task.

The EXCO outreach programme, Operation Hlasela was also in full swing during this quarter. The programme visited three towns in the Free State. The EXCO also took a decision to visit schools with a view to motivate matriculants who were writing exams during the same period. EXCO also took a decision to visit service points in December to assess the levels of service provided to the population.

In the 3rd quarter the MEC was also invited to attend a developmental conference on governance practices in Malaysia as the chairperson of the Governance Cluster. The essence of the conference was to share the models, particularly for that country's successful planning model. The MEC was accompanied by officials from the department of the Premier and Mr. Gunnett Kaaf to Malaysia.

The office has also continued its work on the clusters, including the continued work on the development of the Free State Growth and Development Strategy, whose development the MEC politically leads. The office has also continued to give the MEC support in terms of research in relation to this task.

During this quarter, as well, the following departmental activities which the MEC also chairs, took place:

- Mid Term Expenditure Committee (MTEC) Hearings in October
- Quarterly Infrastructure Review in November
- Budget Lekgotla in November

Office of the CEO

Emanating from the Strategic Planning session that was held during the 2nd quarter, there was a need to review the departmental vision which after consultation with Manco members was adopted on the 14-December-2011.

Three management (MANCO) meetings were held to discuss amongst others, issues relating to the functioning and performance of the department in terms of the Annual Performance plan, Departmental structure, vacancy rate, Risk Management, Internal Audit, and other provincial related matters. One-on-one meetings were also held with Senior Executive Managers on matters relating to each departmental programme/unit.

The CEO continued to represent the department and the province in various forums at National and provincial level to ensure achievement of the mandate of the department. The following forums were held: EXCO, FOHOD, Cluster meetings, Provincial Budget Lekgotla, Presidential monitoring visit, National Budget Council, PMTEC Hearing.

The Department also appeared before various Committees of the Legislature and Parliament during this quarter to provide reports on the performance of provincial departments, entities and municipalities.

Corporate Services

The Department had an organizational structure of 425 funded posts at the end of the 3rd quarter. 367 Posts were filled at the end of the quarter. This left the department with a vacancy rate of 13.5% at the end of the 3rd quarter, which is an improvement from the 2nd quarter. The main contributing factor to the vacancy rate and the increase in the number of posts can be contributed to the fact that an additional Chief Directorate, namely the Municipal Finance Management Chief Directorate was created to assist Municipalities with the management of their budgets, revenue and debt, supply chain management, accounting practices and MFMA compliance.

The employment equity profile of the department improved during the quarter, as 2 African males and 2 African females were appointed in the 3rd quarter. There were also 4 terminations in the same period.

Financial Management

The accounting months on BAS is closed within the set timeframes and not forced closed by National Treasury. An average of 96% was achieved in respect of the Accounting and 100% for the Banking key performance indicators for October 2011, the key performance indicators evaluation reports in respect of November 2011 and December 2011 is not yet available.

The department also achieved 81% in respect of the quarterly key performance indicators that are evaluated on a quarterly basis against the provincial norm for the 2011/12 financial year. During the Adjustment budget process inputs were submitted and a reprioritisation was done to ensure that other urgent priority areas are attended to. The adjustment budget was also captured before the 25th November 2011.

In order to assist the department an instruction was issued by National Treasury to all departments to submit their interim financial statements to the office of the Provincial Accountant General and Internal Audit unit of the department for evaluation.

The department managed to submit the interim financial statements within the timeframe with the necessary supporting documentation. On the 29th November 2011 the department appeared before the Provincial Public Accounts Committee (PROPAC) regarding the 2010/11 Annual Report. The department was congratulated for the unqualified opinion received from the Auditor General by the Finance Committee on Public Accounts, this was the second clean report for the Provincial Treasury.

During November 2011 an information session was held for all the new paymasters and secundee's. Additional pay points within Corporate Services was also identified and addressed to ensure a more controlled pay roll distribution and administration of pay rolls.

Supply Chain Management

- Review of SCM policy and delegations currently underway.
- Four advertised posts have been filled.
- Stock-taking is currently in the final stages (verification of surplus and shortages).

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

Sustainable Resource Management comprises of 4 sub-programmes namely Economic Analysis, Fiscal Policy, Budget Management and Public Finance.

Public Finance

The Directorate has one vacant post of the Assistant Manager and an official from Budget Management is acting on the post. The post was advertised, shortlisting were done and the interviews will be held during January 2012.

PROGRAMME 3: ASSET AND LIABILITIES MANAGEMENT

Supporting and Interlinked Financial Systems

Challenges:

- Slow pace of the IFMS (Integrated Financial Management System) project.
- Dependency on third party involvement with Transversal Financial Systems e.g. upgrading of System Software.
- Training of all users of the transversal systems.
- Lack of capacity and skills within departments and Treasury.
- Clarity on the roles expected from role players within Treasury.

Improvement measures:

- Urge the National Treasury to expedite the IFMS project.
- Re-arranging of functions and skills transfer to current employees to overcome time frames.

- Continuous training of departmental officials as well as co-ordination of training in departments.
- The requesting of new BAS Training Manuals from National Treasury that include the Version 3 SCOAV updates and enhancement.
- Clarification of roles of all role players.
- A new network switch was procured and installed in the server room to channel all incoming and outgoing network traffic.
- 87% of the Free State Provincial Departments closed the month of October 2011 and 87% closed the month of November 2011 for the 2011/2012 Financial Year End during the 3rd quarter. (The month of December 2011 only closes on 6 January 2011)
- The registration of suppliers and banking details were done within 10 days timeframe

An overview of services rendered during the third quarter:

The Information Systems Sub-Directorate still has problems with the daily virus attacks on the Health BAS terminal server (Mars01). The Anti -Virus software on the primary virus server was upgraded and rolled out to all other servers connected to the virus server. Although procedures were put in place to notify the IT section of the relevant department to assist to clear the user's personal computers, this was only a temporary solution to the virus attack on the user's PC. Viruses are also active on the server (Titan01) of the department of Education and the department of Police, Roads and Transport.

According to an instruction from National Treasury all links on user profiles to SCOAV2 had to be removed to allow only access to SCOAV3. Project was finalized and signed off. New profiles were created only to allow syscons to access SCOAV2.

The BAS foundation software was upgrade to version 4.4 at the end of October 2011. At this stage the BAS software was tested due to errors that were occurring when the upgrade was done.

During October, November until 15 December 2011 problems were still being experienced with viruses in several departments (Dept of Health, Social development and Police, Roads & Transport). Syscons and sub syscons are notified as virus warnings are detected on the virus server, to alert the IT of the specific department to react.

National Treasury is still trying to assist with the errors that occurred during the upgrading of the BAS foundation software to version 4.4.

120 PC's and monitors were procured for the BAS, PERSAL and LOGIS training venues. When the IT equipment was delivered it was discovered that the specifications of the equipment differed from the specifications requested. After discussions and meetings it was decided to cancel the order due to the fact that the supplier could not supply the correct equipment with the correct specifications at the quoted price. A new request was submitted to SCM. The old computers and monitors were installed back in some training venues to enable courses to continue early in January 2012.

PROGRAMME 4: FINANCIAL GOVERNANCE

Accounting Services

Various challenges are experienced by the Directorate due to capacity constraints in meeting the demands of all deadlines which sometimes overlap and additional tasks which are added to the functions of the unit while the same quantity of officials (same structure) must perform these tasks to meet all the demands.

Officials at supervisory and management level needs to perform consistent overtime to meet all the legislative deadlines. The challenges are experienced despite the fact that the current structure of 24 officials is 100% filled. Three officials on level 8 will be leaving the Directorate in the last quarter of this financial year. Posts will be advertised during January 2012.

Municipal budget and monitoring (IYM)

Eleven vacancies exist in the Directorate as listed:

- One Senior Manager: Post funded and advertised
- Three Managers: Posts funded and advertised
- Three Assistant Managers: Posts funded and advertised
- Two Managers: Posts not funded for current year
- Two Assistant Managers: Posts not funded for current year

Municipal Revenue and Debt Management

The directorate has tried in a short space of time to satisfy its targets. However, human capital and technical constraints have hindered the component in comprehensively meeting its mandate at a municipal level. It is expected once all posts are filled in the unit the quantity and quality of work targets will improve. Currently, from a demand side the unit will prioritise its projects to satisfy its clients. The unit has prepared guidelines and standing operational procedures which were distributed and discussed with other stakeholders.

Municipal Accounting Services

The directorate has 1 Senior Manager, 1 Manager and 4 Assistant Managers. There is one vacant and funded Manager post, and two vacant and funded Assistant Managers posts. There are also 2 vacant and unfunded Managers' posts and 4 vacant and unfunded Assistant Managers' posts.

Municipal Supply Chain Management and Compliance

The Compliance sub-directorate should have 2 managers and 4 assistant managers. Currently there are only 2 assistant managers for Compliance, assisted by 1 Senior Admin Clerk on a contractual basis and an intern. Although vacancies for two managers and two assistant managers have been provided for in the current budget, these posts are not expected to be filled until the 2012/13 financial year. The Organizational Efficiency Services is not able to benchmark the job descriptions of these posts. Consequently, these job descriptions must be referred to the Job Evaluation Panel which will only resume its activities during February 2012.

The Supply Chain Management sub directorate should have 2 managers and 6 assistant managers. There is 1 Manager, 3 assistant managers assisted by 1 Senior Admin Clerk on contract basis. The post of one assistant manager was advertised. Shortlisting, interviews and recommendations were done and final approval by the MEC is awaited.

Municipal Risk Management and Internal Audit

As per the approved MFMA structure, Risk Management and Internal Audit are supposed to have 4 managers, two internal auditors and two risk managers.

It must be noted that the 3 Managers have been appointed and will start early 2012.

Risk Management and Internal Audit – Provincial

Risk Management and Internal Audit sub-programme operated with a vacancy rate of 35%.All vacancies except one manager Internal Audit are funded however due to review of structure, the job descriptions had to be reviewed. This high vacancy rate hampers the operations of the directorate and result in regular overtime requirements. However, the short listings of senior state accountants took place on the 13/12/2011 and the manager posts will be short listed during the second week of January 2012.

1.2. SPECIFIC KEY CHALLENGES AND RESPONSES (*per subprogrammes*)

PROGRAMME 1: ADMINISTRATION

Corporate Services

Challenge 1: Employment Equity

The department has been successful in the implementation of its EE plan, although difficulties are still being experienced with the appointment of black women in senior management positions and the appointment of employees with disabilities in all occupational categories.

Response to challenge 1:

During the interview processes EE targets are taken into account. Twenty three of the 27 Senior Management Services posts are currently filled. Only 25% of the current filled SMS posts are filled by women. The Department will attempt to fill the remaining vacant SMS posts and the SMS posts that may become vacant during the financial year with women, with an emphasis on black women. The employment of people with disabilities remains a challenge, as the department struggles to attract disabled applicants who meet the qualification requirements.

Challenge 2: Vacancy rate

The department's target is to have a vacancy rate of 5%. With a vacancy rate of 5% or less, the Department will be in a position to render its services more effectively. Internal promotions also hamper the department's ability to reduce its vacancy rate.

Response to challenge 2:

The Senior Management Services members are requested on a monthly basis to fill funded vacancies as soon as possible. Chief Directorates are also frequently provided with lists of their current vacancies, and requested to fill them in order to reach a vacancy rate of 5% or less. The creation of the Municipal Finance Management Chief Directorate also led to an increase in the number of funded posts in the department to 425. The department will increase its attempts within the 2011/2012 financial year to reach 5% or fewer vacancies in the department at the end of the 2011/2012 financial year

Financial Management

Challenge 1: KPI's

Improve adherence to the set KPI's.

Response to challenge 1:

During the month of November 2010 the department held meetings with various stakeholders in respect of outstanding claims which were not paid within 30 days. A meeting also took place during November 2011 with officials from SARS to reconcile differences identified by both parties. The department is currently in the process of compiling and updating all procedure manuals / policies.

Actions will also be taken to ensure that the necessary attention is given to problem areas as indicated in the

evaluation reports by Accounting Services Directorate.

Supply Chain Management

Challenge 1:

Unavailability of officials in offices when the verifications of surpluses and shortages are taking place.

Response to challenge 1

The process will be finalised after recess (when most officials are back from holidays).

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

Public Finance

Challenge 1 :

Preparation of presentations and reporting to the Legislature take most of the time within Monitoring unit's functions. These presentations sometimes take place before the public hearings. The function was not part of the job descriptions of the officials.

Response to challenge 1:

The function will be added to the job description and the officials will be capacitated with the relevant skills.

Challenge 2:

Some Public Entities do not submit their financial reports as required by the Act.

Response to challenge 2:

To write reminder letters to those that do not report.

PROGRAMME 3: ASSET AND LIABILITIES MANAGEMENT

INFRASTRUCTURE

Challenge 1:

Availability of officials to attend meetings as and when required i.e. IDIP Steering Committee meetings with TA's and their counterparts.

Response to challenge 1:

A clear schedule of meetings with time lines will be sent to departments well ahead of time i.e. beginning of the financial year.

SCM

Challenge 2:

Reporting on procurement spent

Currently information is extracted from three (3) systems (National Treasury's reporting system, BAS information and 70% procurement spent reporting) but no verification and no reliable information provided.

Reporting on deviations, sole suppliers, urgency, emergency procurement and bid concluded in excess of R1 million and following of proper procedures, not reported by departments to the Provincial Treasury

Issues of affirmative procurement not accurately reported and departments not reporting selection criteria on deviations, emergency and urgent procurement and sole suppliers.

Response to challenge 2:

Reviewing of the Procurement SCM Policy directive on affirmative procurement.

Implementation of a reporting tool and verification of information extracted.

Assistance requested from Economic Analysis Unit in this regard.

Challenge 3:

New revised implementation of the PPPFA regulations.

Response to challenge 3:

7 Workshops were conducted with departments to implement the new revised regulations.

Adverts to suppliers were placed 3 times in the Tender Bulletin and awareness was undertaken during the updating of information or collection of database registration forms.

Proposals were requested from verification agencies, process in progress.

Department needs to revise its policies and delegations to address this matter

Addition to the database system

New amended SBD forms and letters of awareness were distributed to departments and public entities

Supporting and Interlinked Financial Systems

Challenge 1:

Assisting Free State Provincial departments with the month end closure for the 2011/2012 financial year on BAS.

Response to Challenge 1

The ongoing monitoring and assistance to provincial departments during the month end closure on BAS.

Challenge 2: Implementation of Housing Subsidy System Interface

A request was received from the department of Human Settlements for the implementation of the Housing Subsidy System Interface

Response to challenge 2:

Assist departments with the implementation of the System Interface

Challenge 3 Compliance with the departmental ICT security policy and standards

The purpose of the departmental ICT Security Policy and Standards is to describe the minimum security measures that should be implemented to ensure an effective and consistent level of security management is applied to all Transversal Financial systems.

Response to challenge 3:

In a management meeting it was decided not to wait for the GITOC/DPSA to act on the policy but to take the existing approved security policy for the FSPT and use the policy as a guideline to compile a security policy for the Information Systems sub directorate.

PROGRAMME 4: FINANCIAL GOVERNANCE

Accounting services

Challenge 1:

Inadequate structure at managerial level

Response to challenge 1:

The existing structure was evaluated and a proposal for a revised structure was submitted to Corporate Services for further handling. DPSA is currently engaging the department on the revised structure and furthermore due to limited funds the posts on the revised structure cannot be funded at this point in time. Currently several hours voluntary unpaid overtime is worked at supervisor and management level to ensure all legislative deadlines are met.

Municipal Budget and Monitoring (IYM)

Challenge 1:

No submission of budget timelines and credibility of information reported on the monthly section 71 reports

Response to challenge 1:

Non-compliance letters issued to Municipal Managers and Mayors and presentations done at municipal councils on budget processes. Feedback continuously provided to municipalities on the assessment of section 71 reports and plans for budget performance bi-laterals with municipalities.

Municipal Supply Chain Management and Compliance

Challenge 1

There are vacant posts in both sub-directorates

Response to challenge 1:

Speedy filling-up of vacancies, especially in Compliance

Municipal revenue and debt management

Challenges

- Drafting of municipal policies (Provincial Treasury) as well as the implementation of municipal policies (Municipalities)
- Inaccurate reporting by municipalities creates challenges for early detection of financial problems at municipalities.
- Weak revenue and debt management operational plans at municipalities and no guide document to assist PT to support municipalities.

Responses

- The department of COGTA has availed generic policies
- Procedures have been developed for verification
- Provincial Treasury compiled a guide on revenue enhancement.

Municipal Accounting Services

Challenge 1:

Non-compliance with accounting prescripts by municipalities, resulting in unfavourable audit opinions

Response to challenge 1:

Templates have been developed for audit action plans and regular follow ups would be done to assess progress

Municipal Risk Management and Internal Audit

Challenge 1

Capacity constraints due to vacant posts.

Response to challenge 1:

Appointed 2 Managers for Risk Management and One Manager for Internal Audit. The Managers will start early 2012.

Risk Management and Internal Audit – Provincial

Challenge 1

Non-compliance of due dates by Client departments' and Entities to submit the requested information for the evaluation purpose.

Response to challenge 1:

Physical Collection of documents from departments and Entities, and engagements with relevant stakeholders to improve relationships and understanding of requirements, weak revenue and debt management operational plans at municipalities and no guidelines to assist PT to support municipalities.

Municipal budgets are not sustainable

Challenge 2

Resignation and transfer of staff has negatively impacted on Unit work.

Response to challenge 2:

Job descriptions were reviewed and regular engagement with corporate services to speed up recruitment processes.

1.1. Programme 1: Actual performance against quarterly planned targets 2011-2012

1.1 Office of the MEC								
<i>Strategic objective 1: To ensure that an adequate support service is rendered to the MEC towards ensuring the effective and efficient functioning of the department</i>								
Performance indicators / measure		Reporting period	Annual target 2011/12	Validated quarter 2011-2012	2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation
1.1.1	Accurate and efficient records management system is implemented	Annual	1	N/A		N/A	N/A	
1.1.2	Turn-around time for documents received by the Office of the MEC	Quarterly	2 working days	2 working days		2 working days	2 Working days	
1.1.3	Turn around on responses to issues raised by external stakeholders	Quarterly	5 working days	5 working days		5 working days	5 working days	
1.1.4	Regular interaction with constituency and constituency office	Quarterly	50 interactions	18 interactions		13 interactions	13 interactions	
1.1.5	Regular interaction with internal and external stakeholders <ul style="list-style-type: none"> • Quarterly Infrastructure and expenditure reviews • Auditor General, suppliers etc) 	Quarterly	4 reviews 12 interactions	1 Review 3		1 review 3 interactions	2 reviews 3 interactions	100% deviation, Both quarterly and infrastructure reviews took place during this quarter,

1.2 Management services							
Strategic objective 2: To ensure that an adequate support service is rendered to the CEO towards ensuring the effective and efficient functioning of the department							
Performance indicators/ measure		Reporting period	Annual target 2011/12	Validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation
1.2.1	Number of meetings planned and chaired by the CEO	Quarterly	100 meetings	25 meetings	25 meetings	25 meetings	
1.2.2	Accurate and efficient records management system implemented and maintained	Quarterly	1 accurate and efficient record system	50% information populated on the record system	75% information populated on the record system	75% information populated on the record system	
1.2.3	Turn-around time for documents received by the Office of the CEO	Daily	2 working days	2 working days	2 working days	2 working days	
1.2.4	Number of strategic leadership meetings held					3 meetings	
	Meetings with Senior management	Monthly	12 meetings	2 meeting	3 meetings		
	Meeting with the MEC and Senior Executive Management	Quarterly	4 meetings	1 meeting	1 meeting	1 meeting	
1.2.5	Consolidated report on all finalised Departmental delegations	Annually	1 report	1 report	N/A	N/A	
1.2.6	Risk management framework reviewed	Annually	1 risk framework	N/A	N/A	N/A	
1.2.7	Updated risk register for the department	Annually	1 risk register	N/A	N/A	1 risk register	100% deviation, Risk register was updated for the period under review due to the review of both

1.2 Management services							
Strategic objective 2: To ensure that an adequate support service is rendered to the CEO towards ensuring the effective and efficient functioning of the department							
Performance indicators/ measure	Reporting period	Annual target 2011/12	Validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation	
							Strategic Risks & IT Operational risks
1.2.8	Number of risk mitigation reports presented to Management	Bi-Annual	2 reports	N/A	1 report	1 report	
1.2.9	Annual finalisation of risk assessment report	Annual	1 report	N/A	N/A	N/A	
1.2.10	Number of training /workshop sessions held	Quarterly	4 sessions	1 article	1 session	1 session	
1.2.11	Policy compliance reports on MISS produced on quarterly basis	Quarterly	4 reports	1 report	1 report	1 report	
1.2.12	Designated officials and employees declaring financial interests	Annually	19 officials	6 officials	N/A	N/A	
1.2.13	Number of Vetting reports: <ul style="list-style-type: none"> • Individual shortlisted candidates before employment • Security clearance (Z204) on all employees • Service providers contracted to the department 	Quarterly	4 reports	1 report	1 report	1 report	
1.2.14	Number of monthly reports on inspections and findings related to security aspects	Quarterly	12 reports	3 reports	3 reports	3 reports	
1.2.15	Number of security awareness programmes	Quarterly	8 sessions	2 sessions	2 sessions	2 sessions	

1.3 Corporate Services							
Strategic objective 3: To create a highly skilled responsive and competent workforce for the department over the planning period, the Provincial Treasury renders oversight role to Provincial departments, Municipalities and Public Entities.							
Performance indicators / measure	Reporting period	Annual target 2011/12	Validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation	
1.3.1	Total number of funded posts filled on the approved staff establishment	Quarterly	400 posts filled	366 posts filled	397 posts filled	367 posts filled	7.4% deviation, Various posts in process to be filled but not yet finalised. Internal promotions affect the reaching of the target.
1.3.2	Limit the number of staff leaving the department	Quarterly	<40 employees	2 employees	<10 employees	4 employees	
1.3.3	Total number of employees employed in line with EE plan <ul style="list-style-type: none"> • African: males • African females • Coloured males • Coloured females • Indian males • Indian females • White males • White females 	Quarterly	African males 160 African females 152 Coloured males 7 Coloured females 11 Indian males 0 Indian females 1 White males 21	African males 132 African females 148 Coloured males 6 Coloured females 10 Indian males 1 Indian females 1 White males 21	African males 158 African females 151 Coloured males 7 Coloured females 11 Indian males 0 Indian females 1 White males 21	African males 133 African females 150 Coloured males 6 Coloured females 10 Indian males 1 Indian females 1 White males 20	Not sufficient new appointees in quarter to reach targets.

1.3 Corporate Services							
Strategic objective 3: To create a highly skilled responsive and competent workforce for the department over the planning period, the Provincial Treasury renders oversight role to Provincial departments, Municipalities and Public Entities.							
Performance indicators / measure		Reporting period	Annual target 2011/12	Validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation
			White females 48	White females 47	White females 48	White females 46	
1.3.4	Number of reviewed, approved and implemented departmental HRM policies	Annual	8 policies	8 HRM policies are currently implemented	2 policies	8 HRM policies are currently implemented.	300% deviation, no amendments were required on existing policies during the quarter.
1.3.5	Number of approved Human Resources Plan	Annually	1 plan	N/A	0	N/A	N/A
1.3.6	Number of HR information sessions conducted	Quarterly	8 sessions	3 sessions	2 sessions	0 sessions conducted	100% deviation, 3 Sessions conducted in September 2011. Sessions will again be presented in the 4th quarter
1.3.7	Number of leave reconciliations conducted	Quarterly	4 reconciliations	1 reconciliation	1 reconciliation	1 reconciliation	
1.3.8	Number of staff absenteeism reports	Annually	1 report	N/A	N/A	N/A	
1.3.9	Number of months to fill vacant funded posts	Quarterly	3 months	3 months	3 months	3 months	
1.3.10	Number on Human Resource delegations developed, approved and implemented	Annually	1 set of HR delegation reviewed	N/A	N/A	N/A	
1.3.11	Number of Provincial and National days celebrated	Quarterly	10 days	4 days	3 days	6 days	Exceeded by 100%, 3 days were celebrated as a directive from Provincial and National

1.3 Corporate Services							
Strategic objective 3: To create a highly skilled responsive and competent workforce for the department over the planning period, the Provincial Treasury renders oversight role to Provincial departments, Municipalities and Public Entities.							
Performance indicators / measure	Reporting period	Annual target 2011/12	Validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation	
							executives.
1.3.12	Number of wellness workshops/empowerment or information sessions/written articles and other empowerment activities	Quarterly	10 sessions	6 empowerment activities/	3 sessions	7 sessions/ activities	Exceeded by 133% due to other unplanned/unforeseen events like bereavement and some are informed by prevailing wellness needs.
1.3.13	Quarterly compliance reports on relevant aspects of OHS Act	Quarterly	4 reports	2 reports	1 report	3 reports	Exceeded by 200% due to floors Inspection; evacuation drill; and OHS meeting- attached register.
1.3.14	Reports on implemented EHWP Strategic framework	Quarterly	4 reports	1 report	1 report	1 report	
1.3.15	Total number of posts evaluated on the staff establishment	Annually	400 posts evaluated	429 posts job evaluated	397 posts evaluated	434 (5 SMS Job Evaluation Results included)	Still awaiting provincial job evaluation panel recommendations
1.3.16	Annual review of organizational structure by specified dead-line.	Annually	June 2011	Status quo still the same - Structure sent to DPSA awaiting for feedback.	0	0	Feedback received from DPSA – meeting with DPSA scheduled for 14/12/2011 3 PDMS posts created

1.3 Corporate Services							
Strategic objective 3: To create a highly skilled responsive and competent workforce for the department over the planning period, the Provincial Treasury renders oversight role to Provincial departments, Municipalities and Public Entities.							
Performance indicators / measure	Reporting period	Annual target 2011/12	Validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation	
1.3.17	Performance bonuses to qualifying officials finalised within the prescribed timeframe	Annually	July 2011	0	0	Paid in October 2011 Official qualifying for a notch = 151 (50.67%) Official qualifying for a cash bonus = 147 (49.33) Total number of assessed official = 298	100%. Deviation. This target could not be met in July.
1.3.18	Submission of Performance Development plans and Agreements	Bi-Annually	Submission of Performance Development plans and Agreements	13 (50%) SMS submitted the PA. Total number of SMS Posts =26	31 st Oct (2 nd Bi-annual)	14 (53.84%) SMS submitted Total number of SMS posts = 26	46.16% deviation, SMS members that did not submit
1.3.19	Finalisation of assessed Performance Agreements of SMS members	Annually	December 2011	0	Dec 2011	0	100% deviation, SMS members not yet assessed, submission prepared for appointment of panel to assess SMS Members
1.3.20	Finalisation of Pay progression for qualifying level 1-12 officials	Annually	July 2011	0	0	Paid in October 2011	100% deviation. (304) qualified for pay

1.3 Corporate Services							
Strategic objective 3: To create a highly skilled responsive and competent workforce for the department over the planning period, the Provincial Treasury renders oversight role to Provincial departments, Municipalities and Public Entities.							
Performance indicators / measure	Reporting period	Annual target 2011/12	Validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation	
							progression. This target could not be met in July.
1.3.21	Number of information awareness letters / circulars issued on Legal and Labour Relations matters	Quarterly	8 awareness letters / circulars	3 awareness articles	2 awareness letters / circulars	2 awareness letter/ circulars	
1.3.22	Number of days to finalise disciplinary cases in accordance with legislation	Quarterly	30 days	1 outstanding disciplinary hearing has since been finalized	30 days	1 case was resolved within 90 days	100% deviation, due to hospitalization of an official.
1.3.23	Develop guidelines on PAIA and PAJA for officials	Annually	2 guidelines	Manual / guidelines on PAJA was distributed to all Executive and Senior Managers	1 guideline	0	100% deviation. Still waiting for national guidelines.
1.3.24	Number of interns appointed	Annually	20 interns	N/A	N/A	N/A	
1.3.25	Number of employees trained in line with needs	Quarterly	350 employees	104 employees	75 employees	39 employees	50% deviation, Approved training postponed to 4th quarter due to unavailability of officials.
1.3.26	Number of induction sessions conducted	Quarterly	4 sessions	0 Sessions	1 session	1 session	

1.3 Corporate Services							
Strategic objective 3: To create a highly skilled responsive and competent workforce for the department over the planning period, the Provincial Treasury renders oversight role to Provincial departments, Municipalities and Public Entities.							
Performance indicators / measure	Reporting period	Annual target 2011/12	Validated 2nd quarter actual	Planned output 3rd quarter 2011-2012	Actual output 3rd quarter 2011-2012	% deviation from the target and short explanation	
1.3.27	Number of workplace skills plan formulated and implemented (programme success rate)	Quarterly	1 plan	N/A	N/A	N/A	
1.3.28	Number of part- time bursaries awarded	Annually	12 bursaries	N/A	12 bursaries	26 bursaries	100% deviation, Approved set criteria accommodated most applicants
1.3.29	Number of student interns appointed	Annually	10 interns	N/A	N/A	2 experiential training learners appointed.	100% deviation. There were no financial implications.
1.3.30	Number of batho pele empowerment sessions	Quarterly	4 sessions	0	1 session	0	100% deviation. Coordinated by office of the Premier. Still waiting for the nomination request
1.3.31	Number of SMS members subjected to competency assessment	Annually	15 SMS members	5 SMS Members	5 SMS members	7 SMS members	55% deviation. More Members of the SMS available to be subjected to competency assessment.
1.3.32	Number of service delivery improvement plan	Quarterly	1 plan	N/A	N/A	N/A	
1.3.33	Number of online quarterly newsletters produced	Quarterly	4 newsletters	1 newsletter	1 newsletter	1 newsletter	

1.3 Corporate Services							
Strategic objective 3: To create a highly skilled responsive and competent workforce for the department over the planning period, the Provincial Treasury renders oversight role to Provincial departments, Municipalities and Public Entities.							
Performance indicators / measure	Reporting period	Annual target 2011/12	Validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation	
1.3.34	Develop and implement a comprehensive Communications strategy	Annually	Develop, approve and implement communication strategy	1 developed and implemented	N/A	Ongoing implementation	100% deviation, 1 Xpress conference on provincial revenue strategy. Media alert: on MTEF
1.3.35	Develop and implement Corporate identity plan	Annually	Identity plan developed	Plan implemented	N/A	Ongoing	100% deviation, Inserted 15 branded door signage for new employees
1.3.36	Develop, implement and maintain Electronic information resource strategy	Quarterly	1 resource strategy developed	Patch Management policy was developed	implementation of the non-financials and financials	IT Governance framework in draft format Security Policy in circulation for inputs	
1.3.37	Provide sustainable and accessible ICT infrastructure	Annually	Enforce information security measures and implement 1 st phase Business Continuity Plan	Continuous updates on implemented on servers	Completion of information Security framework financials and of BCP/DRP framework financials	Security Policy in circulation for inputs	
1.3.38	Number of IT workshops conducted	Quarterly	8 workshops	2 Workshops conducted	2 workshops	2 Workshop	
1.3.39	Developed and implemented master system plan	Annually	1 IT plan developed	Draft of the IT plan in progress	Review the Master system plan	Under review by IT Working Group	

1.3 Corporate Services							
<i>Strategic objective 3: To create a highly skilled responsive and competent workforce for the department over the planning period, the Provincial Treasury renders oversight role to Provincial departments, Municipalities and Public Entities.</i>							
Performance indicators / measure	Reporting period	Annual target 2011/12	Validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation	
1.3.40 Provide quality and reliable ICT Services to End-users	Quarterly	1 reliable ICT service	Received Proposal, Business Case signed and sent to SITA then Submission will follow	Implementation and monitoring	Health Check Assessment reports on Exchange and Active directory		

1.4 Financial Management							
<i>Strategic objective 4: To ensure that allocated funds are planned, managed and spent efficiently and effectively in order to avoid unqualified audit reports over the planning period</i>							
Performance indicators / measure	Reporting period	Annual target 2011/12	Validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation	
1.4.1 Adherence to predetermined financial and banking KPI's	• Accounting	Monthly	95%	96.50%	95%	96%	The Accounting evaluation reports in respect of November 2011 and December 2011 is not yet available. The Banking evaluation
	• Banking	Monthly	93%	100%	93%	100%	

1.4 Financial Management							
<i>Strategic objective 4: To ensure that allocated funds are planned, managed and spent efficiently and effectively in order to avoid unqualified audit reports over the planning period</i>							
Performance indicators / measure	Reporting period	Annual target 2011/12	Validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation	
							reports in respect of November 2011 and December 2011 is not yet available.
1.4.2	Adherence to key Budget Deadlines: <ul style="list-style-type: none"> Produce Credible Adjustment Budget (one report submitted November) 	Annually	1 report	N/A	1 report	1 report	
1.4.3	<ul style="list-style-type: none"> Produce Credible Estimates of Provincial Expenditure Statement II (2 drafts and 1 final report Submitted January) 	Quarterly	3 reports	1st draft Estimates of Provincial Expenditure Statement II was submitted on the 29th August 2011.	2 nd draft submitted	2nd draft submitted	
1.4.4	Adherence to PFMA Reporting requirements: Compile in year monitoring (IYM) reports	Monthly	13 IYM reports	3 IYM reports	3 IYM reports	3 IYM reports	
1.4.5	Accurate Annual Financial Statements finalized before (May)	Annually	1 set of AFS	N/A	N/A	N/A	

1.4 Financial Management							
<i>Strategic objective 4: To ensure that allocated funds are planned, managed and spent efficiently and effectively in order to avoid unqualified audit reports over the planning period</i>							
Performance indicators / measure	Reporting period	Annual target 2011/12	Validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation	
1.4.6	Accurate interim financial statements	Quarterly	2 interim financial statements	1 Set of Interim Financial Statements was submitted on the 27th July 2011.	1 set of interim financial statements	1 set of Interim financial statements	
1.4.7	Finalization of the Annual Report (August)	Annually	1 Annual Report	1 Annual Report produced	N/A	N/A	
1.4.8	Finalization of programme performance information that forms part of the Annual report	Annually	1 programme performance information finalized	N/A	N/A	N/A	
1.4.9	Published Annual performance plan	Annually	1 APP	N/A	N/A	N/A	
1.4.10	Assist in production of operational plans for all directorates	Annually	March 2011-2012	N/A	N/A	N/A	
1.4.11	Quarterly Performance Information Reports produced and submitted	Quarterly	4 quarterly reports	1st quarterly report was finalized and submitted to Public Finance in time.	1 report (by October 2011-2012)	Departmental 2nd quarterly report was finalized and submitted to Public Finance on time	
1.4.12	Conduct workshop on reporting	Quarterly	1 workshop on reporting conducted	N/A	N/A	N/A	

1.4 Financial Management							
<i>Strategic objective 4: To ensure that allocated funds are planned, managed and spent efficiently and effectively in order to avoid unqualified audit reports over the planning period</i>							
Performance indicators / measure	Reporting period	Annual target 2011/12	Validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation	
1.4.13	Number of reports submitted on Departmental injunctions	Quarterly	4 quarterly reports	1st quarter progress report was submitted to Premier's dept on time.	1 report	2nd quarter progress report was submitted to the Premier's dept.	
1.4.14	Number of Strategic Planner's Fora held	Quarterly	10 strategic planners' fora	Attended National Planning Commission session on the 19 July 2011, attended strategic planners' meeting on the 15th Sept 2011 and attended FSGDS session on the 27th and 28th July 2011.	1 forum	1 Strategic Planners forum held	
	Number of Monitoring & Evaluation meetings attended	Quarterly	10 M & E meetings	No M & E meeting was held	1 meeting	1 M & E meeting dealing with Spatial Planning	

1.4 Financial Management							
<i>Strategic objective 4: To ensure that allocated funds are planned, managed and spent efficiently and effectively in order to avoid unqualified audit reports over the planning period</i>							
Performance indicators / measure	Reporting period	Annual target 2011/12	Validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation	
1.4 Financial Management							
<i>Strategic objective 5: To procure and maintain quality goods and services in an economical and effective manner over the planning period to ensure sound financial management</i>							
Performance indicators / measure	Reporting period	Annual target 2011/12	validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation	
1.4.15	Effective Management of all Departmental Assets to meet minimum LOGIS asset register requirements	Annually	1 complete asset management register	1 updated asset management register	1 updated asset management register	1 updated asset management register.	
1.4.16	Annual Demand Management Plan aligned with the APP/Budget	Annually	1 complete demand plan.	No inputs.	Analysis	No analysis.	100 % deviation, the budget allocation information was recently made available.
1.4.17	All bids considered for procurement by bid committee and reports produced	Annually	Bid committee reports produced (within 90 days of bid validity)	No report.	1 report per bid produced (provided a bid was advertised)	No report.	100% deviation, no bid advertised for the period.
1.4.18	Payment of creditors within 30 days	Annually	payments within	99.44% payments	100% payments	99.17% payments	0.83% deviation

1.4 Financial Management							
<i>Strategic objective 4: To ensure that allocated funds are planned, managed and spent efficiently and effectively in order to avoid unqualified audit reports over the planning period</i>							
Performance indicators / measure	Reporting period	Annual target 2011/12	Validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation	
		30 days	within 30 days (see annexure A).	within 30 days	within 30 days.	was due to the following: <ul style="list-style-type: none"> • Budget failures • Incorrectly captured quantities 	

1.5 Internal Audit							
Strategic objective 6:- To ensure compliance with best practices, norms and standards, independent assessment of the adequacy and effectiveness of internal controls and risk management will be implemented during the planning period.							
Performance indicators / measure		Reporting period	Annual target 2011/12	validated 2nd quarter actual	Planned output 3rd quarter 2011-2012	Actual output 3rd 2011-2012	% deviation from the target and short explanation
1.5.1	Number of audits performed per year	Quarterly	10 audits performed	2 audits performed	3 audits performed	3 audits performed	
1.5.2	Number of days after completion of audit within which a report is issued	Quarterly	2 days	2 days	2 days	2 days	
1.5.3	Number of unresolved recommendations of Auditor General's management letter at the year end	Annually	0 unresolved AG recommendations	0 unresolved AG recommendations	0 unresolved AG recommendations	0 unresolved AG recommendations	
1.5.4	Number of workshops conducted at service points for Internal controls	Quarterly	4 workshops	1 workshop	1 workshop	1 workshop	

Programme 2: Actual performance against quarterly planned targets 2011-2012

2.2 Economic Analysis							
Strategic objective 1:- 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 over the planning period							
Performance indicators / measure		Reporting period	Annual target 2011/12	validated 2nd quarter actual	Planned output 3rd quarter 2011-2012	Actual output 3rd quarter 2011-2012	% deviation from the target and short explanation
2.2.1	Updated Regional Explorer database	Quarterly	4 updated database	No update	1 updated database	1 update	
2.2.2	Update of Computable General Equilibrium and Social Accounting Matrix	Quarterly	1	N/A	N/A	N/A	
2.2.3	Social Accounting Matrix Multiplier report	Annually	1 report	N/A	N/A	N/A	
2.2.4	Computable General Equilibrium studies	Bi-annually	2 studies	0	N/A	N/A	
2.2.5	Number of research based reports produced	Quarterly	4 reports	A researched paper on Nationalization of mines in SA was done (Draft paper)	N/A	N/A	
2.2.6	Workshops conducted with stakeholders: <ul style="list-style-type: none"> Provincial Economic Review and Outlook Familiarize the practice of Socio-economic review analysis 	Quarterly	6 workshops	3 workshops migration study Fezile Dabi GDS Research day	2 workshops	0	100% deviation. Workshops postponed to 4 th quarter due to delays in completing MTBPS & PERO)
2.2.7	Publish Quarterly Labour Market Reviews	Quarterly	4 reviews	1 review	1 review	3 rd QLMR Publication	
2.2.8	Publish the provincial economic review and outlook (PERO) annually	Annually	1 document	N/A	1 document	PERO Publication	
2.2.9	Contribute Chapter 1 of Medium Term Budget Policy Statement	Annually	1 chapter	N/A	1 chapter	Chapter 1 of MTBPS	

Fiscal Policy							
Strategic objective 1:- To enhance the provincial revenue growth yearly through development and implementation of sound fiscal policy framework in the Free State Province in order to promote Socio-economic growth							
Performance indicators / measure		Reporting period	Annual target 2011/12	validated 2nd quarter actual	Planned output 3rd quarter 2011-2012	Actual output 3rd 2011-2012	% deviation from the target and short explanation
2.3.1	Credible revenue base for 12 departments	Annually	12 depts	N/A	12 Departments	12 Departments	
	Train Departments on revenue	Annually	12 depts	N/A	0	0	
2.3.2	Revenue target analysis reports	Monthly	12 reports	3 reports	3 reports	3 reports	
2.3.3	Quarterly meetings on revenue	Quarterly	4 meetings	1 meeting	1 meeting	1 meeting	
2.3.4	Develop & issue guidelines on revenue related matters	Quarterly	6 guidelines	1 guideline	1 guideline	1 guideline	
2.3.5	Conduct revenue inspections	Quarterly	20 inspections	8 inspections	6 inspections	8 inspections	33.3% deviations, as a results of Revenue Enhancement Allocation
2.3.6	Quarterly reports on Provincial Equitable Shares	Quarterly	4 reports	1 report	1 report	1 report	
2.3.7	Report on evaluation of the Annual Performance Plan of revenue 12 generating departments.	Annually	1 report	N/A	N/A	N/A	
2.3.8	Develop Provincial Revenue Strategy	Quarterly	Strategy developed	1 st draft completed	Final inputs for documents	The Strategy completed in 2 nd Quarter of 2011	
2.3.9	Produce 1 chapter on provincial fiscal envelope for the MTBPS document	Annually	1 chapter	N/A	1 chapter	Inputs for 2 chapters were submitted	
2.3.10	1 Submission on PES on the FFC's Division of Revenue recommendations	Annually	1 submission	1 submission	N/A	N/A	

Fiscal Policy							
<i>Strategic objective 1:- To enhance the provincial revenue growth yearly through development and implementation of sound fiscal policy framework in the Free State Province in order to promote Socio-economic growth</i>							
Performance indicators / measure		Reporting period	Annual target 2011/12	validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd 2011-2012	% deviation from the target and short explanation
2.3.11	Quarterly reports on all measures taken to optimise conditional grants	Quarterly	4 reports	1 report	1 report	1 report	
2.3.12	Monthly report on donor funding	Monthly	12 reports	3 reports	3 reports	3 reports	

Budget Management							
<i>Strategic objective 3:- To ensure that Provincial financial resources are annually allocated in line with government priorities</i>							
Performance indicators / measure		Reporting period	Annual target 2011/12	validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd 2011-2012	% deviation from the target and short explanation
2.4.1	Tabled appropriation and Provincial Budget in line with National prescripts	Annually	Credible Provincial budget tabled within 2 weeks after National budget	The Provincial Medium Term Expenditure Committee Hearings held between 12 - 14 October 2011	Conduct Provincial Budget Lekgotla	Provincial Budget Lekgotla hosted on the 29 th of November 2011	
2.4.2	Tabled Adjustment Budget in line with National prescripts	Annually	Credible Adjustment budget tabled within 30 days after National Adjustment	Evaluation of rollover requests has been concluded in the 1 st	1 adjustment budget tabled	Provincial Adjustment Budget tabled on the 8 th of November 2011	

			Budget	quarter of 2011			
2.4.3	Report on alignment of budget, strategic and annual performance plans	Quarterly	3 evaluation reports per department	1 st draft evaluation report produced, furthermore the APP guidelines were issued on the 02 August 2011	2 nd draft evaluation reports	2 nd draft evaluation reports produced	
2.4.4	Produce 2 chapters on provincial budget allocation for the Medium Term Budget Policy Statement	Annually	2 chapters	N/A	Contribute two chapters of the Medium Term Budget Policy Statement	Two chapters of the Medium Term Budget Policy Statement were compiled	
2.4.5	Produce quarterly reports on progress made against funded priorities	Quarterly	4 reports	2 nd quarter report produced	1 report	2 nd quarter report was produced together with consolidated report for October and November 2011	33.3% deviation, due to the fact that the BAS closes between 07-10 of each month which is either 7 or 10 days after the end of quarter. The 3 rd quarter report will be validated in the 4 th quarter

2.5 Public Finance							
Strategic objective 1:- To monitor and advise continuously on financial and non-financial performance of provincial departments and public entities to ensure sound management of resources							
Performance indicators / measure		Reporting period	Annual target 2011/12	validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd 2011-2012	% deviation from the target and short explanation
2.5.1	Number of assessment reports prepared in terms of In Year Monitoring Model	Quarterly	19 reports	3 reports	4 reports	4 reports	
2.5.2	Number of reports prepared in terms of infrastructure reporting model	Quarterly	4 reports	1 report	1 report	1 report	
2.5.3	Number of reports prepared in terms of the quarterly performance model	Quarterly	4 reports	1 report	1 report	2 reports	100% deviation, Submission of verification of the 2010/11 pre-audited numbers by the Education, Agriculture, Health and Social Development sectors not included in annual target

PROGRAMME 3: ACTUAL PERFORMANCE AGAINST QUARTERLY PLANNED TARGETS 2011-2012

3.2 Asset Management							
Strategic objective 1:- To continuously promote the prudent management of physical and financial assets and the implementation of supply chain management framework							
Performance indicators / measure		Reporting period	Annual target 2011/12	Validated 2nd quarter actual	Planned output 3rd quarter 2011-2012	Actual output 3rd quarter 2011-2012	% deviation from the target and short explanation
3.2.1.	Number of physical assets management key performance indicators template implemented	Annually	1 template	1 template (Public Entities)	1 template	0	100% deviation, Output for 3rd quarter already done in 2nd quarter. (Public Entities)
3.2.2	Number of physical assets management forums and training sessions conducted	Quarterly	14 PAM Forums 8 Training Sessions	6 Forums 6 Training Sessions	4 forums 2 Training sessions	5 forums 5 Training Sessions	Target exceeded by 20%. Intensification of Physical Asset Management activities 7 awareness Target exceeded by 250% Intensification of Physical Asset Management activities & awareness.
3.2.3	Number of FSPT asset management steering committee meetings held	Quarterly	4 meetings	1 meeting	1 meeting	1 meeting	
3.2.4	Number of physical asset management monitoring visits conducted • Monitoring reports	Quarterly	120 reports	52 reports	30 reports	31 reports	Target exceeded by 3.33% more involvement in Public Entities

3.2 Asset Management							
Strategic objective 1:- To continuously promote the prudent management of physical and financial assets and the implementation of supply chain management framework							
Performance indicators / measure		Reporting period	Annual target 2011/12	Validated 2nd quarter actual	Planned output 3rd quarter 2011-2012	Actual output 3rd quarter 2011-2012	% deviation from the target and short explanation
3.2.5	Number of supply chain management forums and training sessions conducted	Quarterly	4 SCM Forums 4 Training Sessions	2 SCM forums 1 training session	1 forum 1 training session	0 SCM forums 7 training sessions	100% deviation on SCM forum and exceeding with 600% on SCM Training sessions. Initiative for training sessions was to assist departments lacking capacity
3.2.6	Number of supplier management system maintained	Annually	1 system	Ongoing	Ongoing	Ongoing	
3.2.7	Arrange and manage Transversal Procurement of goods and services in the FS Province	Quarterly	1 Transversal contracts	1 Transversal Contract (Stationery)	N/A	2 Transversal Contract (Photocopier)	100% deviation, the arrangement of 2 transversal contracts in the months Sept-Nov 2011
3.2.8	Number of monitoring and evaluation reports produced	Quarterly	44 Monitoring Reports	17 Reports 14 SCM Bilateral Reports 2 Transversal contract reports	11 Reports	0	100% deviation, Change in the monitoring approach
3.2.9	Number of infrastructure delivery meetings, including IDIP held	Quarterly	40 meetings	1 meeting	10 meetings	6 meetings	40% deviation, more time was spent on other additional National Treasury initiatives
3.2.10	Number of training sessions conducted / facilitated	Quarterly	1 training session	N/A	1 training session	2 training sessions	100% Additional National Treasury initiatives

3.2 Asset Management							
Strategic objective 1:- To continuously promote the prudent management of physical and financial assets and the implementation of supply chain management framework							
Performance indicators / measure		Reporting period	Annual target 2011/12	Validated 2nd quarter actual	Planned output 3rd quarter 2011-2012	Actual output 3rd quarter 2011-2012	% deviation from the target and short explanation
3.2.11	Number of infrastructure site visits conducted	Quarterly	60 projects	15 projects	15 projects	19 projects	5% deviation, Additional National Treasury initiatives
3.2.12	Number of infrastructure monitoring reports produced	Quarterly	8 reports	2 reports	2 reports	3 reports	25% deviation, Additional National Treasury initiatives
3.2.13	Number of infrastructure Review Reports Produced	Quarterly	4 reports	1 report	1 report	1 report	
3.2.14	Number of PPP monitoring reports produced	Quarterly	4 reports	1 report	1 report	no report	100% deviation, Current PPP is under review.
3.2.15	Timely and reliable Provincial revenue Fund annual financial statements according to prescripts	Annually	1 set of AFS	N/A	1 set of AFS	AFS were already submitted during the 1st quarter	
3.2.16	Monthly cash transfer reports produced	Quarterly	12 reports	3 Reports	3 reports	3 reports	
3.2.17	Facilitated revenue generation through investment :Investment reports	Quarterly	12 reports	3 Reports	3 reports	3 reports	
3.2.18	Participation in the quarterly cash management/PMG forums/bilateral	Quarterly	4 fora	1 forum	1 forum	1 forum	

3.4 Supporting and Interlinked Financial Systems							
<i>Strategic objective 2- To manage and support the successful functioning of transversal financial management systems on continuous basis</i>							
Performance indicators / measure		Reporting period	Annual target 2011/12	Validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd 2011-2012	% deviation from the target and short explanation
3.4.1	Availability and stability of the BAS Terminal Servers	Quarterly	95 per cent of 8 working hours	95 per cent of 8 working hours	95 per cent of 8 working hours	95 % of 8 working hours available	
3.4.2	Provide technical and functional support to Provincial Departments within working hours	Quarterly	Within 8 working hours	<u>Technical Support (IS)</u> 39 of 302 calls were not attended to within 8 working hours <u>Functional Support(BAS)</u> 87 calls within 8 working hours	Within 8 working hours	Technical Support (IS) 2 Calls from 303 calls were not attended to within 8 working hours Functional Support(BAS) 88 calls within 8 working hours	1,65% deviation from the target set due to unforeseen circumstances
3.4.3	Process submissions from departments for online banking and/or hand written cheques	Quarterly	Within 24 working hours	Within 24 working hours	Within 24 working hours	Within 24 working hours	
3.4.4	Interfaces successfully integrated with external systems	Quarterly	100 per cent of 4 Interfaces	75% per cent of 4 Interfaces, interfaced	100 per cent of 4 Interfaces	75% per cent of 4 Interfaces, interfaced	25% deviation, Busy with implementation and testing of 4th Interface namely Housing Subsidy System Interface
3.4.5	Number of clear and user-friendly Transversal System	Quarterly	15 Circulars and	9 Transversal Systems circulars	3 Circulars and	5 (without LOGIS)Transversal	

3.4 Supporting and Interlinked Financial Systems							
Strategic objective 2- To manage and support the successful functioning of transversal financial management systems on continuous basis							
Performance indicators / measure	Reporting period	Annual target 2011/12	Validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd 2011-2012	% deviation from the target and short explanation	
	Circulars and Practice Notes		Practice Notes	and practice notes were issued	Practice Notes	Systems circulars and practice notes were issued	
3.4.6	Process credible and accurate entities within 10 working days	Quarterly	Within 10 working days	BAS: 1256 entities were registered of which 1018 with banking details and 237 without banking details. Finalised within 10 working days. LOGIS: 1068 were processed within 10 working days.	Within 10 working days	BAS: 1907 entities were registered of which 1137 with banking details and 770 without banking details. Finalised within 10 working days.	
3.4.7	Items codified and standardized (Process item-codification requests) Within 48 working hours	Quarterly	Within 48 working hours	within 48 working hours	Within 48 working hours	0	NO DATA FOR LOGIS
3.4.8	Number of employees trained on Transversal Systems (BAS, PERSAL and LOGIS)	Quarterly	700 employees	486 employees were trained on Transversal Systems (BAS, PERSAL and LOGIS)	200 employees	226 employees were trained on Transversal Systems (BAS, PERSAL) NO DATA FOR LOGIS	13% deviation on available total, due to more training requests from departments.

Programme 4: Actual performance against quarterly planned targets 2011-2012

4.2 Accounting services							
Strategic objective 1:- To promote prudent financial management within the Free State Provincial Government							
Performance indicators / measure		Reporting period	Annual target 2011/12	validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd 2011-2012	% deviation from the target and short explanation
4.2.1	Number of monthly assessment reports for Departments and entities monitored to adhere to predetermined % of the following: <u>Accounting KPI's</u> <ul style="list-style-type: none"> • Departments • Trading Entities • Public Entities <u>Banking KPI's</u>	Quarterly	120 reports	36 reports	24 reports	24 reports	17% deviation. Phakisa still submitted separate report for assessment
			22 reports	6 reports	4 reports	4 reports	
			33 reports	12 reports	6 reports	7 reports	
			140 reports	42 reports	28 reports	28 reports	
4.2.2	Number of forums for provincial departments and entities Number of formal training sessions conducted/facilitated for Provincial Departments, and Entities on the following: <ul style="list-style-type: none"> • Asset and liability accounts • Basic accounting handbook • Annual financial statements 	Quarterly	10 fora	2 forums	2 fora	2 forums	
			6 sessions	3 sessions on A&L accounts	2 sessions	2 sessions	
4.2.3.	Number of interim and annual financial statements assessment reports produced	Annually	44 financial statements	13 assessment reports	13 financial statements	13 assessment reports	

4.2 Accounting services							
Strategic objective 1:- To promote prudent financial management within the Free State Provincial Government							
Performance indicators / measure		Reporting period	Annual target 2011/12	validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd 2011-2012	% deviation from the target and short explanation
4.2.4.	Timely submission of consolidated annual financial statements and Annual Report <ul style="list-style-type: none"> • Draft CFI • Final CFI • Annual Report 	Quarterly	30 June 10 September 31 October	N/A 5 September N/A	0 0 31 st Oct	N/A N/A 28 October	
4.2.5	Number of Departments and Entities' Key Control Matrix assessment reports produced	Quarterly	132 reports	40 Assessment reports	36 reports	25 reports	69 % Deviation. Assessment reports dependant on submission by departments/entities. Furthermore mistake in printing of APP. Planned total of 3 rd quarter must be 24 instead of 36 to get to total of 132 reports.

4.3. Municipal Budget and Monitoring (IYM)							
Strategic objective 2: To monitor and enhance Budget, Planning and Implementation							
Performance indicators / measure		Reporting period	Annual target 2011/12	validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd 2011-2012	% deviation from the target and short explanation
4.3.1	Number of assessment reports produced with regard to MTREF on <ul style="list-style-type: none"> • Draft budget • Final budget • Adjustment (budgets received) 	Annually	23 reports	21 final budget reports	23 reports	0	100% deviation. Planned output should be in fourth quarter
4.3.2	Number of assessment reports produced on the alignment of the IDP to budget	Annually	12 reports	21 reports	N/A	N/A	
4.3.3	Number of assessment reports produced on the alignment of the SDBIP to budget	Annually	6 reports	0	N/A	N/A	
4.3.4	Number of assessment reports produced on the budget timeline schedules	Annually	23 reports	0	N/A	N/A	
4.3.5	Number of assessment reports produced on revenue and expenditure trends of the municipalities	Monthly Quarterly	12 Consolidated reports 4 Publications	2 Consolidated reports 1 Publication	3 Consolidated reports 1 Publication	3 Consolidated reports 1 Publication	
4.3.6	Number of municipalities assessed for cash flow management	Quarterly	8 municipalities	0	2 municipalities	4 Municipalities	100% deviation, 2 Municipalities reported for previous quarter
4.3.7	Number of training sessions conducted on: <ul style="list-style-type: none"> • Cash flow management 	Annually	1 session	N/A	N/A		

4.4. Municipal Revenue and Debt Management							
Strategic objective 3: To monitor and provide guidance on Municipal Debt Revenue and Management							
Performance indicators / measure		Reporting period	Annual target 2011/12	validated 2nd quarter actual	Planned output 3rd quarter 2011-2012	Actual output 3rd quarter 2011-2012	% deviation from the target and short explanation
4.4.1	Monthly assessment reports produced on municipal revenue and debt management	Monthly	6 reports	2 reports	2 reports	2 reports	
4.4.2	Number of Assessment reports produced for identified municipalities on implementation of free basic services	Bi-annually	2 reports	1 report	N/A	N/A	
4.4.3	Number of Assessment reports produced for identified municipalities on management of debtors	Bi-annually	2 reports	2 reports	N/A	N/A	
4.4.4	Number of assessments reports produced on implementation of policies and procedures	Quarterly	4 reports	1 report	1 report	1 report	

4.5 Municipal Accounting Services							
Strategic objective 4: To promote implementation of Generally Recognised Accounting Practices (GRAP) as well as liability management and reporting							
Performance indicators / measure		Reporting period	Annual target 2011/12	validated 2nd quarter actual	Planned output 3rd quarter 2011-2012	Actual output 3rd 2011-2012	% deviation from the target and short explanation
4.5.1	Number of assessment reports produced on GRAP compliance	Quarterly	23 reports	1 consolidated report for 23 municipalities	23 reports	1 Combined report (23 reports)	A combined report has been done to assess compliance on GRAP after the issue of the audit reports
4.5.2	Compliance reports on tabling of annual and oversight reports produced	Annually	23 reports	N/A	N/A		

4.5 Municipal Accounting Services							
Strategic objective 4: To promote implementation of Generally Recognised Accounting Practices (GRAP) as well as liability management and reporting							
Performance indicators / measure		Reporting period	Annual target 2011/12	validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation
4.5.3	Quarterly reports on asset & liability management produced	Quarterly	4 reports	1 report	1 report	1 report	
4.5.4	Issue guidelines on Annual financial reporting cycle and procedures	Annually	1 guideline	4 Guidelines	N/A	1 report	100% deviation, There was a need to issue a guideline during the period
4.5.5	Quarterly assessment reports on implementation rate of legislative resolutions produced	Quarterly	4 reports	1 report	1 report	1 report	

4.6 Municipal Supply Chain Management and Compliance							
Strategic objective 5: To promote implementation of Supply Chain Management and Procedures							
Performance indicators / measure		Reporting period	Annual target 2011/12	validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation
4.6.1	Number of assessments reports produced on implementation of SCM policies and procedures		23 reports	7 reports	8 reports	3 reports	38% deviation The evaluation of SCM policies was affected by the introduction of the revised Preferential Procurement Regulations (PPR).

4.6 Municipal Supply Chain Management and Compliance						
Strategic objective 5: To promote implementation of Supply Chain Management and Procedures						
Performance indicators / measure	Reporting period	Annual target 2011/12	validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation
						<p>The first training for municipalities on the new PPR was conducted by NT on 27 October 2011, and the second on 22 November 2011.</p> <p>The first letter requesting municipalities to review their policies in line with the new PPR was sent on 23 September and the second on 30 November 2011.</p> <p>4 reviewed SCM policies have been received from municipalities since 02 December 2011 and are</p>

4.6 Municipal Supply Chain Management and Compliance							
Strategic objective 5: To promote implementation of Supply Chain Management and Procedures							
Performance indicators / measure	Reporting period	Annual target 2011/12	validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation	
						currently being assessed.	
4.6.2	Number of assessments reports produced on SCM compliance produced <ul style="list-style-type: none"> • Monthly • Bi-annually 	Monthly Biannually	276 reports 46 reports	0 0	69 reports N/A	0 N/A	<p>100% Deviation. Municipalities upload contracts directly onto the NT PCI System. At the time of submission of 3rd quarter report there was no access to the PCI system. The system is under construction due to incorporation of the new PPR></p> <p>During October 2011 PT verified the supplier profiles and identified split payments which were not captured on the PCI System, but add up to more than R100 000. (See report).</p>

4.6 Municipal Supply Chain Management and Compliance							
Strategic objective 5: To promote implementation of Supply Chain Management and Procedures							
Performance indicators / measure	Reporting period	Annual target 2011/12	validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation	
4.6.3	Number of assessment reports produced on contract management	Quarterly	3 reports	1 report	1 report	1 report	
4.6.4	Number of assessments reports produced on MFMA compliance	Quarterly	3 Reports	1 report	1 report	0	100% deviation, report to be produced in the last quarter
4.6.5	Number of assessment reports produced on municipal delegations	Annually	23 reports	N/A	N/A	N/A	
4.6.6	Number of bi-annual assessment report produced on skills development program of municipal interns	Bi-annually	2 reports	1 report	N/A	N/A	
4.6.7	Number of forums conducted to enhance capacity on MFMA compliance	Quarterly	4 fora	1 forum	1 forum	CFO Forum	
4.6.8	Number of Financial Recovery Plans developed	Annually	2 plans	0	N/A	N/A	

4.7 Municipal Risk Management and Internal Audit							
Strategic objective 5: To promote sound risk management and Internal Audit practices							
Performance indicators / measure	Reporting period	Annual target 2011/12	validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation	

4.7 Municipal Risk Management and Internal Audit							
Strategic objective 5: To promote sound risk management and Internal Audit practices							
Performance indicators / measure		Reporting period	Annual target 2011/12	validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation
4.7.1	Number of bi-annual assessment reports produced for delegated municipalities with IA activity against predetermined IA activity KPIs	Bi-annually	44 reports	5 reports	N/A	2 Reports	
4.7.2	Development of audit committee key performance indicators	Annually	1 set of indicators	1 set of indicators	N/A	N/A	
4.7.3	Number of bi-annual assessment reports produced for delegated municipalities with Audit Committee activity against predetermined IA committee activity KPIs	Bi-annually	30 reports	N/A	N/A	N/A	
4.7.4	Number of formal training sessions conducted on: <ul style="list-style-type: none"> Public sector Internal Audit Framework 	Bi-annually	2 sessions	2 sessions	N/A	N/A	
4.7.5	Number of forums conducted to enhance capacity at municipalities <ul style="list-style-type: none"> Internal Audit 	Bi-annually	2 fora	N/A	N/A	N/A	
4.7.6	Number of bi-annual assessment reports produced for delegated municipalities with Risk management activity against predetermined Risk management activity KPIs	Bi-annually	44 reports	1	N/A	N/A	
4.7.7	Development of risk committee key performance indicators	Annually	1 set of indicators	1	N/A	N/A	
4.7.8	Number of bi-annual assessment reports produced for delegated municipalities with Risk Committee activity against predetermined Risk committee activity KPIs	Bi-annually	2 reports	N/A	N/A	N/A	
4.7.9	Number of forums conducted to enhance capacity at municipalities <ul style="list-style-type: none"> Risk 	Bi-annually	2 fora	1 forum	N/A	N/A	

4.8. Risk Management and Internal Audit							
Strategic objective 7: To create and sustain a culture of accountability within the Free State Provincial Administration							
Performance indicators / measure		Reporting period	Annual target 2011/12	validated 2nd quarter actual	Planned output 3rd quarter 2011-2012	Actual output 3rd quarter 2011-2012	% deviation from the target and short explanation
4.8.1	Number of bi-annual assessment reports produced for Departments and Public Entities against predetermined Risk Management Activity KPIs.	Bi-annually	12 reports	6 Reports	N/A	None	
4.8.2	Number of bi-annual assessment reports produced for Departments and Entities against predetermined Risk Management Committee KPIs	Bi-annually	12 reports	6 Reports	6 reports	0	100% deviation. This activity will be performed in the fourth quarter.
4.8.3	Number of consolidated reports on status of FMCMM questionnaire for the Departments and Public Entities.	Bi-annually	2 reports	N/A	1 report	1 Report	
4.8.4	Number of consolidated assessment Reports produced on FMCMM action plans.	Quarterly	4 reports	0	1 report	1 Report	
4.8.5	Number of forums conducted for Departments and Public Entities on Risk Management	Quarterly	3 forum	1 Forum held on 30 September 2011	1 forum	1 Report	
4.8.6	Number of formal training sessions conducted/facilitated on Risk Management	Quarterly	2 sessions	N/A	1 report	1 Report	
4.8.7	Number of bi-annual assessment reports produced for Departments and Public Entities against predetermined Internal Audit Activity KPI's.	Bi-annually	12 reports	12 reports	6 reports	0	100% deviation, This activity was performed in the second quarter.
4.8.8	Number of bi-annual assessment reports produced for Departments and Entities against predetermined Internal Audit Committee KPI's.	Bi-annually	12 reports	12 reports	N/A	N/A	

4.7 Municipal Risk Management and Internal Audit							
Strategic objective 5: To promote sound risk management and Internal Audit practices							
Performance indicators / measure		Reporting period	Annual target 2011/12	validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation
4.8.9	Number of forums conducted for Departments and Public Entities Internal Audit Capacity Building	Quarterly	3 fore	1 Forum held on the 07 th September 2011	1 forum	0	100% deviation, The forum could not be held owing to the international Fraud awareness week. However, the forum planned for the 3 rd quarter will be held in the fourth quarter.
4.8.10	Number of formal training sessions conducted/facilitated on Internal Audit on: <ul style="list-style-type: none"> Managing Fraud in the work Place 	Quarterly	2 sessions	N/A	1 session	1 Report on training session	
4.8.11	Number of consolidated assessment reports produced on predetermined implementation rate of legislature resolutions for Departments and Public Entities	Quarterly	3 reports	1 report	1 report	1 Report	
4.8.12	Number of quarterly assessment reports produced on system of delegations for Departments and Public Entities	Quarterly	45 reports	0	15 reports	0	100% deviation. However, 15 reminders for Depts and Entities were issued.

4.7 Municipal Risk Management and Internal Audit							
Strategic objective 5: To promote sound risk management and Internal Audit practices							
Performance indicators / measure		Reporting period	Annual target 2011/12	validated 2 nd quarter actual	Planned output 3 rd quarter 2011-2012	Actual output 3 rd quarter 2011-2012	% deviation from the target and short explanation
4.8.13	Number of annual assessment reports produced on Public Entity boards based on the compliance with PFMA and relevant legislature.	Annually	3 reports	0	N/A	3 Reminders	100% deviation, Entities did not submit the requested information reminder letters which were signed by CEO.
4.8.14	Number of reports produced on Maintenance of Entity general information	Quarterly	4 reports	1 report	1 report	1 consolidated report for three entities.	The activity could not be performed in the 3 rd quarter.
4.8.15	Confirmation (Listing) of contingent liability for housing guarantees in respect of financial institutions.	Quarterly	20	3	5	4	1% deviation, FDC did not submit the required information and a reminder letter which was signed by the CEO was sent to the entity
4.8.16	Number of updated reports produced to National Treasury on required detail of identified positions in departments and public entities	Quarterly	3 reports	1 report	1 report	1 report	

