



PROVINCIAL TREASURY  
2015-2020 STRATEGIC PLAN  
TECHNICAL INDICATOR DESCRIPTIONS

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## PROGRAMME 1: ADMINISTRATION

Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility
1. Improve quality of management practices	Improve the quality of management and management practices, as per the MPAT assessment and audit outcomes	Effective and efficient management practices (as defined by MPAT) are necessary to build a department that is professional, accountable and development oriented.	The MPAT moderated scores and the Auditor General's Audit Opinion will be used to assess progress against the objective	MPAT: Total number of standards with a level 3 or 4 score as a percentage of the total number of standards	Dependent on the accuracy and quality of secondary data and the moderation process	Outcome	Non-cumulative	Annually	Yes	Clean audit Higher MPAT scores	CFO SEM: Corporate Services
2. Establish a skilled, competent and responsive workforce	Provide strategic support to the department by establishing a skilled, competent and responsive workforce by improving staffing levels through recruitment processes and staff retention by creating a conducive work environment through skills development and wellness initiatives	To ensure that the department has the necessary capacity to deliver on its mandate.	The vacancy rate of the Department will be used to measure progress against this objective  Information will be sourced from the employment report as at end of the financial year	Number of funded vacant posts as a % of the total number of funded posts on the staff establishment	None	Outcome	Non-cumulative	Annually	Yes	A lower vacancy rate	SEM: Corporate Services

## PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility
3. Research and economic information	Provide a platform to enhance economic growth and development of the Free State and its people through quality research and up to date economic intelligence.	The research papers, publications (PERO, DERO and MTBPS) and Labour Market Reviews provide valuable information to support policy formulation in order to stimulate job creation and poverty alleviation.	Research papers, publications and Labour Market Reviews produced	Simple count of number of research papers, publications and Labour Market Reviews	Secondary data from various databases (e.g. StatsSA, IHS-Global Insight, World Bank, IMF, African Development Bank, South African Reserve Bank, National treasury, etc.) and research papers. Primary data collected from surveys, interviews, etc.	Output	Cumulative	Annually	No	On-target	SEM: Sustainable Resource Management
4. Optimize provincial own revenue	Optimize provincial own revenue by enhancing revenue collection for the province through effective and efficient revenue management, which include the provision of revenue enhancement allocations, research work and oversight of revenue generating departments and entities.	Revenue provides for additional funding for provincial priorities and service delivery needs.	The total amount of Provincial Own Revenue per annum will be used to measure progress on this objective. Information will be obtained from revenue reports.	Total amount of income classified as provincial own revenue	Accuracy of information in reports.	Outcome	Cumulative	Annually	Yes	A higher amount of Provincial Own Revenue	SEM: Sustainable Resource Management

Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility	
5.	Monitoring of implementation of the fiscal policy framework	Monthly reports on spending of conditional grants and quarterly reports on financial performance of Public Entities to promote and ensure effective and efficient implementation of the fiscal policy framework.	Monitoring and assessment allow for early detection of poor performance and timely intervention of Treasury.	Monthly analysis reports on conditional grants and quarterly reports on financial performance / spending of entities	Simple count of reports produced	Accuracy of IYM, IRM and BAS reports	Output	Cumulative	Annually	No	On-target	SEM: Sustainable Resource Management
6.	Allocation of financial resources	Allocation of financial resources in line with government priorities through the provincial budget and monitoring the implementation in terms of funded priorities	Compliance with the PFMA that requires Provincial Treasury to prepare the provincial budget. Quarterly reports on funded priorities allows for early detection of poor performance and timely intervention of Treasury.	Appropriation Bill, Adjustment Appropriation Bill and quarterly reports on funded priorities	Simple count (Appropriation and Adjustment Appropriation Bills and quarterly reports)	The quality of reports depends on the accuracy of information from departments.	Output	Cumulative (quarterly reports)	Annually	No	On-target	SEM: Sustainable Resource Management
7.	Monitor implementation of provincial budget	Monitor the implementation of the provincial budget through assessing and reporting projected and actual expenditure	Compliance to the legislative framework. Monitoring of projected and actual expenditure allows for detection of poor performance and timely intervention.	Monthly reports on IYM Model and Quarterly reports on Infrastructure Model	Simple count of number of reports	The quality of the report depends on the accuracy and availability of data from departments	Output	Cumulative	Annually	No	On-target	SEM: Sustainable Resource Management

## PROGRAMME 3: ASSET AND LIABILITY MANAGEMENT

Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility
8. SCM capacity building and oversight	Support departments and public entities through monitoring and capacity building initiatives to develop and implement effective and efficient supply chain management practices	Providing departments and entities with assessment reports on their compliance with the SCM framework to enable them to implement improvements and to also provide capacity building opportunities	Monthly reports and attendance registers of training sessions and forums	Simple count of reports and attendance registers	None	Output	Cumulative	Annually	No	On-target	SEM: Asset and Liability Management
9. Asset management capacity building and oversight	Support departments and public entities through monitoring and capacity building initiatives to develop and implement effective and efficient asset management practices	Providing departments and entities with assessment reports on their internal control systems with regard to asset management to enable them to implement improvements and also provide capacity building opportunities	Monthly reports and attendance registers of training sessions and forums	Simple count of reports and attendance registers	None	Output	Cumulative	Annually	No	On-target	SEM: Asset and Liability Management
10. Promote effective and efficient infrastructure delivery	Support departments and public entities to improve infrastructure delivery through the implementation of the IDMS, monitoring of infrastructure projects and promoting PPP as an alternative infrastructure delivery vehicle	Monitoring of infrastructure projects and the management of PPP projects allows for detection of poor performance and timely intervention.	Quarterly monitoring reports	Simple count of reports	The accuracy of reports depends on the accuracy of reported information	Output	Cumulative	Annually	No	On-target	SEM: Asset and Liability Management

Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility
11. Sustainable and effective cash management practices and efficient management of the Provincial Revenue Fund	Effectively manage the Provincial Revenue Fund as well as monitoring of cash flow processes and investments in the province to ensure effective and sustainable cash flow	Effective cash flow management will enable departments to meet their payment obligations and also earn maximum returns on investments.	The Auditor General's audit opinion and monthly reports on cash allocations to departments will be used to measure progress against the objective.	Simple count	None	Outcome and Output	Cumulative (for reports)	Annually	Yes	Clean audit On-target for reports	SEM: Asset and Liability Management

## PROGRAMME 4: FINANCIAL GOVERNANCE

Indicator Title	Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility
13. Promote and enforce sound accounting practices	Promote and enforce sound accounting practices and reporting through capacity building and monitoring to ensure compliance with the PFMA and relevant accounting frameworks	Improving compliance with the PFMA and relevant accounting frameworks.	The % of AFS findings resolved, compliance % with minimum requirements of the AFS work file and KCM assessment scores of departments will be used to assess progress against the objective.  Consolidated reports on AFS and work files and consolidated KCM reports will be used.	Simple count of number of departments with a specific compliance % with minimum requirements of AFS work file and a simple count of the number of departments on a KCM assessment score (1)	None	Outcome	Non-cumulative	Annually	Yes	Higher number of departments and entities with a higher score on compliance on the AFS work file.  Lower number of departments and entities on KCM score (1).	CEM: Financial Governance
14. Promote and enforce risk management and internal audit practice	Promote and enforce risk management and internal audit practices through capacity building and monitoring to improve the effectiveness and efficiency of Risk Management and Internal Audit	Ensure compliance with relevant frameworks and the PFMA.	The % compliance with the Risk Management and Internal Audit KPIs will be used to measure progress against the objective.  Information from assessment reports will be used.	Simple count of number of departments complying with the KPI compliance targets for Internal Audit and Risk Management	None	Outcome	Non-cumulative	Annually	Yes	Higher number of entities and departments with a higher score	

## PROGRAMME 5: MUNICIPAL FINANCE MANAGEMENT

Indicator Title		Short Definition	Purpose/ Importance	Source/ evidence	Method of Calculation	Data Limitations	Type of Indicator	Calculation Type	Reporting Cycle	New Indicator	Desired Performance	Indicator Responsibility
15.	Monitor and support delegated municipalities	Monitor and support delegated municipalities to strengthen their capacity to fully implement the MFMA and associated fiscal and financial reforms towards sound financial management and good governance	Improve compliance with the MFMA and improve financial management practices in municipalities	Attendance registers of capacity building sessions and monitoring and oversight reports	Simple count of number of municipalities supported as well as the number of capacity building sessions and monitoring reports produced	None	Output	Cumulative	Annually	No	On-target	SEM: Municipal Finance Management