Gauteng Provincial Treasury

ANNUAL CITIZENS' REPORT

17 | 18

Together, Moving Gauteng City Region Forward

GAUTENG PROVINCE
TREASURY
REPUBLIC OF SOUTH AFRICA

Who we are

The Gauteng Provincial Treasury (GPT) is a department mandated with the objective of promoting good governance through the provision of good fiscal stewardship in the province. This mandate charges the GPT with the responsibility for ensuring provincial outcomes are adequately resourced and these resources are managed in accordance with basic accounting principles.

What we do

The GPT is an activist treasury that enables and promotes quality service delivery through:

- Sustainable funding.
- Efficient cash management.
- Effective financial management.
- Governance framework that ensures accountability, transparency and fiscal discipline.

Our services

The Gauteng Provincial Treasury is committed to providing services as follows:

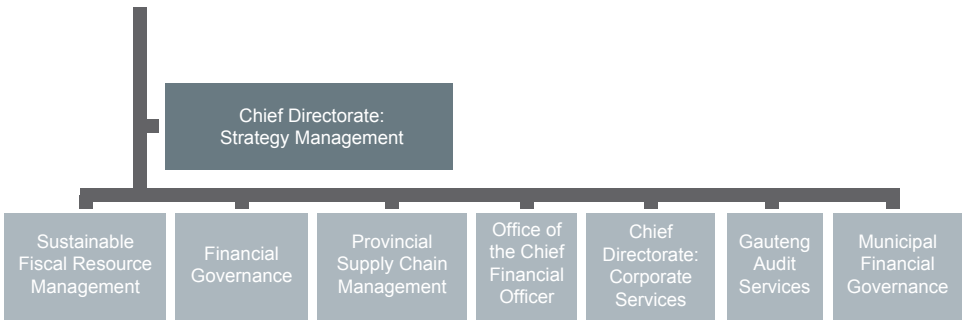| Programmes	Key Services
Administration	• Provide administrative support services to internal operations • Provide capacity development services to the GPG
Sustainable Fiscal Resource Management	• Provide budget oversight • Provide oversight on provincial revenue • Provide oversight on provincial expenditure
Financial Governance	• Provide accounting service support to departments and entities • Provide advisory services and oversight on PFMA compliance
Provincial Supply Chain Management	• Provide oversight on supply chain management processes in the province • Provide supply chain development services • Provide SCM governance advisory services
Municipal Finance Governance	• Provide accounting service support to municipalities • Provide advisory services and oversight on MFMA compliance
Gauteng Audit Service Services	• Provide audit services to GPG departments, entities and municipalities

Our Leadership

The Member of Executive Council (MEC) for Finance is **Ms. Barbara Creecy**, who is the Executive Authority in terms of the Public Service Act.

MEC

The Head of the Department is **Ms. Nomfundo Tshabalala,** who is the Accounting Officer in terms of the Public Finance Management Act.

HOD

Chief Directorate: Strategy Management

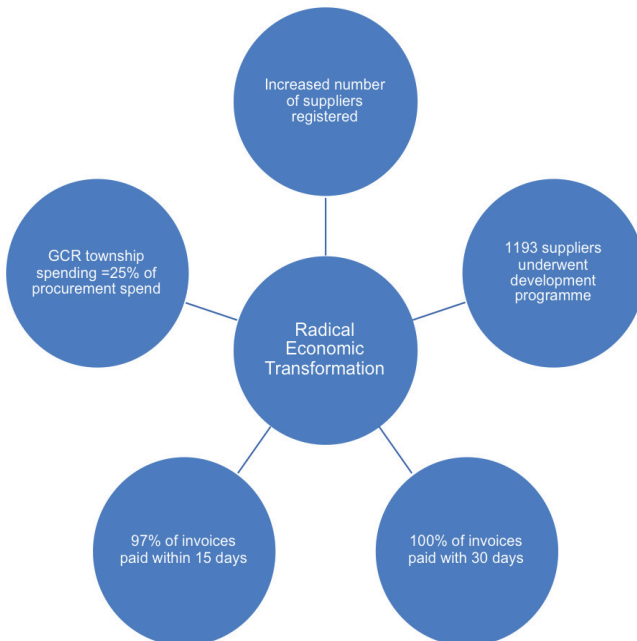| Sustainable Fiscal Resource Management	Financial Governance	Provincial Supply Chain Management	Office of the Chief Financial Officer	Chief Directorate: Corporate Services	Gauteng Audit Services	Municipal Financial Governance

Overview of the operations of the department

As the Gauteng Provincial Treasury (GPT), we remain committed to improving the lives of citizens in Gauteng. We continue to support the priorities of the Transformation, Modernisation, and Reindustrialisation (TMR) Programme of government, with specific emphasis on the following pillars:

- Pillar 1 - Radical economic transformation
- Pillar 4 - Transformation of state and governance

The role of the GPT is to ensure that strategies and key provincial priorities which align to the TMR programme are funded. The department provides oversight and support services to all departments, specific public agencies, and delegated municipalities.

The key achievements of the department in the 2017/18 financial year are outlined below:

Radical Economic Transformation

Increased number of suppliers registered

GCR township spending =25% of procurement spend

Radical Economic Transformation

1193 suppliers underwent development programme

97% of invoices paid within 15 days

100% of invoices paid with 30 days

Transformation of State and Governance

Ensuring that approved financial resources are spent efficiently, effectively and economically across the province

Better planning & bedgeting senergy
- Coordinate budget planning process Exco Makgotla ,budget fora,MTEEc & PBC
- Took part in verious IGR engagements (CFO forums,MEC/MMC meetings ,PCF
- Conducted budget assessments in Municipalities and departments

Balanced budget R sustainable Funding
- GIFA coordinated altaernative financial sollutions to to engagement funding for infrastrure projects to facilitate spatial transformation
- 13% increase in own revenue collection

Efficient, effective economic
- 97% of infrastrure budget spent
- 95% of conditional grants budget spent
- 83% of transfers to municipalities by departments spent
- Personal spending kept at below 57%

Unqaulified Audits
- All departments achieved unqalified audits for 2016/17 FY
- All municipalities acheived unqalified audits for 2016/17FY
- 97% ot Intreama audit plan executed
- implementation of AG findings monitored by Internal audit

Reduction of Fraud & Corruption
- Implemented open tender in all 14 de[artments,entities and 2 local municipalies
- 137 projects worth 13 billion implemented through open tender process
- Conducted fraud detection reviews to proactively identify possible fraudulent practices

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Ensuring that statutory obligations are met and that decision makers facilitate appropriate interventions

Statutory obligations

- The departmental has an internal monitoring instrument
  - Compliance Dashboard
- It fulfilled 100% of its statutory and regulatory reporting obligations

Service Delivery Performance – How we intend to improve our services

The intention of developing the SDIP report is to facilitate the commitment of state institutions to continuously implement initiatives to improve the quality of services being provided and the way the service is delivered.

The department has an approved three-year SDIP plan and the relevant units report progress against the plan on a quarterly basis as per the directive by the Department of Public Service & Administration. This annual report was compiled against the annual targets for 2017/18 financial year as reflected in the 2015/16-2017/18 Plan.

A new SDIP has been developed for the 2018/19 – 2020/21 cycle.

Main services	Beneficiaries	2016/17 Achievement	Desired standard of service	2017/18 Achievement
Capacitate stakeholders through SCM development initiatives	SCM practitioners – departments, entities and municipalities	Conducted 31 workshops	Provide 38 workshops and advisory support to all GPG departments; municipalities and entities on SCM	Conducted 66 workshops
Supplier management and development	GPG Client Departments and Citizens	100% of Suppliers registered within 12 days from receipt of application.	100% of supplier applications accurately registered in the supplier database within 10 days from receipt of application form	Implemented through National Treasury Central Supplier Database

Key Service 1: Capacitate stakeholders through SCM development initiatives

Standard Description	Current Standard – 2016/17 Performance	Desired Standard – 2017/18 Plan	Performance Achievement 2017/18
Quantity	Conducted 31 workshops on bid committees and SCM requirements and procurement planning to departments, municipalities and entities	Provide 38 workshops and advisory support to all GPG departments; municipalities and entities on SCM Coordinate supplier development initiatives	Conducted 66 workshops on Procurement Planning, Demand Management, SCM governance and Bid Evaluation to departments and municipalities Coordinated supplier development workshops with partners, resulting in 1193 suppliers undergoing supplier development programme
Quality	SCM accredited training	Provide 4 accredited training to all GPG departments and municipalities on SCM to improve competency levels Ensure good quality through conducting impact assessment questionnaires to assess SCM improvement levels.	• Provided 4 accredited SCM training: • Bid evaluation committee training • Anti-corrupting training for practitioners • Applied Risk identification and assessment. • Risk responsive reporting
Batho Pele Principle			
Consultation	Skills gap analysis conducted, 21 workshops were held to identify training needs for departments and municipalities.	Conduct training through situational analysis undertaken Conduct SCM forums	Conducted 8 SCM forums (4 with departments and 4 with municipalities)
Courtesy	Conducted 3 SCM forums for departments and municipalities.	Develop and maintain Stakeholder relationships through SCM forums to ensure timeous, responsive and proactive solutions to client's needs Ensure integrated capacity development efforts	Conducted 8 SCM forums (4 with departments and 4 with municipalities) to communicate SCM reforms and status of compliance Invited an external stakeholder to share SCM reforms that impact on operations
Access	Maintained SCM Helpdesk and responded to 59 SCM related queries from departments and municipalities. Developed Bid Committee Charters for departments and entities SCM policies and directives are accessible on the PSCM shared-drive Assessment of FAQ's in progress	Provide assistance with self-registration on internet Establish SCM resource centre	Assistance for self-registration provided SCM resource centre established as helpdesk – to assist with self-registration
Information	Advisory and support services provided, responded to 59 SCM related queries Quarterly Report on capacity development compiled	Provide advisory and support services. Quarterly Report on capacity development Maintain Internal Training database. Compile annual training plan schedule to ensure structured training is provided	Integrated training database maintained, annual training plan compiled Quarterly report on capacity development produced Internal training database maintained

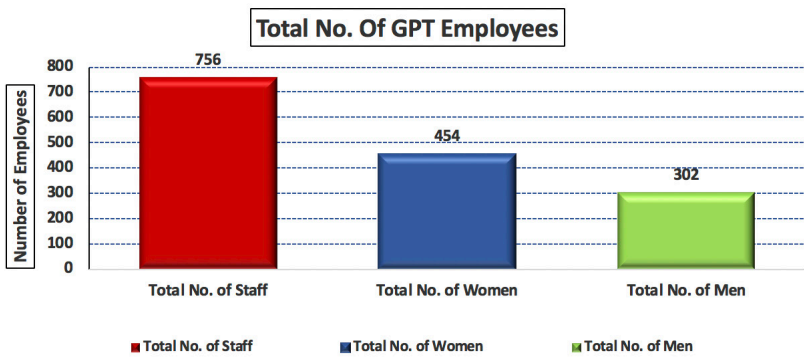| Standard Description	Current Standard – 2016/17 Performance	Desired Standard – 2017/18 Plan	Performance Achievement 2017/18
Openness & Transparency:	Advertisement and awards of bids were published through the e-tender portal	Advertisement and awards of bids to be published through the e-tender portal	Advertisement and awards of bids published through the e-tender portal
Redress	Responded to 83 SCM related enquiries through help desk within the specified timelines Client satisfaction survey were conducted for each training provided. Assessment questionnaires on training conducted were provided to attendees and responded to. Impact assessment questionnaires on training conducted were also provided to relevant managers and responded to.	Address logged operational queries within 24 hours and technical queries with 3 days through the help desk Conduct quarterly client satisfactory surveys in order to improve assistance provided	Addressed logged operational queries within 24 hours and technical queries resolved within 3 days through the help desk Conducted quarterly client satisfactory surveys
Value for Money	Compliance reports were analysed and communicated accordingly to stakeholders Supplier development reports were produced and value for money verified	Review biannual compliance reports to verify improvement in SCM performance Produce supplier development reports to ascertain if value for money is realised Develop and implement controls to improve attendance for accredited trainings.	Biannual compliance reports to verify improvement in SCM performance reviewed Supplier development reports produced monthly Controls implemented to improve attendance
Human Resources	Team of 4 officials	Team of 4 officials	Team of 4 officials
Cost	As per the finance report	R1 500 000	As per the finance report
Time	1 April 2016 – 31 March 2017	1 April 2017 – 31 March 2018	
Challenges	None		
Mitigation factors/ intervention per service	Not Applicable		

Key Service 2: Supplier Management and Development

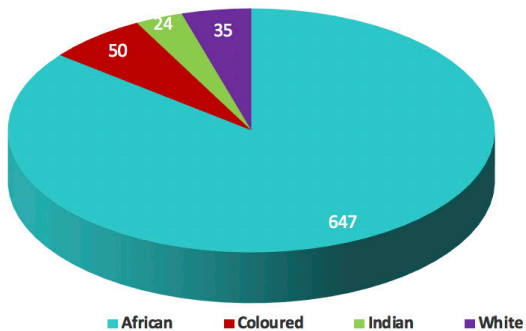| Standard Description	Current Standard – 2016/17 Performance	Desired Standard – 2017/18 Plan	Performance Achievement 2017/18
Quantity	This function is now performed through the National Treasury's (NT) Central Supplier Database (CSD), where supplier registration is done online.	100% of supplier applications accurately registered in the supplier database within 8 days from receipt of application form	Implemented through National Treasury Central Supplier Database
Quality	SUS is now implemented as part of the National Treasury's CSD	Improved utilisation of the Supplier self-service (SUS) for online registration by 30%	Implemented through National Treasury Centralised Supplier Database
Batho Pele Principles			
Consultation	14 meetings were held with GPG Departments on a quarterly basis.	14 meetings for GPG, per quarter to consult them on supplier database developments.	14 meetings held with GPG departments
Courtesy	Customer satisfaction survey concluded for SMD **2563 survey responses received** - 88% (2253) excellent review - 10.1% (261) good - 1.4% (38) Average - 0.3% (7) fair - 0.2% (4) poor	Conduct annual customer satisfaction survey with client departments A quarterly business unit level Customer Satisfaction survey with end client departments (98%).	Annual customer satisfaction survey was conducted - 98% satisfaction achieved Quarterly surveys were conducted
Access	The suppliers use Supplier Management Helpdesk to access information regarding • Registration Status • Completion of Forms • Updating of Supplier Profiles • Cubicles with Electronic Access • Registration Status on Centralized Supplier Database (CSD)	The suppliers use Supplier Management Helpdesk to access information regarding: • Registration Status • Completion of Forms • Updating of • Supplier Profiles	Implemented through National Treasury Centralised Supplier Database
Information	The function is undertaken through CSD.	The following is to be published on our website on a weekly basis: • TCCs to expire in 30 days • B-BBEE Status Expiry • TCC Expiry • Classification Information Vendor Number of Supplier registered for the week	CSD is the compliance hub for supplier information.
Openness & Transparency:	Access to the SAP system database was provided. Access to CSD has also been provided to departments. All Municipalities have been trained on CSD.	Departments are given access to the SAP system database for procurement purposes.	Access to the SAP system database has been provided.

Standard Description	Current Standard – 2016/17 Performance	Desired Standard – 2017/18 Plan	Performance Achievement 2017/18
Redress	• All supplier management queries are directed to a centralised procurement services email address. Business.Support@Treasury.gov.za • All complaints and complements were also forwarded to the GPG Premier Hotline.	All Supplier management queries, are directed to a centralized procurement services email address. SMrequest@gauteng.gov.za All complaints and complements can also be forwarded to our GPG Premier Hotline.	All Supplier management queries, are directed to a centralised procurement services email address. SMrequest@gauteng.gov.za All complaints and complements can also be forwarded to our GPG Premier's Hotline.
Value for Money	Supplier compliance is no longer managed by GPG SAP but by CSD. SAP gets updated with CSD compliance	Management and maintenance of GPG supplier database assists in ensuring database availability of potential service providers that contains accurate and reliable data	Function implemented through National Treasury Centralised Supplier Database
Human Resources	43 employees	29 employees	43 employees
Cost	As per the finance report	R6, 176,588.00	As per the finance report
Time	1 April 2016 – 31 March 2017	1 April 2017 – 31 March 2018	
Challenges/ gaps encountered per service	None		
Mitigation factors/ intervention per service	None		
Mitigation factors/ intervention per service	Registration of suppliers was stopped on the 18/03/2016 due to the implementation of the Central Supplier Database by National Treasury		

Our Organisation and Staffing

Total No. Of GPT Employees

Number of Employees

- Total No. of Staff: 756
- Total No. of Women: 454
- Total No. of Men: 302

Legend: ■ Total No. of Staff ■ Total No. of Women ■ Total No. of Men

Total No. Of GPT Employees by Ethnic Group

- African: 647
- Coloured: 50
- Indian: 24
- White: 35

Legend: ■ African ■ Coloured ■ Indian ■ White

Our Budget

Programme expenditure:

Programme Name	2016/2017			2017/2018		
	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/ Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	123 342	121 306	2 036	135 576	132 862	2 714
Sustainable Fiscal Resource Management	174 725	171 420	3 305	141882	140558	1 324
Financial Governance	129 517	125 343	4 174	149 040	135 622	13 418
Provincial Supply Chain Management	98 153	84 545	13 608	103 532	96 648	6 884
Municipal Financial Governance	38 276	37 075	1 201	44 896	43 471	1 425
Gauteng Audit Services	77 539	76 662	877	80 031	76 799	3 232
Total	641 552	616 351	25 201	654 907	625 960	28 947

The departmental expenditure was recorded at R626 million or 96% of the final appropriation. The 4% under-spending was attributed to projects that were not completed by the end of the financial year due to their nature and complexities. The department did not have any unauthorised, fruitless and wasteful expenditure.

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