

Gauteng Provincial Treasury

Revised Annual Performance Plan for 2022/23



GAUTENG PROVINCE

PROVINCIAL TREASURY
REPUBLIC OF SOUTH AFRICA

Executive Authority Statement

Gauteng Provincial Treasury (GPT), as the custodian of public resources, must use the 2022/23 financial year to fast track the implementation of deliverables contained in this Annual Performance Plan (APP) and support the provincial government deliver on priorities of the 6th Administration.

The department must do this in an environment characterised by sluggish economic growth as the country is still emerging from unprecedented socio-economic challenges brought by the COVID-19 pandemic.

To realise this goal, GPT must work closely with departments to ensure the implementation of the Five Elevated Priorities as outlined by Premier Panyaza Lesufi and these are as follows:

- Economic recovery and reconstruction;
- Strengthening the battle against crime, corruption, vandalism, and overcoming lawlessness;
- Changing the living conditions in townships, informal settlements, and hostels (TISH);
- Prioritisation of the health and wellness of people; and
- Strengthening the capacity of the state.

These policy directives are aligned with the Growing Gauteng Together, Vision 2030 plan, and are aimed at changing the living conditions of people in Gauteng particularly the poor and vulnerable citizens who live in townships, informal settlements, and hostels.


Therefore, GPT must be innovative and proactive to ensure that our programmes are adequately funded and implemented according to specifications to avoid costs overruns and any wastage of public money funds.

It is during difficult financial times like these that people want certainty that tax revenues are used by government to provide them with, amongst other things, clean water, electricity, healthcare, education, social services, decent job opportunities and recreational facilities. These are the necessities of modern life and are important to building safe and sustainable communities across our province.


As we re-boot the economy, we must ensure inclusion. That is why GPT must accelerate

Equally important, GPT must find innovative ways to ensure the rotation of suppliers which is a serious challenge that has continued to be sharply raised by township suppliers in their interaction with government becomes a reality. It is when we do this that we will contribute significantly to the growth of the small business sector and create much needed jobs.

GPT must also intensify monitoring to assess whether funds allocated for projects in local communities are used correctly to delivery essential public services to citizens. Such an approach will ensure that the department plays an active role in facilitating proper usage of public funds at local level and contribute to improving relations between communities and municipalities in Gauteng.



Mr. Jacob Mamabolo
Executive Authority: Finance



Accounting Officer Statement

The outbreak of COVID-19 in 2020 had a profound impact on Government Machinery – by disrupting both the planning and implementation of programmes and projects meant to deliver services to citizens. This was in addition to the extraordinary health, economic and social challenges that the pandemic caused to our country and the rest of the world.

In response, all spheres of government had to review policies and plans to ensure an efficient response to the pandemic, whilst also ensuring continued service delivery.

It is now clear that even in the 2022/23 financial year, COVID-19 and the related socio-economic effects will continue to be one of the key challenges that our country grapples with. As GPT we will, therefore, be required to ensure that we support the departments to implement the following Five Elevated Priorities to change the living conditions of people in our province:

- Economic recovery and reconstruction;
- Strengthening the battle against crime, corruption, vandalism, and overcoming lawlessness;
- Changing the living conditions in townships, informal settlements, and hostels (TISH);
- Prioritisation of the health and wellness of people; and
- Strengthening the capacity of the state.

In working towards the realization of the outcomes set out in the department's strategic plan, the department will focus on the following deliverables in the 2022 MTEF period:

- Improve fiscal management and increased compliance that promotes clean governance and accountability.
- Implement cost cutting practices on cost containment items through budget formulation and by increasing efficiency, effectiveness and productivity gains and provide assurance on the economic and efficient utilisation of state funds.
- Promote and enforce transparency and effective Supply Chain Management in the province and enhance and protect organisational value.
- Promote better planning and budgeting resulting in an integrated, transparent, and credible planning framework to fund key priorities of the GGT 2030.
- Plan the implementation of and optimising of existing revenue sources and explore new revenue to ensure that the e-toll debt is also addressed.

- Be proactive and interventionist in providing oversight and support role on the implementation of municipal budgets, implement early detection systems to proactively identify and address financial problems in and to provide technical support to delegated municipalities and guide and advice municipalities towards MFMA compliance; and
- Improve audit outcomes and strengthen internal controls throughout the province and provide assurance through the implementation of internal audits.
- Source alternative funding for e-Toll debt.
- Establish a state-owned bank and a state-owned pharmaceutical company.

To realise our objectives, we must be innovative. We must be proactive and intervene before challenges experienced by departments and municipalities become bigger. It is when we do this that we will minimise non-compliance with rules and regulations, and support departments and municipalities to promote good governance, transparency, and accountability in the usage of public funds.









Ms. Ncumisa Mnyani

Accounting Officer: Gauteng Provincial Treasury

Official Sign-Off

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the Gauteng Provincial Treasury under the guidance of MEC of Finance: Mr. Jacob Mamabolo
- Takes into account all the relevant policies, legislation and other mandates for which the Gauteng Provincial Treasury is responsible
- Accurately reflects the outcomes and outputs which the Gauteng Provincial Treasury will endeavour to achieve over the period 1st April 2022 to 31st March 2023

Name and Surname	Programme/ Title	Signature
Mr. Mncedisi Vilakazi	Deputy Director General: Sustainable Fiscal Resource Management	P.P. 
Mr. Jafta Mhlongo	Acting Deputy Director General: Financial Governance	
Ms. Nombulelo Mbeki	Deputy Director General: Provincial Supply Chain Management	
Mr. Owen Witbooi	Deputy Director General: Municipal Financial Governance	
Mr. Velile Kweyama	Deputy Director General: Gauteng Audit Services	
Ms. Nontembeko Tsiane	Head: Corporate Services	

Signature: 

Mr. Tengani Khoza: Head Strategy Management and Transformation Program

Signature: 

Mr. Phakamisile Sikitshana: Chief Financial Officer

Signature: 

Ms. Ncumisa Mnyani: Accounting Officer

Approved by: 

Signature: _____

Mr. Jacob Mamabolo: Executive Authority

2022/12/20

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Abbreviations

AFS	ANNUAL FINANCIAL STATEMENTS
AEPRE	ADJUSTED ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE
AG	AUDITOR GENERAL
AU	AFRICAN UNION
APP	ANNUAL PERFORMANCE PLAN
BAC	BID ADJUDICATION COMMITTEE
BAS	BASIC ACCOUNTING SYSTEM
BI	BUSINESS INTELLIGENCE
BBBEE	BROAD-BASED BLACK ECONOMIC EMPOWERMENT
CBA	COST BENEFIT ANALYSIS
CGE	COMPUTABLE GENERAL EQUILLIBRIUM
CFM	CASH FORECASTING MODEL
CFO	CHIEF FINANCIAL OFFICER
CoE	COMPENSATION OF EMPLOYEES
CoGTA	COOPERATIVE GOVERNANCE & TRADITIONAL AFFAIRS
CoJ	CITY OF JOHANNESBURG
CoT	CITY OF TSHWANE
COVID-19	CORONAVIRUS DISEASE
DDM	DISTRICT DEVELOPMENT MODEL
DORA	DIVISION OF REVENUE ACT
DPSA	DEPARTMENT OF PUBLIC SERVICE AND ADMINISTRATION
DTIC	DEPARTMENT OF TRADE INDUSTRY AND COMPETITION
ECE	ESTIMATES OF CAPITAL EXPEDNITURE
EIS	ELECTRONIC INVOICE SYSTEM
EMDE	EMERGING MARKET AND DEVELOPING ECONOMIES
EPRE	ESTIMATES OF PROVINCIAL REVENUE & EXPENDITURE
EMT	EXECUTIVE MANAGEMENT TEAM
EOI	EXPRESSION OF INTEREST
ESMT	EXTENDED SENIOR MANAGEMENT TEAM
EXCO	EXECUTIVE COUNCIL
ERM	ENTERPRISE RISK MANAGEMENT
FG	FINANCIAL GOVERNANCE
FSAPP	FRAMEWORK FOR STRATEGIC AND ANNUAL PERFORMANCE PLANS
FY	FINANCIAL YEAR
GAS	GAUTENG AUDIT SERVICES
GBV	GENDER BASED VIOLENCE

GBVF	GENDER BASED VIOLENCE AND FEMICIDE
GDOH	GAUTENG DEPARTMENT OF HEALTH
GEP	GAUTENG ENTERPRISE PROPELLER
GEYODI	GENDER YOUTH AND PEOPLE WITH DISABILITIES
GDP	GROSS DOMESTIC PRODUCT
GGT 2030	GROWING GAUTENG TOGETHER 2030 VISION
GIFA	GAUTENG INFRASTRUCTURE FINANCING AGENCY
GPD	GAUTENG PLANNING DIVISION
GPL	GAUTENG PROVINCIAL LEGISLATURE
GPT	GAUTENG PROVINCIAL TREASURY
GPG	GAUTENG PROVINCIAL GOVERNMENT
GRAP	GENERALLY RECOGNISED ACCOUNTING PRACTICE
GS	GOODS AND SERVICES
GTIP	GAUTENG TRANSPORT IMPROVEMENT PLAN
HoD	HEAD OF DEPARTMENT
HR	HUMAN RESOURCES
HRD	HUMAN RESOURCE DEVELOPMENT
ICT	INFORMATION AND COMMUNICATIONS TECHNOLOGY
IDC	INDUSTRIAL DEVELOPMENT CORPORATION
IDMS	INFRASTRUCTURE DELIVERY MANAGEMENT SYSTEM
IDP	INTERGRATED DEVELOPMENT PLAN
IFS	INTERIM FINANCIAL STATEMENTS
IGR	INTERGOVERNMENTAL RELATIONS
IMF	INTERNATIONAL MONETARY FUND
IYM	IN YEAR MONITORING
IVS	IDENTITY VERIFICATION SOLUTION
LGFS	LOCAL GOVERNMENT FINANCIAL SERVICES
LGBTQ	LESBIAN GAY BISEXUAL TRANSGENDER AND QUESTIONING
MEC	MEMBER OF EXECUTIVE COUNCIL
MFG	MUNICIPAL FINANCIAL GOVERNANCE
MFHSP	MUNICIPAL FINANCE HANDS-ON SUPPORT PROGRAMME
MFMA	MUNICIPAL FINANCE MANAGEMENT ACT
MM	MUNICIPAL MANAGER
MPAT	MANAGEMENT PERFORMANCE ASSESSMENT TOOL
MSCOA	MUNICIPAL STANDARD CHART OF ACCOUNTS
MTEC	MEDIUM TERM EXPENDITURE COMMITTEE
MTEF	MEDIUM TERM EXPENDITURE FRAMEWORK
MTBPS	MEDIUM TERM BUDGET POLICY STATEMENT
MTSF	MEDIUM TERM STRATEGIC FRAMEWORK

N/A	NOT APPLICABLE
NDP	NATIONAL DEVELOPMENT PLAN
NPO	NON-PROFIT ORGANISATION
NSP	NATIONAL STRATEGIC PLAN
NT	NATIONAL TREASURY
OoP	OFFICE OF THE PREMIER
OTP	OPEN TENDER PROCESS
PBC	PREMIERS BUDGET COMMITTEE
PDO	PRE-DETERMINED OBJECTIVES
PERO	PROVINCIAL ECONOMIC REVIEW AND OUTLOOK
PERSAL	PERSONNEL AND SALARY ADMINISTRATION SYSTEM
PES	PROVINCIAL EQUITABLE SHARE
PFMA	PUBLIC FINANCE MANAGEMENT ACT
POPIA	PROTECTION OF PERSONAL INFORMATION ACT
PRF	PROVINCIAL REVENUE FUND
PPE	PERSONAL PROTECTIVE EQUIPMENT
PPP	PUBLIC-PRIVATE PARTNERSHIP
PPR	PREFERENTIAL PROCUREMENT REGULATIONS
QOQ	QUARTER ON QUARTER
RFP	REQUEST FOR PROPOSALS
RFQ	REQUEST FOR QUOTATION
QPR	QUARTERLY PERFORMANCE REPORT
SAP	SYSTEM APPLICATION AND PRODUCT
SARB	SOUTH AFRICAN RESERVE BANK
SCM	SUPPLY CHAIN MANAGEMENT
SDIP	SERVICE DELIVERY IMPROVEMENT PLAN
SDBIP	SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN
SERO	SOCIO ECONOMIC REVIEW AND OUTLOOK
SEZs	SPECIAL ECONOMIC ZONES
SMMES	SMALL MEDIUM AND MICRO-SIZED ENTERPRISES
SONA	STATE OF THE NATION ADDRESS
SOP	STANDARD OPERATING PROCEDURE
SOPA	STATE OF THE PROVINCE ADDRESS
SP	STATEGIC PLAN
TASEZ	TSHWANE AUTOMOTIVE SPECIAL ECONOMIC ZONE
TCC	TAX CLEARANCE CERTIFICATE
TCS	TAX COMPLIANCE STATUS
TER	TOWNSHIP ECONOMY REVITALISATION
TID	TECHNICAL INDICATOR DESCRIPTOR

TMR	TRANSFORMATION, MODERNISATION AND RE-INDUSTRIALISATION
TPP	TEN PILLAR PROGRAMME
U-AMP	USER ASSET MANAGEMENT PLAN
WEO	WORLD ECONOMIC OUTLOOK

Part A: Our Mandate

Updates to the relevant legislative and policy mandates

1. Disaster Management Act, 2002 (Act No. 57 of 2002), as amended

Pursuant to the National State of Disaster declared on 15 March 2020, as a result of the COVID-19 pandemic, various amendments and Regulations to the Disaster Management Act 57 of 2002 (Act) were passed to make provision for Covid-19 provincial compliance during the National State of Disaster.

Regulations issued in accordance with Section 27(2) of the Disaster Management Act, 2002 (Act No. 57 of 2002) (Oct 2021 – Feb 2022)

State of Disaster Covid-19: Public Service Adjustments

The Regulations guided or influenced the processes and procedures that were required to be adopted at the workplace, by allowing:

- A reduction of the employee occupancy rate to 30% or less, through alternative working arrangements (shift work, Job rotation and remote working);
- Senior Management was required to be in the office, at least 2 times a week;
- Employees were generally required to be on standby, should they need to be called to the office for operational requirements.
- Gradual increase in the return of employees were advised, in terms of the relevant directives.

Regulations issued in accordance with Section 27(2) of the Disaster Management Act, 2002 (Act No. 57 of 2002) (effected: 01 February 2021) (Reg No. 1715), read with Circular No. 5 of 2022.

The Regulations provided for the Adjusted Risk Alert 1 Covid-19, and the return to full capacity of operations, at the workplace, schools and such other public places, subject to the continued observance with Covid-19 protocols. It provided guidance on:

- the treatment of persons who were non-symptomatic;
- reduced number of days isolation for persons who have tested positive for Covid-19;
- 100% working capacity of workplaces, as guided by the heads of organisations and the necessary arrangement be made for people with comorbidities.

2. The Protection of Personal Information Act 4 of 2013, (POPIA) - Commencement of Most Provisions

The coming into effect of the Protection of Personal Information Act 4 of 2013 (POPIA / Act) on the 1st of July 2021, placed an onerous obligation on the Department, as all organisations are

mandated to comply with the prescripts of the Act (including the relevant Regulations). The Act requires public or private to put in place appropriate measures or mechanisms that will ensure ongoing compliance with the protection of personal information.

POPIA, aims to promote the protection of personal information belonging to natural and juristic persons, by introducing minimum requirements and conditions to the lawful processing of personal information.

3. PFMA SCM Instruction No. 02 Of 2021/22 – Threshold Values for the Procurement of Goods and Services by means of Petty Cash, Written Price Quotations or Competitive Bids

- The SCM instruction of Note, with came into effect on the 1st of July 2021, authorises – the procurement of goods and services, by Accounting Officers and/or authorities, through the use of petty cash up to the value of R2000 (inclusive of all applicable taxes) without inviting price quotations or following a bidding process.
- The Instruction Note further obliges, Accounting Officers / authorities to invite:
 - written price quotations for requirements below R1 000 000 (inclusive of all applicable taxes) from prospective suppliers who are registered on the Central Supplier Database, subject to Institutions with must be prescribe in their SCM policies the minimum number of suppliers from whom quotations will be invited and must take into consideration the requirements of paragraph 3.2.5 when determining said number;
 - open competitive bids for all procurement exceeding R 1 000 000 (inclusive of all applicable taxes).

4. Public Procurement Bill

The objectives of the Bill seek to give effect to the prescripts of Section 217 of the Constitution, by (a) ensuring that the State utilises and leverages procurement to—

- (i) advance economic opportunities for previously disadvantaged people and women, the youth and people with disabilities small businesses; and
- (ii) promote local production;

(b) providing for procurement that, inter-alia:

- (i) is developmental in nature;
- (ii) ensures value for money in the use of public funds;
- (iii) aspires to expand the productive base of the economy;

(c) developing economic capacity in the Republic, through the provision of opportunities for local suppliers to participate in procurement; and

(d) incorporates in the procurement system—

- (i) categories of preference in the allocation of contracts; and
- (ii) the protection and advancement of persons and categories of persons

disadvantaged by unfair discrimination; and

(e) create single regulatory framework for public procurement to eliminate fragmented procurement prescripts.

The aforesaid, upon becoming law will apply to all departments, constitutional institutions, municipalities or municipal owned entities,

5. Updates to Institutional Policies and Strategies

The Contingent Liability draft policy, guides departments on the definitions of amount claims, procedures, calculations and method of recording contingent liabilities on the eDatabase. The policy applies to all departments and makes it mandatory for all departmental legal services dealing with litigation to follow the provisions of the Policy. The Policy intends to:

- provide guidelines on civil claim contingent liabilities brought against the departments served on the Offices of the State Attorney
- establish a single contingent liability eDatabase for all client departments;
- provide substantive mechanism to monitor and control the registration of contingent liabilities into a single eDatabase by departments.
- ensure accurate reporting of civil litigation matters related to contingent liabilities

6. Updates to Relevant Court Rulings

No updates applicable.

Part B: Our Strategic Focus

1. Updated Situation Analysis

The global economy is facing several headwinds in 2022, which have weakened the recovery. The impact of mobility restrictions and border closures due to the Omicron variant of the COVID-19 pandemic will weigh heavily on economic activity in 2022. Rising energy and food prices, coupled with supply chain disruptions have resulted in higher inflation than anticipated.

While the pandemic continues to maintain its grip, economies need to focus on a global effective health strategy. The strategy must focus on access to vaccines, effective testing, and treatments, which are important in reducing the risks of new outbreaks.¹ In response to inflationary pressures, some countries have started raising their interest rates. Especially in advanced economies, less accommodative monetary policy will prompt tighter global financial conditions, placing added pressure on EMDEs currencies.

The South African economy

South Africa's economy recovered stronger than expected in the first half of 2021. Higher commodity prices and strong global demand supported the domestic economic performance. Public finances also benefited from the robust commodity prices, which led to higher earnings in the mining sector. However, the 2021 July unrest had a devastating impact on the economy in the third quarter, reversing most of the economic gains realised. The country's economy contracted by 1.5 per cent in the third quarter of 2021.

The International Monetary Fund (IMF) forecasts South Africa's GDP growth to slow to 1.9 per cent in 2022, from an estimate of 4.9 per cent in 2021. The temporary impact of the strong global demand and higher commodity prices that have boosted growth in 2021 started to dissipate in the fourth quarter. Further, the impact of the COVID-19 pandemic and electricity supply constraints are major risks to South Africa's economic growth outlook.

Since the COVID-19 induced slump in the labour market, employment has not recovered to the pre-pandemic levels, despite the stronger than expected economic performance in the first half of 2021. In the third quarter of 2021, the economy experienced a 660 000 decline in the number of people employed compared with the second quarter of 2021. The unemployment rate for the country increased to 34.9 per cent in the third quarter of the year.

¹ International Monetary Fund. (2022). *World Economic Outlook Update January 2022*. Washington DC, United States of America

Headline consumer inflation has reached the upper bound of the South African Reserve Bank (SARB) inflation target band. Inflation is now expected to peak at 5.6 per cent in the first quarter of 2022, before receding to 4.3 per cent by the fourth quarter. Inflation is forecast to average 4.9 per cent in 2022 and 4.5 per cent in 2023. In response to rising inflation, the SARB raised the repurchase rate by 25 basis points, to 4 per cent, in its January 2022 meeting.² However, the SARB still expects inflation to remain relatively contained over the medium-term.

Findings and challenges faced by women identified by the AU and GBVF

The Africa Agenda 2063 details three areas of importance relating to women and gender equality. These areas are as follows:

- 1. The African woman will be fully empowered in all spheres, with equal social, political and economic rights, including the rights to own and inherit property, sign contracts, register and manage businesses.*
- 2. All forms of gender-based violence and discrimination (social, economic, political) against women and girls will be eliminated and the latter will fully enjoy all their human rights.*
- 3. Africa of 2063 will have full gender parity, with women occupying at least 50% of elected public offices at all levels and half of managerial positions in the public and the private sectors.*

Despite these aspirations, many women in Africa still face challenges relating to, amongst other issues, economic exclusion; limited participation in political and public life; lack of access to education and gender-based violence. The President of South Africa issued a fund where private sector companies will pledge money to fight against gender-based violence in the country and in support of the implementation of the National Strategic Plan (NSP).

The GGT2030 was developed to deepen the implementation of the NDP and focuses on enforcing the transformation agenda within the province. This involved developing transformation strategies that are responsible for the attainment of equality and the realisation of human rights for all Gauteng citizens. These policies include the:

- **Gauteng Disability Rights Policy Of 2020 – 2025** which is aimed at making a sustainable difference in the lives of persons with disabilities by creating more opportunities for persons with disabilities in the economic, social, and political environments. The policy is intended to end the discrimination against people with disabilities and psycho-social disabilities.
- **Gauteng Older Persons' Rights Strategy of 2020-2025** which has 8 key priority pillars that are aimed at achieving fundamental changes in the lives of all older people by facilitating the provision of affordable, accessible, non-discriminatory, quality services to all older people in partnership with all those committed to growing a caring Gauteng. The strategy articulates the

² South African Reserve Bank. (2022). *Statement of the Monetary Policy Committee January 2022*. Pretoria, South Africa

Gauteng Government's commitment to fulfil its legislative mandate to ensure that services are responsive to the current needs of older people and maximise the protection of older people, and thus improve the quality of life and ensure the human rights of the older population.

- **The National Strategic Plan on GBV and Femicide 2020-2030** is centred around six priority pillars that were established in April 2019 to respond to the gender-based violence and femicide crisis following the historic 2018 Presidential Summit. The NSP on GBVF were extensively consulted to better understand the drivers of GBVF in South Africa, the challenges, and the proposed solutions, as understood by local communities.

In its contribution to the fulfilment of the priorities espoused in the above-mentioned policies and strategies, the GPT will host workshops and provide training to its employees and raise awareness on issues of the transformation agenda. Community outreach programmes will also be facilitated through the Ntirhisano programme, to engage the local community on service delivery issues and raise awareness on the issues addressed in the strategies as mentioned above.

The GPG has formulated strategies which require for departments to prioritise procurement spend that is directed to women-owned businesses, township-based businesses and those businesses owned by People with Disabilities. Targeted interventions will be formulated and implemented to ensure attainment of the set target on equity. Some of the interventions will focus on ensuring that supplier development training targets women owned companies, departments will be encouraged to open participation of women owned companies to other sectors (e.g., construction, ICT, etc.) The increase of R1 million quotation threshold departments will be encouraged to target women owned companies and there will be continued application of Preferential Procurement Regulation of 2017 (PPR 2017).

The Gauteng economy and demand for services

The GGT2030, is a plan of action to deliver services in Gauteng and advance the programme of transformation, modernisation, and reindustrialisation. The plan is in response to the global and domestic challenges that confront us and reflects a collective vision for the GCR in a decade's time. In response to the challenges brought by the COVID-19 pandemic, the GGT2030 plan of action was remodelled as part of the social and economic reconstruction and recovery.

The Gauteng Provincial COVID-19 Response Plan focuses on six pillars, namely:

- Comprehensive health response
- Food security and social relief
- State capacity and adaptability
- Economic response
- Social mobilization and human solidarity

- Law enforcement and compliance

The Gauteng economy grew by 7.4 per cent in the first half of 2021. The higher than anticipated recovery in the first half of the year reflected supportive global growth, higher commodity prices and the easing of the COVID-19 lockdown restrictions. However, in July 2021, violent unrests that took place in parts of Gauteng and KwaZulu-Natal, cost the economy of Gauteng ZAR5 billion.³

Following the unrest, the Gauteng Department of Economic Development (GDED) announced a ZAR100 million rebuilding fund for micro-businesses impacted by the COVID-19 pandemic and those that have been affected by the July looting. Of this fund, ZAR50 million was from the Gauteng Provincial Government, while the other ZAR50 million was from partnerships with the Industrial Development Corporation (IDC). The funds were offered using a blended approach of loans and grants, each constituting 50 per cent. This has helped businesses that have accessed the fund to cover rebuilding costs, repairs, replacement of infrastructure and inventory, equipment, and critical supplies.⁴

In the third quarter of 2021, there were 2.6 million unemployed people in Gauteng. This mainly reflected the number of jobs lost due to the civil unrest. The official unemployment rate thus increased to a record high of 37 per cent in the province.⁵

The economic prospects remain vulnerable to the outbreak of new COVID-19 variants and the inconsistent electricity supply capacity. The unfavourable economic growth outcomes will add more pressure on public finances as tax revenue will likely underperform. The government continues to maintain its fiscal strategy of restricting growth in public expenditure and reducing public debt. The main objective is to contain growth in compensation spending while increasing capital expenditure to support long-term economic growth. Higher vaccination rates and the implementation of the government's targeted structural reforms are critical to strengthening economic activity and unlocking investment, especially in sectors that were severely affected by the pandemic related disruptions.

Local government

Municipalities throughout South Africa are now reporting a significant loss of revenue, pushing many to the brink of their financial capacity. This impact will be made more acute by the fact that most municipalities are currently obliged to absorb an operating deficit in their following year's budget. In addition, they're limited in the amount of funds they can borrow to cover operating costs, as these are

³ Office of the Premier. (2021). *Gauteng businesses lost R5 billion in the recent looting – August 2021*. Accessed (27 October 2021): www.gauteng.gov.za

⁴ Office of the Premier. (2021). *R100 million fund to rebuild Gauteng SMMEs- 24 August 2021*. Accessed (23rd November 2021): at www.gauteng.gov.za.

⁵ Statistics South Africa. (2021). *Quarterly Labour Force Survey – Quarter Two 2021*. Pretoria, South Africa.

directly related to the amounts collected, and government grants in the current year. The crisis has also exposed major flaws in the resilience of the traditional governance and financing capabilities of municipal governments, particularly their ability to cope with economic turbulence.

To drive alignment and maintain the trust of key stakeholders and municipal councils, it will be imperative to gather an accurate view of the cash-flow position and forecast, and equally as important, to communicate it adequately. Given fiscal constraints, municipal leaders also need to think about available options to help stimulate growth that comes with little-to no price tag. In addition, the COVID-19 crisis has also driven municipalities to challenge orthodoxies around what is possible in terms of service delivery, agile operations, and cross-functional collaboration, as teams have responded to the crisis and sought to protect the most vulnerable.

In Gauteng, we have three metropolitan municipalities, two district municipalities and six local municipalities, and the 2020/21 regulatory audit by the Auditor General of South Africa in our province, recorded and overall regression in the audit outcomes. This comes against the backdrop of the Ekurhuleni Metropolitan Municipality also achieving the status of a 'clean audit' together with the Midvaal Local Municipality, but the Emfuleni and Rand West City Local municipalities having recorded qualified audit opinions.

Rand West City Local Municipality have maintained a qualified audit opinion with material findings. This audit opinion was due to material disagreements in the asset management and note disclosure sections of annual financial statements reporting. The municipality could not find evidence to correct the misstatements that the AGSA had identified.

Merafong City Local municipality has a disclaimer opinion. The audit has been challenging for the municipality and this is demonstrated by the late submission of the annual financial statements to the auditors, poor financial management processes and incomplete management reports among other factors. The province has three (3) audits still in progress namely City of Tshwane, City of Johannesburg and Emfuleni Local Municipality.

In support to our municipalities, the department will continue to formulate strategies and interventions, through collaborative efforts with relevant stakeholders, that will focus on the four critical elements of governance, institution, financial health, and service delivery. Through-out the year and during the audit, the GPT will provide the following support:

- Technical assistance with the interpretation of GRAP standards.
- Engagements with the Accounting Standards Board and the Auditor General of South Africa on new developments in GRAP standards.

- Assistance in the preparation of Annual Financial Statements through performing a high-level review of the financial statements' prior submission to the Auditor General of South Africa.
- Attendance of audit steering committee meetings and OPCA meetings to assess progress to provide support and advice where needed.
- Resolve issues raised by the Auditor General of South Africa through the audit steering committee meetings, and;
- Engage the Auditor General of South Africa on the approach to be taken in auditing municipalities and advise municipalities on the approach.

1.1. External Environment Analysis

A new provincial cabinet has been pronounced in Gauteng and the newly elected Gauteng Premier, Mr. Panyaza Lesufi, outlined the plans that the Gauteng government intends to implement and prioritize in the remaining period of the 6th Administration.

Whilst the GGT 2030 strategy will remain the blueprint for guiding the work of the provincial government, new priorities have been identified and these are envisioned to be implemented by the end of the current political term. These include:

- Economic recovery (prioritise townships).
- Strengthen the immediate fight against crime, corruption, vandalism, and lawlessness.
- Improve living standards in townships, informal settlements, and hostels (TISH).
- Build capacity of state to render services.
- Build communication capacity of the state.

The MEC of Finance has been tasked with the following priorities:

- Development of a revenue model aimed at funding the **e-toll debt**
- Establish a state-run **pharmaceutical company**,
- Establish and a **state bank**.
- Recharge the campaign to achieve clean audits.

The department will intensify its efforts to assist the Department of Health in resolving accruals, thus enabling improved turnaround time of payments and cash management within the department. We are committed to continue with our support towards township businesses and accelerate timeous payment of invoices to ensure their sustainability.

Clean audits in GPG institutions continue to be a priority matter and the GPT will launch a clean audit strategy, through collaborative efforts with a number of internal and external stakeholders, enhance

its oversight and support role to address findings that lead to regression in audit outcomes and improve on accountability and governance matters.

The environmental scan makes it abundantly clear that government, and especially Gauteng Provincial Treasury department, are grappling with and are required to navigate through extremely complex challenges on a grand scale. This has been exacerbated by the COVID-19 pandemic. South Africa, and Gauteng by implication, is a society that is in distress, hard pressed financially and facing a myriad of social ills, such as unemployment, crime, poverty and inequality. Another concern is in the Legislative space with regards to litigation against the state and its erosion of an already strained fiscus. Other concerns in this area are policy instability and protracted legislative processes.

The technological landscape is abuzz with the 4th Industrial Revolution and while Treasury is optimistic about the innovation and possibility of serving Gauteng better as a result, there are also questions about the impact on job losses, the costs of ICT upgrades and overall readiness to implement the strategies of government. A review of the environment landscape brought up global warming and climate change as key concerns. With Gauteng being the historical seat of mining activity in the country, there are concerns around acid mine drainage, pollution and the water and sanitation issues in the Vaal as well as the necessary interventions to resolve these challenges. Although the challenges seem bleak and gloomy, there are opportunities identified. There are opportunities of collaborating with the private sector in terms of alternative funding models, in order to start leveraging more public private partnerships.

Gender responsive planning & budgeting and spatial referencing of the provincial budget

The South African government has adopted several legislative and policy frameworks in committing itself to achieving gender equality and the empowerment of women. This is in line with several global initiatives that focus on gender-responsive budgets (GRB) as a means of mobilising public resources, through the fiscal system, to curb gender-based social and economic challenges.

Gender-Responsive Planning, Budgeting, Monitoring, Evaluation and Auditing (GRPBMEA) was adopted by Cabinet on 27 March 2019 for implementation by the 6th government administration. A gender-responsive budget is not a separate budget for women, but rather a tool that analyses budget allocations, public spending and taxation from a gender perspective and can be subsequently used to advocate for reallocation of budget line items to better respond to women's priorities as well as men's, making them, as the name suggests, gender-responsive.

Provinces are pivotal to the fight for gender equality, by ensuring that the spending on and subsequent delivery of services is gender sensitive. As the province starts to mainstream this priority, the Gauteng Office of the Premier and the GPT led the Institutionalization of Gender-Responsive Planning,

Budgeting, Monitoring, Evaluation and Auditing (GRPBMEA) since 2020. The role of the Provincial treasury is to ensure that GRB principles are mainstreamed in the budgeting process of the Province as part of a greater analysis of the gender responsiveness of provincial budgets in South Africa.

In this shared leadership role, the GPT performs the following function:

- supports provincial departments in quantifying the budgets to fund the interventions aimed at the targeted groups to contribute towards the assessment of the gender responsiveness of the provincial budgets;
- facilitate discussions of the budget responsiveness by including the gender responsive planning and budgeting in the agenda of the provincial budget committees such as the Medium-Term Expenditure Committee and the Premier’s Budget Committee;
- support provincial departments when they quantify the quarterly expenditure amounts that benefit the targeted groups;

The GPT would need to restore confidence by addressing and reducing the noise around corruption and irregular expenditure. The open tender system is one of the key initiatives that the Gauteng government has implemented to increase public confidence and promote transparency in government’s procurement processes. Other significant opportunities that the GPT can tap into are in the ICT space, embracing technology and driving innovation.

The risk of decreased provincial revenue as a result of lower economic growth as well as the adverse impact of fraud, corruption and irregular expenditure on institutional credibility, investor confidence and service delivery would potentially trigger an expenditure reprioritization as revenue generation is expected to remain sluggish.

1.2. Internal Environment Analysis

The GPT is strong in many significant areas such as skills, professionalism, leadership, financial management and technology. GPT’s mandate (PFMA and MFMA) revolves mainly around budget control and providing support and monitoring compliance in relation to financial management matters and without these core capabilities in place, the department would be rendered technically incapable of executing a critical component of its mandate.

Description	Number
Total Staff Complement*	780
Africans	89.74%
Women	61.41%
People with Disabilities	2.05%
Vacancy Rate	20.65%

Table 1: Human Resource Oversight * as at end of September 2022

The department operates on an approved organizational structure with a total staff establishment of 984 positions and 780 filled posts as at end of September 2022. Sixty-one percent of the total staff establishment is positions occupied by women and people with disabilities occupy 2.05% of total staff establishment. Owing to the implementation of the organisational structure, the vacancy rate is above the statutory 10 percent. Recruitment will continue to ensure filling of vacant posts and that the vacancy rate is brought within acceptable levels.

The department continues to make strides in pioneering open and transparent procurement through the Open Tender process. This has continued to enhance the oversight role through pro-active assurance in monitoring compliance with SCM prescripts. Ensuring open, transparent, and compliant SCM practices will continue to be a strategic focus for the department.

The GPT continues to set the standard in terms of clean audits within the procurement space. The department will focus on improving its performance in achieving the provincial targets of procurement spend on the designated groups. The GPT must formulate sound sourcing strategies in line with the prescripts to ensure an improved performance in empowering women, youth, people with disabilities and military-veterans owned businesses. This will ensure that the procurement spend of the department is representative of the Gauteng Province demographics and promotes equity. Furthermore, compliance with the BBBEE act on Procurement of goods and service will be prioritised.

The department's capacity to deliver

The department conducted a mid-term review report to take stock of progress done thus far in realising the department's outcomes and the GGT 2030 priorities, and to identify what still needs to be done for the remainder of the 6th administration. Some of the key departmental successes and challenges for the period under review are as follows:

- The Open Tender System was implemented in all fourteen GPT departments and six provincial entities. This implementation led to the adoption of the Gauteng Finance Management Supplementary Act Amendment Act, 2019.
- Total revenue collected in GPG in both financial years under review exceeded the adjusted appropriation.
- 100% (2146/2146) of invoices were paid within 30 days for both financial years and an average of 89% of suppliers adopted electronic submission of invoices since April 2020 to date.
- Between 2019/20 and 2020/21 financial years, GPT's supplier development training was attended by a total of 3 198 township suppliers and 2881 suppliers received training on how to tender and how to access government business opportunities. The development programme initiatives were broadened to include nine targeted workshops for suppliers in the information technology and construction sectors.

- Although 93% of the departments achieved unqualified audit outcomes, there was 1 department with a disclaimer audit outcome. A plan was developed to address the challenges that caused the department to achieve a disclaimer audit outcome and the intervention will lead to improved audit outcomes in the ensuing year.
- On the local government front, the performance of the Gauteng delegated municipalities has regressed during the 2019/20 financial year, with only 75% of the delegated municipalities receiving an unqualified audit opinion with material findings. GPT will continue to work collaboratively with departments, entities and local municipalities to ensure maintenance of and improved audit outcome in GPG.

In its contribution towards youth employment and skills development (and in support of the Tshepo 1 million initiative), the department has adopted a multipronged approach to youth development (internship/learnership) spanning several key programmes, namely, Supply Chain Management, Internal Audit, Corporate Services (HRD component), Financial Governance and Municipal Financial Governance. The focus of youth development programmes is to expose the graduates to real-time, hands-on work experience to be better prepared for the labour market and to acquire professional accounting and audit related qualifications.

The Department, through Gauteng Infrastructure Financing Agency (GIFA), continues to source infrastructure projects from provincial departments and municipalities and prepare them to a bankable state through feasibility studies. The bankable projects are released to the market through various ways such as Expression of Interest (EOI) and Request for Proposals (RFPs). The GIFA also continues to explore various alternative and innovative funding solutions such as PPPs, leveraged funding, leverage existing assets, equity investment, project bonds, etc.

The GPT structure was concurred by the Minister of the Department of Public Service and Administration and approved by the MEC of Finance. To date, consultation with stakeholders was finalised whilst continuous change management interventions and communications are taking place. It is envisaged that full implementation will take place during the 2022/23 financial year.

The success of the implementation of the annual performance plan will require collaborative efforts amongst stakeholders at all three government spheres and partnerships with private sector, civil society and non-government organisations. Obtaining buy-in from officials and labour is also a key step towards realising the impact and outcomes espoused in the plan.

Through the provision of progressive support services, the department will provide effective and ethical leadership, management and administrative support, to enable delivery of its mandate. The

GPT strives to be an organisation that promotes a positive working environment and a unified and collaborative approach in the fulfilment of its mandate.

Part C: Measuring Our Performance

2. Institutional programme performance information

PROGRAMME 1: ADMINISTRATION

Purpose: To provide effective and ethical leadership, management and administrative support to enable the department to deliver on its mandate.

The Administration programme is divided into various sub-programmes that enables it to achieve its outcomes. The sub-programmes are as follows:

Office of the Member of Executive Council

- Purpose: To provide proactive political, strategic, and administrative support to the MEC

Office of the Head of Department

- Purpose: To execute the mandate of the Treasury

Chief Directorate: Financial Management Services

- Purpose: To ensure sound financial management in the GPT.

Chief Directorate: Corporate Management

- Purpose: To ensure compliance to good governance principles by providing corporate support services to the department.

Chief Directorate: Strategy Management and Transformation Program

Purpose: To manage and coordinate the implementation of strategic management services.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output Indicators	Audited performance			Estimated performance	MTEF targets		
			2018/19	2019/20	2020/2021		2022/23	2023/24	2024/25
Increased compliance with legislated prescripts	Annual financial statements free from material misstatements; no material findings on performance information or non-compliance with legislation (pre-determined objectives)	AG audit outcome	Unqualified audit opinion with no other matters in the audit report	Unqualified audit opinion with no other matters in the audit report	Unqualified audit opinion with no other matters in the audit report	Unqualified audit outcome	Unqualified audit outcome	Unqualified audit outcome	Unqualified audit outcome
			100% (1526/1526)	100% (1397/1397)	100% (749/749)	100%	100%	100%	
	All valid invoices paid within 30 days	% of supplier payments paid within 30 days after receipt of valid invoice	2019/20 Annual Performance Plan submitted to GPL in line with prescribed	2020/21 Annual Performance Plan	1 Revised APP submitted to GPL 1 (Final draft 2021/22 APP submitted to GPL on due date)	1	1	1	1
	An approved 2023/24 Annual Performance Plan submitted to GPL as per the prescribed timelines	Number of APP submitted to GPL on due date							

Outcome	Outputs	Output Indicators	Audited performance				Estimated performance	MTEF targets		
			2018/19	2019/20	2020/2021	2021/22		2022/23	2023/24	2024/25
			timelines							
Approved 2023/2024 Key Departmental Risk Register	Number of approved departmental risk register	N/A	N/A	New Indicator	1	1	1	1		
Six transformation agenda workshops conducted on transformation agenda matters	Number of workshops and/or training conducted to promote awareness on transformation agenda matters	N/A	N/A	New Indicator	3	4	4	4		
Four reports submitted to OoP to monitor the implementation of GEYODI programmes	Number of reports submitted to OoP to monitor the implementation of GEYODI programmes	N/A	N/A	N/A	New indicator	4	4	4		
50% of women appointed at SMS level	% of women appointed at SMS level	N/A	N/A	New Indicator	50% and above	50%	50%	50%		
Approved due diligence report produced on the establishment of a state-owned bank	Legal due diligence report on the establishment of a state bank	N/A	N/A	N/A	New Indicator	Legal due diligence report on establishment of a state-owned bank conducted	Business Case for establishment of state-owned bank developed and approved	Implementation of establishment of a state-owned bank		

Outcome	Outputs	Output Indicators	Audited performance				Estimated performance	MTEF targets		
			2018/19	2019/20	2020/2021	2021/22		2022/23	2023/24	2024/25
	Approved due diligence report produced on the establishment of a pharmaceutical company	Legal due diligence report on the establishment of a pharmaceutical company	N/A	N/A	N/A	New Indicator	Legal due diligence reports on the establishment of a pharmaceutical company	Business Case for establishment of a pharmaceutical produced	Implementation of establishment of a pharmaceutical company	
Reduced youth unemployment	10% of youth in development programmes	% of youth in development programmes	145 youth developed	150 youth developed	11.1% (84/749)	10%	10%	10%	10%	

Output Indicators: Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
1.1 AG audit outcome	Unqualified audit outcome	N/A	Unqualified audit outcome	N/A	N/A
1.2 % of supplier payments paid within 30 days after receipt of valid invoice	100%	100%	100%	100%	100%
1.3 Number of APPs submitted to GPL on due date	2	N/A	N/A	2022/23 Revised APP	1 approved 2023/24 APP
1.4 Number of approved departmental risk register	1	N/A	N/A	N/A	1
1.5 Number of workshops and/or training conducted to promote awareness on transformation agenda matters	4	N/A	1	2	1

Output Indicators		Annual Target	Q1	Q2	Q3	Q4
1.6	Number of reports submitted to OoP to monitor the implementation of GEYODI programmes	4	1	1	1	1
1.7	% of women appointed at SMS level	50%	50%	50%	50%	50%
1.8	% of youth in development programmes	10%	N/A	N/A	N/A	10%
1.9	Legal due diligence report on establishment of a state-owned bank conducted	Legal due diligence report on establishment of a state-owned bank conducted	N/A	N/A	Consultations with stakeholders	Legal due diligence report on establishment of a state-owned bank conducted
1.10	Legal due diligence reports on the establishment of a pharmaceutical company	Legal due diligence reports on the establishment of a pharmaceutical company	N/A	N/A	Consultations with stakeholders	Legal due diligence reports on the establishment of a pharmaceutical company

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

The provision of effective and ethical leadership, management and administrative by the Administration programme, enables the department to deliver on its mandate and core functions in its contribution towards the realisation of the Provincial GGT2030 plan. A clean audit outcome for the department is an indication of implementation of effective governance structures and financial management, that monitoring, and reporting mechanisms (credible data and evidence) are put in place and a high regard for internal controls to address potential audit findings. Timeous payment of invoices to service providers is important in ensuring sustainability for these suppliers and in the long run, boosting the economy. To this effect, the GPT will pay its suppliers within 30 days after having received valid invoices. The usage of the EIS is a critical step towards this achievement as the automated process of electronic submission improves turnaround times and efficiencies. The department will contribute to youth employment and skills development (and support the Tshepo 1 million initiative) through learnership and internships programmes that promote skills development and workplace experiential learning and endeavours to appoint youth as part of its staff establishment. Bursaries will

also be granted to young people who need assistance. Various workshops and/or trainings will be conducted to promote and raise awareness on gender-based violence, femicide and LGBTQ, people with disabilities and military veterans. The appointment of women in senior management positions will remain a priority in ensuring attainment of the 50% target stipulated by government. Due diligence reports will be produced to provide an analysis of the current legislative environment, assess legally enabling and licensing requirements for the establishment a State-Owned Bank and a pharmaceutical company.

4. Programme Resource Considerations

B1.2 Reconciling performance targets with the Budget and MTEF

TABLE 3: SUMMARY OF PAYMENTS AND ESTIMATES: PROGRAMME 1: ADMINISTRATION

	Outcome					Revised estimate	Medium-term estimates				
	2018/19	2019/20	2020/21	Main appropriation	Adjusted appropriation 2021/22		2022/23	2023/24	2024/25		
R thousand	6 456	9 630	9 975	8 297	11 297	11 389	10 651	11 127			
1. Office of the MEC	18 771	20 250	19 354	16 045	12 045	12 064	14 029	15 317			
2. Office of the HoD	79 087	81 667	71 441	108 795	76 763	78 650	88 517	95 061			
3. Corporate Management	27 880	29 644	31 747	28 312	36 344	36 346	37 911	38 093			
4. Financial Management Services (CFO)											
5. Strategy Management and Transformation Program						14 537	15 191	15 872			
Total payments and estimates	132 194	141 191	132 517	161 449	138 449	168 190	169 061	175 470			

TABLE 4: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROGRAMME 1: ADMINISTRATION

	Outcome					Adjusted appropriation 2021/22	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21	Main appropriation	Adjusted appropriation 2021/22			2022/23	2023/24	2024/25
R thousand	127 310	134 764	124 793	160 310	129 398	129 398	167 552	167 381	173 715	
Current payments	90 807	94 512	99 089	127 648	100 768	100 768	139 924	140 975	147 305	
Compensation of employees	36 503	40 252	25 704	32 662	28 630	28 630	27 628	26 406	26 410	
Goods and services	-	-	-	-	-	-	-	-	-	
Interest and rent on land	405	330	218	695	1 575	1 575	457	478	499	
Transfers and subsidies to:	-	-	-	-	-	-	-	-	-	
Provinces and municipalities	-	-	-	-	-	-	-	-	-	

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates	
Departmental agencies and accounts	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-
Households	405	330	218	685	1 575	1 575	478	499
Payments for capital assets	4 460	6 097	7 506	444	7 476	7 476	1 202	1 256
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	4 460	6 097	7 506	444	7 476	7 476	1 202	1 256
Heritage Assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-
Payments for financial assets	19	-	-	-	-	-	-	-
Total economic classification	132 194	141 191	132 517	161 449	138 449	138 449	168 190	175 470

The programme allocation over the 2022 MTEF has increased from the revised estimate of R138.4 million in the 2021/22 financial year to R175.5 million in 2024/25. This equates to an average nominal increase of 8.60 per cent per annum. The main cost drivers under goods and services are utilities, external audit costs, lease payments, communication, and property payments. The Department also has various projects earmarked and catered for under goods and services such as the hosting of network servers externally, IT equipment refreshing programme and Corporate Performance and Evaluation Information Systems. Any additional costs to this programme will need to be funded through reductions in another programme within the departmental budget.

5. Updated Key Risks and Mitigation from the SP

Outcome	Key Risks	Risk Mitigations
Programme 1: Administration		
Increased compliance with legislated prescripts	<ul style="list-style-type: none"> • High Vacancy Rate 	<ul style="list-style-type: none"> • Monthly monitoring of the vacancy matrix • Escalation • Recruitment Plan

PROGRAMME 2: SUSTAINABLE FISCAL RESOURCE MANAGEMENT

- **SFRM Programme Support**

Purpose: To enforce the effective and efficient administration of fiscal resources at provincial institutions.

The Sustainable Fiscal Resource Management programme is divided into various sub-programmes that enable it to achieve its outcomes. The sub-programmes are as follows:

- **Chief Directorate: Economic and Fiscal Policy Oversight**

Purpose: To provide socio-economic research and analysis as well as ensure effective oversight over revenue.

- **Chief Directorate: Budget Management**

Purpose: To develop and manage the implementation of policy frameworks.

- **Chief Directorate: Infrastructure Management**

Purpose: To enhance and monitor infrastructure performance of provincial departments, public entities, and municipalities.

- **Chief Directorate: Financial Assets and Liabilities Management**

Purpose: To promote and enforce transparency and effective management of provincial financial assets portfolio.

- **Chief Directorate: Public Finance**

Purpose: To monitor and report on financial and non-financial performance in provincial institutions.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output Indicators	Audited performance			Estimated performance	MTEF targets		
			2018/19	2019/20	2020/21		2021/22	2022/23	2023/24
Enhanced sound finances in the province	GPG wage bill contained at not more than 60% of GPG allocated budget	% of GPG wage bill against allocated budget	55% of GPG wage bill against allocated budget (R67,236,331 / R121,761,929)	Wage bill was maintained at 55% of GPG allocated budget (R73,013,560 / R132,452,119)	53% (R76,487,284/ R143,749,056)	60% or less	60% or less	60% or less	
	Main and adjustment MTEF budgets tabled	Number of spatially referenced MTEF and adjustment budgets tabled in line with prescribed timeframes	1 MTEF budget that resources the TMR programme tabled	1 MTEF budget that resources the TMR programme tabled	1 spatially referenced MTEF budget tabled	1 MTEF spatially referenced budget tabled in line with prescribed timeframes	1 MTEF spatially referenced budget tabled in line with prescribed timeframes	1 MTEF spatially referenced budget tabled in line with prescribed timeframes	
	Assessment reports of the submitted	% of assessment reports of the	2 adjustment budgets that resources the TMR programme tabled	2 adjustment budgets that resources the TMR programme tabled	3 adjustment budgets tabled	1 adjustment budget tabled	1 spatially referenced adjustment budget tabled in line with prescribed timeframes	1 spatially referenced adjustment budget tabled in line with prescribed timeframes	
			N/A	New Indicator	7% (15 assessments conducted on	100%	100%	100%	

Outcome	Outputs	Output Indicators	Audited performance				Estimated performance	MTEF targets				
			2018/19	2019/20	2020/21	2021/22		2022/23	2023/24	2024/25		
	planning documents completed and submitted to the departments before the prescribed legislated timeframe	submitted planning documents completed and submitted to the departments before the prescribed legislated timeframe			submitted planning documents, 1 completed within 10 days)							
	Cash disbursed in line with the appropriation (cash disbursement reports)	Cash disbursements to departments in line with appropriation	Disbursements to departments did not exceed appropriated funds	Cash disbursement to departments (R132,546,569) did not exceed appropriated funds (R132,942,505)	Cash disbursed to departments (R143,739,962) equivalent to appropriation funds (R143,749,057)	Cash disbursed to departments equivalent to appropriation	Cash disbursed to departments not exceed appropriation	Cash disbursed to departments not exceed appropriation	Cash disbursed to departments not exceed appropriation			
	AG Audit outcome for the Provincial Revenue Fund Management Report	AG Audit outcome for the Provincial Revenue Fund	Unqualified audit opinion with no other matters	Unqualified audit opinion with no other matters	Unqualified audit opinion with no other matters in the audit report	Unqualified audit opinion with no other matters	Unqualified audit opinion with no other matters	Unqualified audit opinion with no other matters	Unqualified audit opinion with no other matters			

Outcome	Outputs	Output Indicators	Audited performance				Estimated performance	MTEF targets		
			2018/19	2019/20	2020/21	2021/22		2022/23	2023/24	2024/25
	Provincial own revenue collection increase in line with inflation	% increase in provincial own revenue collection	11.4% (R 6,845,276 / R6,144,380)	7.2% (R7,153,550 / R6,670,454)	10% (R6,553,147 / R5,949,006)	6.0% increase in provincial own revenue collection	6.7% increase in provincial own revenue collection	7.5% increase in provincial own revenue collection	7.5% increase in provincial own revenue collection	
Increased compliance with legislated prescripts	SERO tabled in line with prescribed timeframes	Number of SERO tabled in line with prescribed timeframes	1 SERO publication tabled	1 SERO publication tabled	SERO tabled in line with prescribed timeframes	1 SERO publication tabled	1 SERO publication tabled in line with prescribed timeframes	1 SERO publication tabled in line with prescribed timeframes	1 SERO publication tabled in line with prescribed timeframes	
	MTBPS tabled in line with prescribed timeframes	Number of MTBPS tabled in line with prescribed timeframes	1 MTBPS tabled	1 MTBPS tabled	None	1 MTBPS tabled	1 MTBPS tabled in line with prescribed timeframes	1 MTBPS tabled in line with prescribed timeframes	1 MTBPS tabled in line with prescribed timeframes	
	Provincial Gazettes on allocations to schools and hospitals	Number of Provincial Gazettes on allocations to schools and hospitals	N/A	N/A	New Indicator	2 Gazettes	2 Gazettes on allocations to schools and hospitals	2 Gazettes on allocations to schools and hospitals	2 Gazettes on allocations to schools and hospitals	
	IYM reports for departments and entities	Number of legislated provincial reports produced	N/A	N/A	New Indicator	12 IYM submissions for departments	12 Consolidated IYM reports for departments	12 Consolidated IYM reports for departments	12 Consolidated IYM reports for departments	

Outcome	Outputs	Output Indicators	Audited performance			Estimated performance	MTEF targets			
			2018/19	2019/20	2020/21		2021/22	2022/23	2023/24	2024/25
									4 IYM submissions for entities	40 Individual IYM reports for entities

Output Indicators: Annual and Quarterly Targets

Output indicators	Annual Target				Q1	Q2	Q3	Q4
	2018/19	2019/20	2020/21	2021/22				
2.1 % of GPG wage bill against allocated budget					N/A	N/A	N/A	60% or less
2.2 Number of spatially referenced MTEF budgets and adjustment budgets tabled in line with prescribed timeframes	1 spatially referenced MTEF budget tabled				N/A	N/A	1 spatially referenced adjustment budget tabled	1 spatially referenced budget tabled
	1 spatially referenced adjustment budget tabled							
2.3 Number of Provincial Gazettes on allocations to schools and hospitals					1 Main appropriation gazette tabled	N/A	N/A	1 Adjustment appropriation gazette tabled
2.4 Number of legislated provincial reports produced according to the National Treasury (NT) timeframes (i.e., Departmental IYM reports and Entities IYM reports)	12 Consolidated IYM reports for departments				3	3	3	3
	40 Individual IYM reports for entities				10	10	10	10
2.5 % of assessment reports of the submitted planning documents					100%	100%	N/A	N/A

Output indicators		Annual Target			
		Q1	Q2	Q3	Q4
	completed and submitted to the departments before the prescribed legislated timeframe				
2.6	Cash disbursed to departments to not exceed appropriation	Cash requisitions do not exceed provincial liquid assets (PRF cash and cash equivalents plus external investments)	Cash requisitions do not exceed provincial liquid assets (PRF cash and cash equivalents plus external investments)	Cash requisitions do not exceed provincial liquid assets (PRF cash and cash equivalents plus external investments)	Cash disbursed to departments equivalent to appropriate funds
2.7	AG Audit outcome for the Provincial Revenue Fund	N/A	N/A	Unqualified audit opinion with no other matters	N/A
2.8	% Increase in provincial own revenue collection	N/A	N/A	N/A	6.7%
2.9	Number of SERO tabled in line with prescribed timeframes	N/A	N/A	N/A	SERO tabled in line with prescribed timeframes
2.10	Number of MTBPS tabled in line with prescribed timeframes	N/A	N/A	MTBPS tabled in line with prescribed time frames.	N/A

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

The SFRM programme will ensure the effective and efficient administration of provincial and fiscal resources and obtain value for money through redirecting existing limited fiscal envelope towards service delivery and tabling a spatial-referenced MTEF budget. The continued slow economic growth resulting from the impact of COVID-19 pandemic is anticipated to result in less revenue collection because of anticipated low GDP growth rate, downgrading by Moody's and Fitch and low own revenue collections by municipalities. The publications of the SERO and MTBPS are critical in providing an overview of economic and socio-economic developments at global, national and provincial levels. It supports the provincial

budgeting processes by providing a wide range of analyses that informs policy decision makers, on progress on development challenges and service delivery within the different spheres of provincial government. A synergized approach and collaboration amongst all spheres of government is critical in the delivery of services to Gauteng communities. An enhanced and integrated planning and budgeting process will result in improved service delivery as credible budgets that fulfil the provincial key priorities, will be tabled. Having credible cash flow projections will ensure that cashflows are in line with revenue streams and thus, the provincial liquidity position remains at sustainable levels. Submitted infrastructure plans will be subjected to a project readiness assessment to ensure compliance with set criteria before proving funding for infrastructure projects. Provincial expenditure will be monitored and reported on to ensure that money is spent on deliverables that fulfil the vision of the Gauteng Provincial Government Plan (GGT2030) and drives demographic and district profiling, governance and financial management, integrated services provisioning, infrastructure engineering, spatial restructuring and economic positioning. The roll-out of the enhanced own revenue strategy will continue with the objective being to explore alternative revenue streams and raise revenue collected to be able to fund Provincial priorities including the e-toll debt.

7. Programme Resource Considerations

B2.2. Reconciling performance targets with the Budget and MTEF

TABLE 5: SUMMARY OF PAYMENTS AND ESTIMATES: PROGRAMME 2: SUSTAINABLE FISCAL RESOURCE MANAGEMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25	
R thousand										
1. SFRM Programme Support	62 670	106 113	64 715	69 016	68 316	68 316	68 593	70 592	70 821	
2. Budget Management	26 182	26 061	25 791	29 668	26 168	26 168	30 052	29 365	30 683	
3. Economic and Fiscal Policy Oversight	13 136	13 461	12 550	14 619	14 119	14 119	15 421	16 112	16 837	
4. Infrastructure Management	12 744	12 906	13 540	14 541	14 541	14 541	22 236	23 290	24 335	
5. Financial Asset and Liabilities Management	11 994	12 385	13 028	15 876	14 376	14 376	15 239	15 788	16 497	
6. Public Finance	18 404	19 113	17 015	20 732	17 192	17 192	18 656	18 644	19 482	
Total payments and estimates	145 130	190 039	146 639	164 452	154 712	154 712	170 197	173 791	178 655	

TABLE 6: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROGRAMME 2: SUSTAINABLE FISCAL RESOURCE MANAGEMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25
R thousand									
Current payments	86 532	87 909	85 233	100 408	90 668	90 668	106 491	108 323	113 187
Compensation of employees	68 154	69 530	68 454	84 873	75 873	75 873	91 642	92 782	96 949
Goods and services	18 378	18 379	16 779	15 535	14 795	14 795	14 849	15 541	16 238
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	58 598	102 130	61 406	64 044	64 044	64 044	63 706	65 468	65 468
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	58 544	101 940	61 406	64 044	64 044	64 044	63 706	65 468	65 468
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	54	190	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	145 130	190 039	146 639	164 452	154 712	154 712	170 197	173 791	178 655

The allocation over the 2022 MTEF has increased from the revised estimate of R154.71 million in 2021/22 financial year to R178.65 million in the 2024/25. This equates to an average nominal increase of 4.97 per cent per annum. The main cost drivers under this programme are media services, implementation of the Infrastructure Delivery Management System (IDMS), and the printing of provincial publications such as SERO, MTBPS, and the budget books. The programme will need to reprioritise funding for any key projects.

8. Updated Key Risks and Mitigation from the SP

Outcome	Key Risks	Risk Mitigations
Enhanced sound finances in the province	<ul style="list-style-type: none"> • Limited resourcing of the Growing Gauteng Together (GGT) 2030 Provincial Plan 	<ul style="list-style-type: none"> • Revenue bilateral • Investment Policy • Re-prioritization or re-adjustment • Revenue Enhancement Strategy • Tracking Revenue Enhancement Implementation Plan

PROGRAMME 3: FINANCIAL GOVERNANCE

FG Programme Support

Purpose: To promote accountability through substantive reflection of financial activities as well as compliance with financial standards, norms and standards as contained in the PFMA.

The Financial Governance Programme is divided into various sub-programmes that enables it to achieve its set outcomes. The sub-programmes are as follows:

Directorate: Compliance

- Purpose: To provide advisory services, monitor and enforce compliance with the PFMA.

Directorate: Transversal Financial Information Management Systems and SAP ERP Process and System Support

- Purpose: To provide oversight and managements of transversal financial systems and ensure compliance in the implementation of new provincial automation processes

Chief Directorate: Transversal Internal Audit and Risk Management

- Purpose: To manage and provide oversight on provincial audit and risk management services.

Chief Directorate: Provincial Accounting Services

- Purpose: To enforce the effective implementation of accounting practices and prepare accurate consolidated financial statements.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output Indicators	Audited performance				Estimated performance	MTEF targets		
			2018/19	2019/20	2020/21	2021/22		2022/23	2023/24	2024/25
Increased compliance with legislated prescripts	AFS submitted by all departments	% of Annual Financial Statements submitted by departments	N/A	New Indicator	100% (14/14)	100%	100%	100%	100%	100%
	AFS submitted by entities	% of Annual Financial Statements submitted by entities	N/A	New Indicator	100% (7/7)	100%	100%	100%	100%	100%
	Consolidated Annual Financial Statements tabled within prescribed timelines	Consolidated Annual Financial Statements tabled at Legislature in line with prescribed timelines	Consolidated AFS tabled	Consolidated AFS tabled	Consolidated Annual Financial Statements tabled at Legislature in line with prescribed timelines	20/21 Consolidated Annual Financial Statements tabled at Legislature in line with prescribed timelines	21/22 Consolidated Annual Financial Statements tabled at Legislature in line with prescribed timelines	22/23 Consolidated Annual Financial Statements tabled at Legislature in line with prescribed timelines	23/24 Consolidated Annual Financial Statements tabled at Legislature in line with prescribed timelines	4
	Reports on 30-day payment compliance produced	Number of 30-day suppliers' payment compliance reports produced	4	4	4	4	4	4	4	4

Outcome	Outputs	Output Indicators	Audited performance				Estimated performance	MTEF targets			
			2018/19	2019/20	2020/21	2021/22		2022/23	2023/24	2024/25	
	Supplier invoices submitted electronically	% of supplier invoices submitted electronically	N/A	New indicator	83%	94%	90%	90%	90%		
	A clean audit strategy	Approved clean audit strategy	N/A	N/A	N/A	New indicator	Approved clean audit strategy	Implementation of the approved clean audit strategy	Implementation of the approved clean audit strategy		

Output Indicators: Annual and Quarterly Targets

	Output indicators	Annual Target	Q1	Q2	Q3	Q4
3.1	% of Annual Financial Statements submitted by departments	100%	100%	N/A	N/A	N/A
3.2	% of Annual Financial Statements submitted by entities	100%	100%	N/A	N/A	N/A
3.3	Consolidated Annual Financial Statements tabled within prescribed timelines	21/22 Consolidated Annual Financial Statements tabled at Legislature in line with prescribed timelines	N/A	N/A	21/22 Consolidated Annual Financial Statements tabled at Legislature in line with prescribed timelines	N/A
3.4	Number of departmental 30-day suppliers' payment compliance reports produced	4	1	1	1	1

Output indicators		Annual Target	Q1	Q2	Q3	Q4
3.5	% of supplier invoices submitted electronically	90%	N/A	N/A	90%	90%
3.6	Approved clean audit strategy	Approved clean audit strategy	N/A	N/A	N/A	Approved clean audit strategy

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

Provincial departments and entities will be supported to promote improved legislative compliance in line with financial regulations and improved audit outcomes. Consolidated AFS will be prepared and submitted to the GPL in compliance to the prescribed timelines. Continued reporting on 30 days payment will be reported on in promoting compliance to the timelines by GPG departments. The institutionalisation of risk management in GPG institutions will lead towards the realisation of the implementation of the combined risk assurance model in Gauteng. To promote clean and ethical governance in GPG (departments, entities and delegated municipalities) and to address the issues that lead to wastage of government resources and a regression in audit outcomes, a clean audit strategy will be developed and implemented.

10. Programme Resource Considerations

B3.2 Reconciling performance targets with the Budget and MTEF

TABLE 7: SUMMARY OF PAYMENTS AND ESTIMATES: PROGRAMME 3: FINANCIAL GOVERNANCE

	Outcome			Main appropriation	Adjusted appropriation 2021/22	Revised estimate	Medium-term estimates			
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25	
R thousand										
1. FG Programme Support	4 524	5 102	3 713	4 537	4 137	4 137	7 553	4 503	4 704	
2. Provincial Accounting Services	50 995	54 149	53 474	66 699	58 510	58 944	61 703	65 050	67 969	
3. Transversal Internal Audit and Risk Management	16 047	16 886	17 870	20 811	17 400	18 061	22 935	21 930	22 915	
4. Compliance	3 593	3 504	3 555	6 289	3 289	3 289	5 589	5 785	6 045	

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25
5. Transversal Financial Information Management Systems and SAP ERP Process and System Support	30 576	31 435	30 968	41 939	37 971	36 876	39 716	40 934	42 772
Total payments and estimates	105 735	111 076	109 580	140 275	121 307	121 307	137 496	138 202	144 405

TABLE 8: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROGRAMME 3: FINANCIAL GOVERNANCE

	Outcome				Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates				
	2018/19	2019/20	2020/21	2021/22				2022/23	2023/24	2024/25		
R thousand												
Current payments	105 205	111 039	109 063	121 257	140 275	121 257	137 496	138 202	144 405			
Compensation of employees	98 770	103 109	102 483	111 926	131 976	111 926	128 773	129 085	134 878			
Goods and services	6 435	7 930	6 580	9 331	8 299	9 331	8 723	9 117	9 527			
Interest and rent on land	-	-	-	-	-	-	-	-	-			
Transfers and subsidies to:	530	37	517	50	-	50	-	-	-			
Provinces and municipalities	-	-	-	-	-	-	-	-	-			
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-			
Higher education institutions	-	-	-	-	-	-	-	-	-			
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-			
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-			
Non-profit institutions	-	-	-	-	-	-	-	-	-			
Households	530	37	517	50	-	50	-	-	-			
Payments for capital assets	-	-	-	-	-	-	-	-	-			
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-			
Machinery and equipment	-	-	-	-	-	-	-	-	-			
Heritage Assets	-	-	-	-	-	-	-	-	-			
Specialised military assets	-	-	-	-	-	-	-	-	-			
Biological assets	-	-	-	-	-	-	-	-	-			
Land and sub-soil assets	-	-	-	-	-	-	-	-	-			
Software and other intangible assets	-	-	-	-	-	-	-	-	-			
Payments for financial assets	-	-	-	-	-	-	-	-	-			

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates			
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25	
R thousand										
Total economic classification	105 735	111 076	109 580	140 275	121 307	121 307	137 496	138 202	144 405	

The allocation over the 2022 MTEF has increased from the revised estimate of R121.30 million in 2021/22 financial year to R144.40 million in the 2024/25. This equates to an average nominal growth of 6.12 per cent per annum. The increase will fund various system developments and enhancement projects as a commitment to modernising the public service for effective service delivery. The spending focus over MTEF will be on P-Card and E-Invoicing software licenses and automation of Annual Financial Statements production. These efforts are in line with the promotion of accountability through substantive reflection of financial activities as well as compliance with financial norms and standards.

11. Updated Key Risks and Mitigation from the SP

Outcome	Key Risks	Risk Mitigations
Increased compliance with legislated prescripts	<ul style="list-style-type: none"> • Limited implementation of the combined assurance in province • 	<ul style="list-style-type: none"> • Combined Assurance Framework • Training • Standing agenda item at Audit Committees and Provincial Audit Committee
	<ul style="list-style-type: none"> • Non-adherence to the reporting framework 	<ul style="list-style-type: none"> • Monthly review of the disclosure notes (100% population) • Quarterly IFS review • Targeted training • Monitoring of the implementation of recommendations • Review of AFS prior submission to AGSA • Review of Consolidated AFS by GAS

PROGRAMME 4: PROVINCIAL SUPPLY CHAIN MANAGEMENT

PSCM Programme Support

Purpose: To promote and enforce transparency and effective Supply Chain Management.

The Provincial Supply Chain Management Programme is divided into various sub-programmes that enables it to achieve its outcomes. The sub-programmes are as follows:

- **Chief Directorate: Supply Chain Management Norms and Standards, Governance, Compliance and Monitoring & Evaluation**

Purpose: To establish uniform SCM policy, norms & standards, governance mechanisms and enforce compliance.

- **Chief Directorate: Supply Chain Management Client Support**

Purpose: To provide SCM client support within the GPG.

- **Chief Directorate: Contract Management and Strategic Management**

Purpose: To establish SCM transversal contract management and strategic procurement mechanisms.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output Indicators	Audited performance				Estimated performance	MTEF targets		
			2018/19	2019/20	2020/21	2021/22		2022/23	2023/24	2024/25
Increased compliance with legislated prescripts	Consolidated SCM compliance registers	Number of consolidated SCM compliance registers produced for departments	N/A	N/A	N/A	New Indicator	4	4	4	
		Number of consolidated SCM compliance registers produced for public entities	N/A	N/A	N/A	New Indicator	4	4	4	
	Spending reports on township suppliers	Number of reports produced on 30% spend on township suppliers	New Indicator	4	4	4	4	4	4	
	Reports on subcontracted contracts captured	Number of reports produced on subcontracted contracts	N/A	N/A	New indicator	4	4	4	4	
	Training provided to Gauteng township-based suppliers	Number of training workshops provided to Gauteng township-based suppliers	N/A	N/A	New indicator	4	4	4	4	
	Reports on monitoring implementation of Open Tender (OTP)	Number of reports produced on monitoring implementation of Open Tender	N/A	N/A	N/A	New indicator	4	4	4	

Outcome	Outputs	Output Indicators	Audited performance				Estimated performance	MTEF targets			
			2018/19	2019/20	2020/21	2021/22		2022/23	2023/24	2024/25	
	Process (OTP) by departments	Number of reports produced on monitoring implementation of Open Tender Process (OTP) by entities	N/A	N/A	N/A	New indicator	4	4	4		
	Reports on monitoring implementation of procurement plans	Number of reports produced on monitoring implementation of procurement plans by departments	N/A	N/A	N/A	New indicator	2	2	2		
	Preferential procurement guidelines developed	Development of preferential procurement guidelines	N/A	N/A	N/A	New indicator	Preferential procurement guidelines developed	Implementation of the developed guidelines	N/A		
	Historical irregular expenditure condoned within the provincial sphere (GPG departments and entities)	% of historical irregular expenditure condoned within the provincial sphere (GPG departments and entities)	N/A	N/A	N/A	N/A	15% of historical irregular expenditure condoned within the provincial sphere	20% of historical irregular expenditure condoned within the provincial sphere	25% of historical irregular expenditure condoned within the provincial sphere		

Output Indicators: Annual and Quarterly Targets

	Output indicators	Annual Target	Q1	Q2	Q3	Q4
4.1.	Number of consolidated SCM compliance registers produced for departments	4	1	1	1	1
4.2	Number of consolidated SCM compliance registers produced for public entities	4	1	1	1	1
4.3	Number of reports produced on 30% spend on township suppliers	4	1	1	1	1
4.4	Number of reports produced on subcontracted contracts	4	1	1	1	1
4.5	Number of training workshops provided to Gauteng township-based suppliers	4	1	1	1	1
4.6	Number of reports produced on monitoring implementation of Open Tender Process (OTP) by departments	4	1	1	1	1
4.7	Number of reports produced on monitoring implementation of Open Tender Process (OTP) by entities	4	1	1	1	1
4.8	Number of reports produced on monitoring implementation of procurement plans by departments	2	N/A	1	N/A	1
4.9	Development of preferential procurement guidelines	Preferential procurement guidelines developed	N/A	N/A	Establishment of a Provincial task team	Approved preferential procurement guidelines
4.10	% of historical irregular expenditure condoned within the provincial sphere (GPG departments and entities)	15%	N/A	N/A	N/A	15%

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

The GPT intends to promote and enforce transparency and effective Supply Chain Management in the Gauteng Province through functions in the PSCM programme. The PSCM programme will provide oversight on the implementation of approved procurement plans, the open tender process by provincial departments and entities, produce monitoring reports on township spend and subcontracted contracts in support of the TER strategy. Training workshops will also be provided to Gauteng township-based suppliers in support of supplier development and raising awareness of township suppliers on government procurement opportunities. The workshops will include women and youth-owned businesses, military veteran businesses as identified by departments and struggling corridors and designated groups. Approved preferential procurement guidelines aligned to the PPR 2022 will be developed and issued to GPG institutions to improve compliance with preferential procurement processes and requirements. There will be concerted effort to condone (based on requests for condonement) historical irregular expenditure within provincial departments and entities.

13. Programme Resource Considerations

B4.2 Reconciling performance targets with the Budget and MTEF

TABLE 9: SUMMARY OF PAYMENTS AND ESTIMATES: PROGRAMME 4: PROVINCIAL SUPPLY CHAIN MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2021/22	2022/23	2023/24
1. PSCM Programme Support	26 333	34 344	26 605	12 915	23 655	23 655	5 834	6 108	6 381
2. SCM Policy, Norms and Standards, Governance, Compliance, Monitoring and Evaluation	15 634	15 119	15 700	21 042	12 542	12 542	19 748	20 613	21 537
3. Governance, Compliance, Monitoring and Evaluation	-	-	-	-	-	-	-	-	-
4. SCM Client Support	38 649	29 609	27 600	36 748	36 748	36 667	44 941	45 057	47 080
5. Strategic Procurement	-	-	-	-	-	-	-	-	-
6. Contract Management and Strategic Procurement	27 380	27 453	30 963	34 534	30 534	30 615	37 826	37 438	39 119
Total payments and estimates	107 996	106 525	100 868	105 239	103 479	103 479	108 349	109 216	114 117

TABLE 10: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROGRAMME 4: PROVINCIAL SUPPLY CHAIN MANAGEMENT

	Outcome				Main appropriation	Adjusted appropriation 2021/22	Revised estimate	Medium-term estimates				
	2018/19	2019/20	2020/21	2021/22				2022/23	2023/24	2024/25		
R thousand												
Current payments	97 794	103 380	100 867	105 239	103 279	103 279	103 279	108 349	109 216	114 117		
Compensation of employees	76 465	76 952	78 882	102 322	84 592	84 592	84 592	105 309	106 039	110 798		
Goods and services	21 329	26 428	21 985	2 917	18 687	18 687	18 687	3 040	3 177	3 319		
Interest and rent on land	-	-	-	-	-	-	-	-	-	-		
Transfers and subsidies to:	10 202	3 145	1	-	200	200	200	-	-	-		
Provinces and municipalities	-	-	-	-	-	-	-	-	-	-		
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-	-		
Higher education institutions	-	-	-	-	-	-	-	-	-	-		
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	-		
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	-		
Non-profit institutions	10 000	-	-	-	-	-	-	-	-	-		
Households	202	3 145	1	-	200	200	200	-	-	-		
Payments for capital assets	-	-	-	-	-	-	-	-	-	-		
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	-		
Machinery and equipment	-	-	-	-	-	-	-	-	-	-		
Heritage Assets	-	-	-	-	-	-	-	-	-	-		
Specialised military assets	-	-	-	-	-	-	-	-	-	-		
Biological assets	-	-	-	-	-	-	-	-	-	-		
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	-		
Software and other intangible assets	-	-	-	-	-	-	-	-	-	-		
Payments for financial assets	-	-	-	-	-	-	-	-	-	-		
Total economic classification	107 996	106 525	100 868	105 239	103 479	103 479	103 479	108 349	109 216	114 117		

The allocation over the 2022 MTEF has increased from the revised budget estimate of R103.47 million in 2021/22 financial year to R114.12 million in 2024/25. This equates to an average nominal growth of 3.33 per cent per annum. These allocations provide for increasing the capacity in the various sub-units within the programme; for supplier development to support the Township Economy Revitalisation Strategy, other SCM interventions and as well as other operational requirements.

14. Updated Key Risks and Mitigation from the SP

Outcome	Key Risks	Risk Mitigations
Increased compliance with legislated prescripts	<ul style="list-style-type: none"> • Inadequate compliance monitoring to GPG Departments 	<ul style="list-style-type: none"> • Use of Probity Auditors • Probity Audit Framework • Vetting by supplier development • Compliance assessment • Monitor the implementation of the Compliance assessment action plans • SCM Forums
	<ul style="list-style-type: none"> • Inadequate reporting on procurement plans 	<ul style="list-style-type: none"> • National Treasury Instruction Note prescribing the template and reporting timeframes for procurement plans and reporting of implementation • Departments restricted to procure if the Procurement plan is not updated

PROGRAMME 5: MUNICIPAL FINANCIAL MANAGEMENT

MFM Programme Support

Purpose: To ensure efficient and effective management in Municipalities and municipal entities and coordinate the provisioning of capacity building.

The Municipal Financial Management programme is divided into various sub-programmes that enables it to achieve its outcomes. The sub-programmes are as follows:

- **Chief Directorate: Local Government Financial Services**

Purpose: Ensure optimal and sustainable budget management and monitor the effective and efficient compliance with financial assets and liabilities management.

- **Chief Directorate: Municipal Accounting, Reporting and Asset Management**

Purpose: Monitor compliance with financial management and annual reporting frameworks. Enhance, monitor and enforce transparent and effective asset management and coordinate, monitor and report on MFMA implementation.

- **Chief Directorate: Municipal Compliance and Financial Management Support**

Purpose: Ensure municipal compliance on financial management.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output Indicators	Audited performance				Estimated performance	MTEF targets		
			2018/19	2019/20	2020/21	2021/22		2022/23	2023/24	2024/25
Sustainable local government finances	Annual IGR engagements	Number of IGR engagements with relevant stakeholders	N/A	New Indicator	31	20	16	16	16	
	Annual trainings conducted	Number of structured and targeted capacity building initiatives provided to municipalities in Gauteng	N/A	N/A	New indicator	5	6	10	12	
	MFMA compliance assessments	Number of assessments conducted on MFMA compliance by delegated municipalities in Gauteng	N/A	New Indicator	32	32	32	32	32	
Published Provincial grants	Budget assessments	Number of municipal budget assessments conducted	16 budget assessments were conducted at local municipalities	23 (16 budgets Assessments and 7 municipal SDBIP assessments	24	24	24	24	24	
	Published Provincial grants	Number of publications on provincial grants allocated to Gauteng Municipalities	N/A	New Indicator	3	3	3	3	3	

Output Indicators: Annual and Quarterly Targets

	Output indicators	Annual Target	Q1	Q2	Q3	Q4
5.1	Number of IGR engagements with relevant stakeholders	16	4	5	3	4
5.2	Number of structured and targeted capacity building initiatives provided to municipalities in Gauteng	6	N/A	2	2	2
5.3	Number of assessments conducted on MFMA compliance by delegated municipalities in Gauteng	32	8	8	8	8
5.4	Number of municipal budget assessments conducted	24	8 draft budgets	8 adopted budgets	N/A	8 adjustment budgets
5.5	Number of publications on provincial grants allocated to Gauteng Municipalities	3	1	N/A	1	1

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

The MFM programme endeavours to be proactive in providing oversight and support to the eight delegated municipalities in Gauteng on the implementation of the MFMA. The programme will participate in and host IGR stakeholder engagements through various fora and provide structured and targeted capacity building initiatives to municipalities. MFMA compliance assessments will be conducted to monitor the level of implementation by municipalities of the MFMA and its Regulations, identify gaps and provide support where needed. Furthermore, the programme will conduct budget assessments on the tabled, adopted and adjusted budgets to improve compliance with the MFMA and the MFMA Regulations and to improve the number of funded municipal budgets in Gauteng. The Programme will also partake in the development and implementation of the GPG-wide clean audit strategy.

16. Programme Resource Considerations

B5.2 Reconciling performance targets with the Budget and MTEF

TABLE 11: SUMMARY OF PAYMENTS AND ESTIMATES: PROGRAMME 5: MUNICIPAL FINANCIAL GOVERNANCE

	Outcome			Main appropriation	Adjusted appropriation 2021/22	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25
R thousand									
1.MFG Programme Support	44 955	50 741	39 448	12 353	18 815	18 806	12 640	10 714	11 195
2. Local Government Financial Services	-	-	-	24 982	14 987	14 996	23 259	24 305	25 396
3. Municipal Accounting Reporting and Asset Management	-	-	-	14 397	1 898	1 898	20 803	21 739	22 715
4. Municipal Compliance and Financial Management Support	-	-	-	14 716	8 716	8 716	17 018	17 783	18 582
Total payments and estimates	44 955	50 741	39 448	66 448	44 416	44 416	73 720	74 541	77 888

TABLE 12: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROGRAMME 5: MUNICIPAL FINANCIAL GOVERNANCE

	Outcome			Main appropriation	Adjusted appropriation 2021/22	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25
R thousand									
Current payments	44 944	50 741	39 429	66 448	44 116	44 116	73 720	74 541	77 888
Compensation of employees	42 250	43 958	38 878	62 798	41 498	41 498	69 906	70 555	73 723
Goods and services	2 694	6 783	551	3 650	2 618	2 618	3 814	3 986	4 165
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	5	-	19	-	300	300	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	5	-	19	-	300	300	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-

R thousand	Outcome			Main appropriation	Adjusted appropriation 2021/22	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	6	-	-	-	-	-	-	-	-
Total economic classification	44 955	50 741	39 448	66 448	44 416	73 720	74 541	77 888	

The allocation over the 2022 MTEF has increased from the revised estimate of R44.41 million in the 2021/22 financial year to R77.89 million in 2024/25. This equates to the nominal growth of 23.86 per cent per annum. The allocation is to provide for the additional capacity under Municipal Compliance and Financial Management Support and to cater for training interventions. The provision is for the printing of gazettes, travel expenditure to municipalities, municipal IQ software licenses as well as external training and development for municipalities. The projects that will be supported by the programme are Municipal Standard Chart of Accounts (MSCOA) hands-on support, and external training namely: Annual Financial Statements, GRAP and continued professional development training for internal auditors.

17. Updated Key Risks and Mitigation from the SP

Outcome	Key Risks	Risk Mitigations
Sustainable local government finances	<ul style="list-style-type: none"> • Non implementation of MFMA by Municipalities 	<ul style="list-style-type: none"> • Training (and other capacity building initiatives) • MFMA compliance assessments

PROGRAMME 6: GAUTENG AUDIT SERVICES

GAS Programme Support

Purpose: To render audit services in the GPG departments.

The Gauteng Audit Services Programme is divided into various sub-programmes that enable it to achieve its outcomes. The sub-programmes are as follows:

- **Directorate: Internal Audit Quality and Assurance**

Purpose: Conduct quality assurance reviews to ensure audit compliance with the international standards for the professional practice of internal auditing of the Institute of Internal Auditors and report to the relevant Audit Committees about internal control in the GPG.

- **Chief Directorate: Risk and Compliance Audit Services Clusters 1,2,3**

Purpose: Manage and ensure performance of risk and compliance audit for the GPG.

- **Chief Directorate: Risk and Compliance Audit Services Clusters 4,5,6**

Purpose: Manage and ensure performance of risk and compliance audit for the GPG.

- **Chief Directorate: Performance and Computer Audit Services**

Purpose: Manage and conduct performance and computer audits for GPG.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output Indicators	Audited performance				Estimated performance 2021/22	MTEF targets		
			2018/19	2019/20	2020/21	2022/23		2023/24	2024/25	
Increased compliance with legislated prescripts	Approved audit reports issued against the approved audit plans	% of audit reports issued to departments and trading entities against the approved audit plans	N/A	New Indicator	93% (192/206)	85%	95%	95%	95%	
	Audit Committee approved audit plans	Number of Audit Committee approved audit plans issued to departments and trading entities	N/A	New Indicator	19	19	19	19	19	
	Recommendations tracked as implemented at departments and trading entities	% of internal audit recommendations tracked at departments and trading entities	100% (1223/1223)	100% (1341/341)	100% (1135/1135)	100%	100%	100%	100%	
	Follow-up reports issued on Auditor General's significant findings to departments and trading entities	% of Auditor General's management letter key findings followed up through a follow-up audit	N/A	N/A	N/A	New Indicator	100%	100%	100%	
Annual Internal Control Assessments	Number of annual internal control assessments compiled	Number of annual internal control assessments compiled	New Indicator	19	19	19	19	19	19	

Output Indicators: Annual and Quarterly Targets

	Output indicators	Annual Target	Q1	Q2	Q3	Q4
6.1	% of audit reports issued to departments and trading entities	95%	N/A	N/A	N/A	95%
6.2	Number of AC approved audit plans issued to departments and trading entities	19	N/A	N/A	N/A	19
6.3	% of internal audit recommendations tracked at departments and trading entities	100%	25%	50%	75%	100%
6.4	% of Auditor General's management letter key findings followed up through a follow-up audit	100%	N/A	N/A	N/A	100%
6.5	Number of annual internal control assessments compiled	19	N/A	19	N/A	N/A

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

The GAS programme aims to provide independent, objective assurance and consulting services that are designed to add value to and improve the operations of GPG institutions. This will be done through a systematic evaluation of governance risk management and controls and to enhance and protect organisational value by providing risk based and objective assurance, advice, and insight to fuel a culture of good governance in the province that promotes compliance with financial norms and standards. To realise the outputs indicated above, the programme will, amongst other activities, measure the effectiveness of internal audit as a function by issuing audit reports to its client departments and entities, monitor the implementation of the internal audit recommendations to ensure that clients processes and control environment improves and give assurance to the audit committee and management of GPG departments and entities on the state of the internal control environment by compiling internal control assessments. The Programme will also partake in the development and implementation of the GPG-wide clean audit strategy.

19. Programme Resource Considerations

B6.2 Reconciling performance targets with the Budget and MTEF

TABLE 13: SUMMARY OF PAYMENTS AND ESTIMATES: PROGRAMME 6: GAUTENG AUDIT SERVICES

	Outcome				Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21	2020/21				2022/23	2023/24	2024/25
R thousand	11 465	12 309	6 635	6 635	10 717	18 342	18 288	18 876	17 635	18 426
1. GAS Programme Support	26 131	26 291	25 786	25 786	39 704	34 529	34 529	42 819	44 745	46 754
2. Risk and Compliance Audit Services (Cluster 1,2,3)	28 018	30 274	30 660	30 660	23 386	32 386	32 386	32 754	32 074	33 514
3. Risk and Compliance Audit Services (Cluster 4,5,6)	22 915	24 510	24 068	24 068	43 175	27 925	27 979	40 532	42 355	44 257
4. Performance and Computer Audit Services	-	-	-	-	-	-	-	-	-	-
5. Audit Centre of Excellence	-	-	-	-	-	-	-	-	-	-
6. Financial Audit and Risk Compliance	-	-	-	-	-	-	-	-	-	-
Total payments and estimates	88 529	93 384	87 149	87 149	116 982	113 182	113 182	134 981	136 809	142 951

TABLE 14: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROGRAMME 6: GAUTENG AUDIT SERVICES

	Outcome				Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21	2020/21				2022/23	2023/24	2024/25
R thousand	87 583	92 779	87 080	87 080	116 982	116 982	113 082	134 981	136 809	142 951
Current payments	77 290	81 556	82 128	82 128	110 776	99 061	99 061	129 835	131 431	137 333
Compensation of employees	10 293	11 223	4 952	4 952	6 206	14 021	14 021	5 146	5 378	5 618
Goods and services	-	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	908	605	69	69	-	100	100	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	-

R thousand	Outcome			Main appropriation	Adjusted appropriation 2021/22	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	908	605	69	-	100	100	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	38	-	-	-	-	-	-	-	-
Total economic classification	88 529	93 384	87 149	116 982	113 182	113 182	134 981	136 809	142 951

The allocation over the MTEF has increased from the revised estimate of R113.18 million in 2021/22 financial to R142.95 million in 2024/25. This equates to the nominal growth of 8.37 per cent per annum. The increase over MTEF will focus on increasing the capacity of the programme, is prioritised to enable the programme to deliver on its mandate that contributes towards the achievement of clean audits in the province.

The programme is actively recruiting in the audit market and adopting various strategies to attract and retain audit talent and provision for specialised auditors who are not available internally, necessitating the augmentation of this gap by using consultants to assist with the execution of the specialised audits.

20. Updated Key Risks and Mitigation from the SP

Outcome	Key Risks	Risk Mitigations
Increased compliance with legislated prescripts	<ul style="list-style-type: none"> • Limited audit assurance to GPG Departments 	<ul style="list-style-type: none"> • Reporting of the coverage gap to the Audit Committee • Escalation process done in accordance with IA SLA.

21. Public Entities

Name of Public Entity	Mandate	Key Outputs	Current Annual Budget
Gauteng Infrastructure Financing Agency	To develop infrastructure project concepts and ideas to bankable proposals and to provide innovative infrastructure financing solutions and facilitates funding sources through partnerships of private investors, development finance institutions and government	Alternative sources of funding	R63, 706m

Part D: Technical Indicator Descriptions (TID)

ADMINISTRATION

1.1 Indicator Title	AG audit outcome
Definition	Refers to the department obtaining unqualified audit opinion for the 2021/22 financial year.
Source of data	Annual report of the department
Method of Calculation / Assessment	Qualitative - audit outcome expressed by the AG in the published departmental annual report
Means of verification	Auditor General's Report
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	Unqualified audit outcome (Financial Performance, Non-Financial Performance, Governance)
Indicator Responsibility	Financial Management Services
	Strategy Management and Transformation Program
	Corporate Services

1.2 Indicator Title	% of supplier payments paid within 30 days after receipt of valid invoice
Definition	This indicator refers to the percentage of suppliers who have been paid within 30 days after the department has received a correct and valid invoice.
Source of data	Invoices from SAP process directory and Document Management Centre
Method of Calculation / Assessment	Quantitative - [No. of invoices paid within 30 days / No. of invoices received] x 100
Means of verification	Monthly 30 days payment report
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired performance	100% of supplier payments paid within 30 days after receipt of final and valid invoice
Indicator Responsibility	Office of the CFO: Financial Management Services

1.3 Indicator Title	Number of APP submitted to GPL on due date.
Definition	The indicator refers to the approved departmental 2023/24 APP

	submitted to the GPL on the stipulated timelines.
Source of data	Submission letter/memo/e-mail from the Office of the MEC
Method of Calculation / Assessment	Quantitative – the department’s approved APP submitted to the GPL.
Means of verification	Letter of submission from Office of MEC to GPL Proof of tabling
Assumptions	None.
Disaggregation of Beneficiaries (where applicable)	None.
Spatial Transformation (where applicable)	Not applicable.
Calculation Type	Non-cumulative.
Reporting Cycle	Annually.
Desired performance	An approved APP submitted to the GPL on due date.
Indicator Responsibility	Strategy Management and Transformation Program - Strategic Planning.

1.4 Indicator Title	Number of approved departmental risk register
Definition	Register governing and mitigating risk annually approved
Source of data	The approved Departmental Risk Register
Method of Calculation / Assessment	Quantitative – approved departmental risk register
Means of verification	Head of Department’s signature on the risk register
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	None
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	An approved departmental risk register that ensures that the department is aware and mitigates all potential risks
Indicator Responsibility	Strategy Management and Transformation Program - Internal Risk management

1.5 Indicator Title	Number of workshops and/or training conducted to promote awareness on transformation agenda matters
Definition	The indicator refers to the number of workshops provided to raise awareness internally and externally on issues associated to gender-based violence, femicide and LGBTQI+ and Military Veterans
Source of data	Communique, attendance register and/or workshop material
Method of Calculation / Assessment	Simple count – actual number of workshops/trainings conducted
Means of verification	Communique, attendance register, workshop material
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	Women, men, youth, and people with disabilities, military veterans

Spatial Transformation (where applicable)	Not applicable
Calculation Type	Cumulative
Reporting Cycle	Quarterly (except for quarter 1)
Desired performance	4 workshops conducted
Indicator Responsibility	Strategy Management and Transformation Program - GEYODI

1.6 Indicator Title	Number of reports submitted to OoP to monitor the implementation of GEYODI programmes
Definition	The indicator refers to the number of reports submitted to the OoP to monitor the implementation of GEYODI programmes. These programmes include the recruitment of women in SMS at 50%, recruitment of people with disabilities at 3% of staff establishment and procurement spend at 30% to women owned companies, 10% to youth owned companies and 5% to companies owned by people with disabilities
Source of data	HRA - Recruitment HRD - Bursaries CFO – Procurement spend
Method of Calculation / Assessment	Simple count – actual number of reports submitted
Means of verification	Proof of submission to OoP – email Report
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	Women, Youth, PWDs
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	4 reports submitted to the OoP
Indicator Responsibility	Strategy Management - GEYODI

1.7 Indicator Title	% of women appointed at SMS level
Definition	The indicator refers to the percentage of women appointed at senior management position in the department
Source of data	Establishment report extracted from PERSAL
Method of Calculation / Assessment	Quantitative – $[\text{total number of female SMS} / \text{total number SMS}] \times 100$
Means of verification	Establishment report extracted from PERSAL
Assumptions	The target achievement will vary depending on the whether there were any resignations and the status of the recruitment process to fill in vacant posts during the reporting period.
Disaggregation of Beneficiaries (where applicable)	Women
Spatial Transformation (where applicable)	Not applicable

Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	50%, however, the actual achievement will depend on resignations and state of recruitment process on a quarterly basis
Indicator Responsibility	Corporate Services – Human Resources Administration

1.8 Indicator Title	% of youth in development programmes
Definition	<p>The number of youth engaged in development programmes like Internship, Workplace Integrated Learning, Learnerships and External Bursaries in contribution to Tshepo 1 million.</p> <p>The explanation of technical terms used in the indicator</p> <ul style="list-style-type: none"> • Internship: Graduates without experience • WIL: Technical and Vocational Education and Training (TVET) students requiring experiential learning to obtain their qualification. • Learnership: Structured workplace learning leading to attainment of a qualification (professional or academic) • External bursary - a bursary offered to young people that are not in the employ of GPT. <p>Duration of the programmes</p> <ul style="list-style-type: none"> • The WIL and internship programmes run for 24 months per intake. • Learnership runs for 36 consecutive months per intake. • External bursaries are granted for the duration of the qualification (3 or 4 years).
Source of data	PERSAL report
Method of Calculation / Assessment	Quantitative – [No. of youth in development programmes / No. of filled posts on the establishment] x 100
Means of verification	PERSAL report Employment contracts Bursary letters
Assumptions	Budget will be allocated to implement programme. Department will have access to the unemployed youth. % calculated will be based against the staff establishment.
Disaggregation of Beneficiaries (where applicable)	Target for youth: 80. 48 – female (60%) 32 – male (40%) (Note - the numbers represent the ideal gender split and actual achievement is dependent on the applications received)
Spatial Transformation (where applicable)	Youth residing in Gauteng
Calculation Type	Cumulative (year-end)
Reporting Cycle	Annually
Desired performance	10% (8.5% Human Resource Development and 1.5% Capacity Building) The target of 80 is based on the total staff establishment as at the 31 st of March 2021
Indicator Responsibility	Corporate Services Capacity Building

1.9 Indicator Title	Legal due diligence report on the establishment of a state-owned bank
Definition	The indicator refers to the report produced to collect and analyse the consideration of risks, legal due diligence, project valuation over the entire project life cycle. The report will provide an analysis of the current legislative environment, assess legally enabling and licensing requirements for the establishment a State-owned Bank
Source of data	Legal prescripts
Method of Calculation / Assessment	Simple count – Actual due diligence report produced
Means of verification	Due Diligence Report
Assumptions	There are no anticipated data limitations
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	Not Applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Annually
Desired performance	Due diligence report produced on the establishment of a state-owned bank
Indicator Responsibility	Office of the HoD

1.10 Indicator Title	Legal due diligence report on the establishment of a pharmaceutical company
Definition	The indicator refers to the report produced to collect and analyse the consideration of risks, legal due diligence, project valuation over the entire project life cycle. The report will provide an analysis of the current legislative environment, assess legally enabling and licensing requirements for the establishment of a pharmaceutical company.
Source of data	Legal prescripts
Method of Calculation / Assessment	Simple count – Actual due diligence report produced
Means of verification	Due Diligence Report
Assumptions	There are no anticipated data limitations
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	Not Applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Annually
Desired performance	Due diligence report produced on the establishment of a state-owned bank
Indicator Responsibility	Office of the HoD

SUSTAINABLE FISCAL RESOURCE MANAGEMENT

2.1 Indicator Title	% of GPG wage bill against allocated budget
Definition	The indicator aims to measure the percentage of the GPG Budget that is spent on 'Compensation of Employees' Compensation of Employees' - Compensation of employees includes remuneration in cash, including social contributions by employers, and represents salaries paid to GPG employees
Source of data	IYM calculation spreadsheet, BAS reports, published Estimates of Provincial Revenue and Expenditure
Method of Calculation / Assessment	Quantitative – Share of 'Compensation of Employees' in the GPG budget [Compensation of Employees / Appropriation budget] x 100
Means of verification	IYM calculation spreadsheets, BAS reports, published Estimates of Provincial Revenue and Expenditure
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	Gauteng Province
Calculation Type	Cumulative (Year-to-Date)
Reporting Cycle	Annually
Desired performance	It is desirable that the percentage share of 'Compensation of Employees' budget and expenditure be lower than the desired target
Indicator Responsibility	Public Finance

2.2 Indicator Title	Number of spatially referenced MTEF budget and adjustment budgets tabled in line with prescribed timeframes
Definition	The annual tabling of the spatially referenced provincial main appropriation and adjustment appropriation
Source of data	Allocation letters issued to departments and budget database received from departments
Method of Calculation / Assessment	Simple count (number of provincial budgets tabled at GPL)
Means of verification	The appropriation bills Published budget books (i.e., EPRE and AEPRE) Proof of tabling
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	None
Calculation Type	Non-Cumulative
Reporting Cycle	Q2 (November) and q4 (March)
Desired performance	1 spatially referenced MTEF budget tabled

	1 spatially referenced adjustment budget tabled
Indicator Responsibility	Budget Management

2.3 Indicator Title	Number of Provincial Gazettes on allocations to schools and hospitals
Definition	A Provincial Government Gazette issued in terms of Section 29 of the annual Division of Revenue Act to publish the indicative allocation to be made per school and per hospital in the province in the format determined by the National Treasury
Source of data	Departmental submissions
Method of Calculation / Assessment	Simple count - number of provincial gazettes on allocations to schools and hospitals
Means of verification	Alignment to Tabled budget
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	Schools and hospitals
Spatial Transformation (where applicable)	Schools and hospitals
Calculation Type	Cumulative
Reporting Cycle	Biannual (Main and Adjusted budgets)
Desired performance	Timeous tabling of the Gazette
Indicator Responsibility	Budget Management

2.4 Indicator Title	Number of legislated provincial reports produced according to the National Treasury (NT) timeframes (i.e., Departmental IYM reports and Entities' IYM reports)
Definition	Individual quarterly IYM reports for each of the 10 Provincial Entities and the Datafile of consolidated monthly IYM reports for Provincial Departments This gives effect to the requirements in section 32 and 40(4)(b)(c) of the PFMA and Treasury Regulations 18.1.1 and 18.1.2, which requires the submission of reports on the state of budget and a statement on actual revenue and expenditure with regard to its revenue fund before the 22nd day of each month in the format determined by the National Treasury.
Source of data	Departmental and Entities' IYM submissions and BAS and/or Vulindlela reports and/ or accounting system reports of entities
Method of Calculation / Assessment	Simple count – Actual number of consolidated departmental IYM reports and individual IYM reports for entities
Means of verification	Departmental and entities' IYM reports are verified against BAS and/or Vulindlela reports and/ or accounting system reports of entities
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	Not Applicable
Spatial Transformation (where applicable)	Not Applicable
Calculation Type	Cumulative (year to date)
Reporting Cycle	Departments (Monthly); Entities (Quarterly)
Desired performance	Submission completed accurately and timeously
Indicator Responsibility	Budget Management

2.5 Indicator Title	% of assessment reports of the submitted planning documents completed and submitted to the departments before the prescribed legislated timeframe
Definition	The departments submit the infrastructure planning documents (End of the Year Evaluation Report, Infrastructure Asset Management Plan and Infrastructure Programme Management Plan) to inform the budget process. GPT conducts assessments on the submitted planning documents within the prescribed time frame (as prescribed in the DoRA and NT) and provide assessment report to the departments.
Source of data	Signed off planning documents by the HODs.
Method of Calculation / Assessment	Quantitative – [Number of assessment reports produced in line with prescribed timeframes / Number of planning documents received on time] X 100
Means of verification	Assessment reports. Emails to departments
Assumptions	On average, the GPT should receive 24 planning documents. The 24 is made up of three (3) documents for each of the eight (8) departments. The assessments will be based on timeous submissions by departments.
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	The projects to be implemented have the spatial reference to reflect the location.
Calculation Type	Cumulative
Reporting Cycle	Quarterly 1 and 2
Desired performance	Assessments completed on time
Indicator Responsibility	Infrastructure Management

2.6 Indicator Title	Cash disbursements to departments in line with appropriation
Definition	Annual cash requisitioned by departments not to exceed allocated budget
Source of data	Estimates of Provincial Expenditure and Revenue, Estimates of Capital Expenditure and National Treasury Payment Schedule
Method of Calculation / Assessment	Weekly/monthly cash requisitions deducted from the main appropriation
Means of verification	Excel spreadsheets, bank statements and BAS reports
Assumptions	Estimates of monthly departmental revenue and annual surrenders before being reconciled by Cashbook Services and audited by AG; respectively
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	None
Calculation Type	Cumulative (Year-to-Date)
Reporting Cycle	Quarterly

Desired performance	At least 25% spending per quarter
Indicator Responsibility	Financial Assets and Liabilities

2.7 Indicator Title	AG Audit outcome for the Provincial Revenue Fund
Definition	The PRF must achieve an unqualified audit opinion by the AG to ensure compliance to PFMA and to ensure reliable information that is trustworthy for users of the financial statements
Source of data	GPG Departments' annual financial statements, BAS and Bank Statements (Audit File)
Method of Calculation / Assessment	Qualitative - audit outcome expressed by the AG in the Provincial Revenue Fund management report
Means of verification	AG Report
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	None
Calculation Type	Non-Cumulative
Reporting Cycle	Annually
Desired performance	Unqualified audit opinion with no other matters
Indicator Responsibility	Financial Assets and Liabilities

2.8 Indicator Title	% Increase in provincial own revenue collection
Definition	Measures percentage increase of the appropriation against actual revenue collected
Source of data	Consolidated IYMs PRF pay over reports
Method of Calculation / Assessment	Quantitative – $[\text{Year end actual own revenue collection} - \text{appropriation}] / \text{appropriation} \times 100$
Means of verification	Consolidated IYMs PRF pay over reports BAS reports
Assumptions	Global economy is showing signs of significant decline and the South Africa's economy is now forecast to grow at 0.5 percent from initial 1.5 percent at the beginning of the year and is expected to remain subdued over the 2020 Medium Term Expenditure Framework. This potentially impact on government tax revenue collection negatively.
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	None
Calculation Type	Cumulative (Year-to-Date)
Reporting Cycle	Annually
Desired performance	6.7% - Own revenue collection above baseline estimates (i.e appropriation)
Indicator Responsibility	Economic and Fiscal Policy Oversight

2.9 Indicator Title	Number of SERO tabled in line with prescribed timeframes
Definition	An annual publication that provides an overview of economic and socio-economic developments at global, national and provincial levels. It aims to support the provincial Budgeting processes through providing a wide range of analyses that informs policy decision makers, on progress on development challenges and service delivery within the different spheres of provincial government.
Source of data	Statistics South Africa, World Bank, International Monetary Fund, IHS Markit, Quantec Research and various national, provincial and local government publications.
Method of Calculation / Assessment	Quantitative and qualitative
Means of verification	Proof of tabling
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	N/A
Reporting Cycle	Annual
Desired performance	SERO timeously published and tabled
Indicator Responsibility	EFPO

2.10 Indicator Title	Number of MTBPS tabled in line with prescribed timeframes
Definition	Tabling of Medium-Term Budget Policy Statement at legislature according to the prescribed timeframes
Source of data	GPG departments publications aimed at providing an outline of provincial performance within the prevailing policy environment with resource allocation made available to the province and how resources have been expanded towards delivering service.
Method of Calculation / Assessment	Quantitative and Qualitative
Means of verification	Proof of tabling
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	Not Applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Annually
Desired performance	MTBPS tabled timeously
Indicator Responsibility	Economic & Fiscal Policy Oversight

3.1 Indicator Title	% of Annual Financial Statements submitted by all departments
Definition	Annual Financial Statements submitted by departments
Source of data	AFS submission by departments (either physical or electronic)
Method of Calculation/ Assessment	Quantitative – [Annual Financial Statements submitted / total number of departments] x 100
Means of verification	Actual sets of financial statements from departments
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	None
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	100%
Indicator Responsibility	Accounting and Reporting

3.2 Indicator Title	% of Annual Financial Statements submitted by entities
Definition	Annual Financial Statements submitted by departments
Source of data	AFS submission by entities (either physical or electronic)
Method of Calculation/ Assessment	Quantitative – [Annual Financial Statements submitted / number of entities] x 100
Means of verification	Actual sets of financial statements from entities
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	None
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	100%
Indicator Responsibility	Accounting and Reporting

3.3 Indicator Title	Consolidated Annual Financial Statements tabled at Legislature in line with prescribed timelines
Definition	A consolidation of the Annual financial statements to be tabled at legislature.
Source of data	Consolidated Financial Statements Annual Report and audited financial statements from departments and entities
Method of Calculation / Assessment	Quantitative - Actual set of consolidated financial statements for departments and entities in GPG
Means of verification	Proof of tabling
Assumptions	Availability of all Annual financial statements from all departments and entities in GPG. Finalisation of the audits.
Disaggregation of	None

Beneficiaries (where applicable)	
Spatial Transformation (where applicable)	None
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	A consolidation of all department and entities financial statements, tabled at legislature within prescribed timelines
Indicator Responsibility	Accounting and Reporting

3.4 Indicator Title	Number of departmental 30-day suppliers' payment compliance reports produced
Definition	The indicator refers to the number of Departmental 30-day payment reports produced as a means to monitor compliance
Source of data	E-Invoicing – Process Director/ SAP system
Method of Calculation / Assessment	Simple count - 30-day payment compliance reports produced for departments on a quarterly basis
Means of verification	Signed 30 days supplier payment reports by the DDG or their delegated authority
Assumptions	All targeted departments', departmental 30-day payment compliance reports produced
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative (year-to-date)
Reporting Cycle	Quarterly
Desired performance	For departments to provide 30-day payment compliance reports
Indicator Responsibility	Financial Automation Management Systems

3.5 Output Indicator Title	% of supplier invoices submitted electronically
Definition	Invoices submitted electronically by suppliers. This is done to improve efficiencies within the public sector for invoice processing value chain towards timeous payment of suppliers
Source of data	E-Invoicing – Process Director/SAP system
Method of Calculation / Assessment	Quantitative: [total number of invoices submitted / the number of invoices submitted electronically X 100]
Means of verification	Signed reports by the DDG or their delegated authority
Assumptions	All possible registered and trained suppliers would submit invoices electronically
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	Gauteng-based suppliers
Calculation Type	Cumulative
Reporting Cycle	Quarterly

Desired performance	90% or more of suppliers submitting invoices electronically.
Indicator Responsibility	Director: Financial Automation Management Systems.

3.6 Output Indicator Title	Approved clean audit strategy
Definition	The indicator refers to the clean audit strategy that will be developed, through collaborative partnerships, to provide guiding principles on audit matters relating to financial statements, performance report and compliance with key laws and regulations, and to proactively assist in identifying and advising on audit issues before the AG's audit.
Source of data	Memo on the approval of the clean audit framework
Method of Calculation / Assessment	Simple count – one approved clean audit strategy
Means of verification	An approved clean audit strategy
Assumptions	Input into the strategy to be provided by various stakeholders (internal and external) who are key role players in the audit process
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	Actual performance desired i.e., one approved clean strategy
Indicator Responsibility	Office of the PAG

PROVINCIAL SUPPLY CHAIN MANAGEMENT

4.1 Output Indicator Title	Number of consolidated SCM compliance registers produced for departments
Definition	SCM compliance checks conducted for the 14 departments to monitor compliance with SCM prescripts, including compliance to the DTI designated list of local content threshold.
Source of data	Tender Bulletin SAP Transactional Report Management Reports (AG reports) Deviation registers Contract registers
Method of Calculation / Assessment	Simple count - actual number of consolidated SCM compliance registers produced for departments
Means of verification	1 SCM compliance consolidated monitoring register produced quarterly for 14 departments (1 excel report with tabs allocated for each department) 14 Cover letter and 14 email submission
Assumptions	Departments have implemented action plans on the compliance registers
Disaggregation of Beneficiaries (where applicable)	N/A

Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	4 Consolidated SCM compliance registers
Indicator Responsibility	Chief Director: Compliance

4.2 Output Indicator Title	Number of consolidated SCM compliance registers produced for entities
Definition	SCM compliance checks conducted for the 8 public entities to monitor compliance with SCM prescripts, including compliance to the DTI designated list of local content threshold.
Source of data	Tender Bulletin SAP Transactional Report Management Reports (AG reports) Deviation registers Contract registers Excel spread sheet templates (For entities as we do not have access to their financial systems)
Method of Calculation / Assessment	Simple count - actual number of consolidated SCM compliance registers produced for public entities
Means of verification	1 SCM compliance consolidated monitoring register produced quarterly for 8 entities (1 excel report with tabs allocated for each entity) 8 Cover letter and 8 email submissions
Assumptions	Entities have implemented action plans on the compliance registers
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	4 Consolidated SCM compliance registers
Indicator Responsibility	Chief Director: Compliance

4.3 Output Indicator Title	Number of reports produced on 30% spend on township suppliers
Definition	<p>The number of monitoring reports produced by Supplier Management and Development on township spend in support of TER, including high value contracts, against a target of 30% of Total Spend per GPG department.</p> <p>Township Economy Revitalisation (TER) is the adopted Gauteng strategy that aims to improve economic, physical and social well-being of Gauteng Township communities by strengthening local business and encouraging investment by business owners and government, also providing work and living opportunities that respond to people's needs across a spectrum of ages and interests.</p>

Source of data	• SAP, BAS, CSD, Qlikview
Method of Calculation / Assessment	Simple count: actual number of reports produced
Means of verification	Signed township spending reports by the DDG or their delegated authority
Assumptions	The validity and accuracy of the information provided on Qlikview, BAS and SAP by departments
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	Gauteng corridors - Central, North, East, West and South.
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Actual performance higher than targeted performance of 30% is desirable.
Indicator Responsibility	Supplier Management and Development (PSCM)

4.4 Output Indicator Title	Number of reports produced on subcontracted contracts
Definition	Subcontracted contracts above the value of R30m to be captured in SRM/SAP System to monitor compliance with reg 9 of the preferential Procurement Regulations 2017 by the provincial departments.
Source of data	Sub-contracts uploaded on SRM/SAP contract register
Method of Calculation / Assessment	Simple count - number of reports produced on subcontracted contracts
Means of verification	Subcontracting reports signed by the DDG or their delegated authority
Assumptions	That departments capture all sub-contracted contracts and there are no unknown contracts concluded by the departments and not uploaded on the SRM/SAP system.
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly

Desired performance	4 reports on subcontracted contracts captured on the SRM/SAP system by GPG departments
Indicator Responsibility	Contract Management Unit (PSCM)

4.5 Output Indicator Title	Number of training workshops provided to Gauteng township-based suppliers
Definition	Township suppliers that are part of a supplier development training programme inclusive of suppliers not on the database (new entrance and military veterans), identified by departments, entities, and municipalities. This is done to empower township suppliers, women, youth and PWD owned businesses to compete for mainstream business in the public, municipal and private sector space and thereby reaching the 30% TER target and to impact transformation.
Source of data	Attendance registers and training material
Method of Calculation / Assessment	Simple count (number of trainings conducted)
Means of verification	Attendance registers and training material
Assumptions	
Disaggregation of Beneficiaries (where applicable)	Training to include military veteran businesses as identified by departments and struggling corridors and designated groups.
Spatial Transformation (where applicable)	None
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired performance	4 training workshops provided to Gauteng township-based suppliers
Indicator Responsibility	Supplier Management and Development Unit (PSCM)

4.6 Output Indicator Title	Number of reports produced on monitoring implementation of Open Tender Process (OTP) by departments
Definition	Reports produced in reviewing and assessing compliance by departments when implementing the open tender process.
Source of data	Submitted report from GPG Departments
Method of Calculation / Assessment	Simple count-Number of reports produced
Means of verification	Signed reports by the DDG or their delegated authority
Assumptions	Timeous submissions by departments in providing supporting procurement documents (POE's) to monitor compliance of action

	plans may be delayed due to current staff rotational arrangements and COVID 19 sick leave
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Output
Reporting Cycle	Quarterly
Desired performance	All assessment reports for compliance to be completed and submitted
Indicator Responsibility	Provincial Supply Chain Management-Open Tender

4.7 Output Indicator Title	Number of reports produced on monitoring implementation of Open Tender (OTP) by entities
Definition	Reports produced in reviewing and assessing compliance by entities when implementing the open tender process.
Source of data	Submitted report from Entities
Method of Calculation / Assessment	Simple count-Number of reports produced
Means of verification	Signed reports by DDG or their delated authority
Assumptions	Timeous submissions by Entities in providing supporting procurement documents (POE's) to monitor compliance of action plans may be delayed due to current staff rotational arrangements and COVID 19 sick leave
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Output
Reporting Cycle	Quarterly
Desired performance	All assessment reports for compliance to be completed and submitted
Indicator Responsibility	Provincial Supply Chain Management-Open Tender

4.8 Output Indicator Title	Number of reports produced on monitoring implementation of procurement plans by departments
Definition	Reports prepared in monitoring the implementation of departmental procurement plans
Source of data	Approved departmental procurement plans
Method of Calculation / Assessment	Simple count - Actual number of reports produced
Means of verification	Approved Reports
Assumptions	Approved departmental procurement plans submitted to GPT
Disaggregation of	N/A

Beneficiaries (where applicable)	
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Bi-annually in Q2 and Q4
Desired performance	Actual number of reports produced
Indicator Responsibility	Chief Director: Compliance

4.9 Output Indicator Title	Development of preferential procurement guidelines
Definition	<p>Preferential procurement guidelines developed on the implementation of the promulgated Preferential Procurement Regulations (PPR),2022, and disseminated to GPG institutions for implementation, with the objective of ensuring uniform and compliant application, and that provincial empowerment and preferential procurement targets are achieved.</p> <p>Preferential Procurement Regulations is the enabling legislation for the implementation of Preferential Procurement envisaged in the Preferential Procurement Policy Framework Act and section 217(2) of the constitution. It entails the relevant threshold values and applicable formulas to implement preferential procurement.</p>
Source of data	Preferential Procurement Policy Framework Act (PPPFA) PPR,2022
Method of Calculation / Assessment	Simple count – preferential procurement guidelines developed
Means of verification	Preferential Procurement Guidelines approved by the delegated authority (DDG/ AO)
Assumptions	Development and implementation of preferential procurement policies by GPG institutions in a manner that is compliant with PPR,2022
Disaggregation of Beneficiaries (where applicable)	Empowerment and preferential procurement targets as stipulated in the PPPFA
Spatial Transformation (where applicable)	Gauteng
Calculation Type	Non-cumulative
Reporting Cycle	Bi-annually (q3 and q4)
Desired performance	Approved preferential procurement guidelines
Indicator Responsibility	SCM policy Norms and Standards

4.10 Output Indicator Title	% of historical irregular expenditure condoned within the provincial sphere (GPG departments and entities)
Definition	The indicator refers to the number of historical irregular expenditure condonations submitted by departments and entities to the condoning authority
Source of data	Requests/applications for historical irregular expenditure, minutes of meetings and responses to departments and entities
Method of Calculation / Assessment	Quantitative – [historical expenditure condoned/ total historical irregular expenditure amount] X100

Means of verification	Condoned letters and a dashboard consolidating all irregular expenditures condoned
Assumptions	Departments and entities to complete the irregular expenditure treatment process for submission of historical irregular expenditure condonations to the GPT condoning authority and meet criteria or requirements for condonement
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	15% of historical irregular expenditure condoned for departments and entities
Indicator Responsibility	Chief Director: Compliance

MUNICIPAL FINANCIAL MANAGEMENT

5.1 Indicator Title	Number of IGR engagements conducted with relevant stakeholders.
Definition	This indicator refers to the number of intergovernmental relations engagements the MFG Unit intends to have and participate in, with relevant stakeholders in the local government arena. It can be formal and or informal, physical or via online platforms. The purpose of these IGR engagements is to share information and encourage best practice amongst municipalities in an effort to enhance or improve compliance to the MFMA.
Source of data	Attendance registers, letters of invitation, agendas, minutes of meetings.
Method of Calculation / Assessment	Simple count - the actual number of engagements conducted.
Means of verification	Attendance registers, letters of invitation, agendas, minutes, or recordings of meetings.
Assumptions	Dependent on the availability of all the relevant stakeholders. Participants in some engagements and host of some other engagements.
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	None
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	Actual performance that is higher than targeted performance is desirable.
Indicator Responsibility	All MFG sub-programmes.

5.2 Indicator Title	Number of structured and targeted capacity building initiatives provided to municipalities in Gauteng.
Definition	This indicator refers to the number of initiatives the MFG Unit intends to roll out or provide to municipalities in Gauteng. The sessions are structured in the sense that they will have an agenda and take place though a formal virtual platform (MS Teams) with MFG leading the

	session. Targeted information and knowledge sharing regarding MFMA reforms and legislative interpretations in the local government space is intended to promote awareness and compliance to legislative prescripts and reporting frameworks.
Source of data	Agenda, presentations, and recordings from virtual seating (MS Teams)
Method of Calculation / Assessment	Simple count – actual number of sessions conducted.
Means of verification	Attendance registers, training material, training programme.
Assumptions	Dependent on budget availability.
Disaggregation of Beneficiaries (where applicable)	None.
Spatial Transformation (where applicable)	Gauteng municipalities
Calculation Type	Cumulative (Year-End)
Reporting Cycle	Quarterly (with the exception for quarter 1)
Desired performance	Actual performance that is higher than targeted performance is desirable.
Indicator Responsibility	Local Government Financial Services Chief Directorate.

5.3 Indicator Title	Number of assessments conducted on MFMA compliance by delegated municipalities in Gauteng.
Definition	This indicator refers to the number of assessments the MFG Unit intends to conduct on the level of compliance by the 8 delegated municipalities in Gauteng. The objective is to monitor the level of implementation by the delegated municipalities of the MFMA and its Regulations, identify gaps and provide support where needed.
Source of data	MFMA assessment reports Communication – emails, letters, feedback to municipalities. In-year reports submitted by municipalities.
Method of Calculation / Assessment	Simple count – actual number of assessments.
Means of verification	MFMA assessment reports. Communication – emails, letters, feedback to municipalities.
Assumptions	Access to reliable data source to effectively monitor municipalities. Municipalities implementing the recommendations of the Provincial Treasury.
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	None
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly
Desired performance	Actual performance that is higher than targeted performance is desirable.
Indicator Responsibility	Compliance and Intergovernmental Relations

5.4 Indicator Title	Number of municipal budget assessments conducted.
Definition	This indicator refers to the number of budget assessments the MFG Unit will conduct on the tabled, adopted, and adjusted budgets of the 8 delegated municipalities in Gauteng. This is to improve compliance with the MFMA and the MFMA Regulations and the number of funded

	<p>municipal budgets in Gauteng.</p> <p>The indicator is founded on The Municipal Finance Management Act which states the following:</p> <p>General functions of National Treasury and provincial treasuries</p> <p>5. (1) The National Treasury must—</p> <p>(a) fulfil its responsibilities in terms of Chapter 13 of the Constitution and this Act;</p> <p>(b) promote the object of this Act as stated in section 2—</p> <p>(i) within the framework of co-operative government set out in Chapter 3 of the Constitution; and</p> <p>(ii) when coordinating intergovernmental financial and fiscal relations in terms of the Intergovernmental Fiscal Relations Act, 1997 (Act No. 97 of 1997), the annual Division of Revenue Act and the Public Finance Management Act; and</p> <p>(c) enforce compliance with the measures established in terms of section 216 (1) of the Constitution, including those established in terms of this Act.</p> <p>(2) To the extent necessary to comply with subsection (1), the National Treasury may—</p> <p>(a) monitor the budgets of municipalities to establish whether they—</p> <p>(i) are consistent with the national government’s fiscal and macro-economic policy; and</p> <p>(ii) comply with Chapter 4;</p> <p>(b) promote good budget and fiscal management by municipalities, and for this purpose monitor the implementation of municipal budgets, including their expenditure, revenue collection and borrowing.</p>
Source of data	<p>Budget assessment reports.</p> <p>Communication – emails, letters, feedback to municipalities.</p> <p>Budget documents of the 8 Delegated Municipalities in Gauteng.</p>
Method of Calculation / Assessment	Quantitative - number of budget assessments.
Means of verification	<p>Budget assessment reports.</p> <p>Communication – emails, letters, feedback to municipalities.</p> <p>Budget documents of the 8 Delegated Municipalities in Gauteng.</p>
Assumptions	Dependent on municipalities timeously submitting the required annual budget documents to the Provincial Treasury.
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	None
Calculation Type	Cumulative (Year-End)
Reporting Cycle	Quarterly, with the exception of quarter 3
Desired performance	Actual performance that meets set target
Indicator Responsibility	Municipal Budgets

5.5 Indicator Title	Number of publications on provincial grants allocated to Gauteng municipalities.
Definition	The indicator refers to the number of publications of provincial

	<p>conditional grants allocated to municipalities, to improve planning and budgeting in municipalities in Gauteng.</p> <p>The Municipal Finance Management Act states the following: National and provincial allocations to municipalities 36. (1) In order to provide predictability and certainty about the sources and levels of intergovernmental funding for municipalities, the accounting officer of a national or provincial department and the accounting authority of a national or provincial public entity responsible for the transfer of any proposed allocations to a municipality, must by no later than 20 January of each year notify the National Treasury or the relevant provincial treasury, as may be appropriate, of all proposed allocations, and the projected amounts of those allocations, to be transferred to each municipality during each of the next three financial years.</p> <p>(2) The Minister or the MEC responsible for finance in a province must, to the extent possible, when tabling the national annual budget in the National Assembly or the provincial annual budget in the provincial legislature, make public particulars of any allocations due to each municipality in terms of that budget, including the amount to be transferred to the municipality during each of the next three financial years.</p>
Source of data	<p>Publications – in the form of government gazettes or GPG websites or newspapers.</p> <p>List of allocations and transferring frameworks obtained from transferring departments.</p>
Method of Calculation / Assessment	Simple count – actual number of publications.
Means of verification	Electronic link to where government gazettes or publications are published
Assumptions	<p>Dependent on the list of allocations, transferring frameworks and related documents being timeously received from the transferring departments.</p> <p>Dependent on the timeous printing of government gazettes and uptime of GPG websites.</p>
Disaggregation of Beneficiaries (where applicable)	None
Spatial Transformation (where applicable)	All municipalities in Gauteng although all municipalities are not recipients of the same grants
Calculation Type	Cumulative (year-end)
Reporting Cycle	Quarterly (with the exception of quarter 2)
Desired performance	Actual performance that meets set target
Indicator Responsibility	Local Government Resource Management

GAUTENG AUDIT SERVICES

6.1 Indicator Title	% of audit reports issued to departments and trading entities against the approved audit plans
Definition	This is the number of audit reports issued in terms of the approved risk based internal audit plan and ad-hoc assignments as approved by the Audit Committee.

	The purpose of the indicator is to measure the effectiveness of internal audit as a function. The Audit Committee measures the performance of the internal audit function against the plan as approved in terms of the Audit Committee Charter.
Source of data	Internal audit reports
Method of Calculation / Assessment	Quantitative – [total number of audit reports issued / total number of audits planned in the audit plans for departments & entities] x 100
Means of verification	Internal audit reports and audit committee progress reports
Assumptions	Client availability, provision of information, client cooperation and internal resources (human, financial and otherwise)
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative (year-to-date)
Reporting Cycle	Quarterly
Desired performance	95% of audit reports issued as per the approved plan
Indicator Responsibility	Gauteng Audit Services

6.2 Indicator Title	Number of AC approved audit plans issued to departments and trading entities
Definition	<p>This is the number of three-year risk-based internal audit rolling plans approved by the Audit Committee for all the GPG departments and entities. These plans are prepared on an annual basis in consultation with the relevant departments and entities for approval by the Audit Committee and cover a three-year period.</p> <p>The purpose of the indicator is to provide an independent, objective assurance and consulting services designed to add value and improve the departments' operations. Additionally, the indicator assists the departments to accomplish their objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.</p>
Source of data	Approved internal audit plans
Method of Calculation / Assessment	Simple Count - the actual number of approved audit plans issued
Means of verification	Approved internal audit plans
Assumptions	Client availability, provision of information, client cooperation and internal resources (human, financial and otherwise)
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	19 AC approved audit plans issued to departments and entities (based on 14 departments and 5 entities, which then result in 1 approved audit

	plan per department and entity)
Indicator Responsibility	Gauteng Audit Services

6.3 Indicator Title	% of internal audit recommendations tracked at departments and trading entities
Definition	The proportion of tracked/ followed-up internal audit recommendations according to the internal audit tracking reports on internal audit findings. The purpose of the indicator is to monitor the implementation of the internal audit recommendations to ensure that clients' processes and control environment improve.
Source of data	Recommendation for findings from the previous year issued in the internal audit reports. List of internal audits tracked.
Method of Calculation / Assessment	Quantitative - $[\text{Total number of audit recommendations tracked} / \text{Total number of audit recommendations by depts. and trading entities}] \times 100$
Means of verification	Internal audit tracking reports of internal audit findings
Assumptions	It is assumed that departments and entities provide credible input, thus giving accurate reporting on their implementation status of recommendations, as tracked by the GAS
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Reporting Cycle	Annually
Desired performance	100% of internal audit recommendations tracked
Indicator Responsibility	Gauteng Audit Services

6.4 Indicator Title	% of Auditor General's management letter key findings followed up through a follow-up audit
Definition	Percentage of internal audit reports on the audits of the follow up on Auditor General Management Report (as per Annexures A and B) for each client, evidenced by an AG Follow-Up Report Issued per affected Departments and Trading Entities
Source of data	AG management letter with key findings
Method of Calculation / Assessment	Quantitative – $[\text{total number of AG's findings (as per Annexures A and B followed-up audits)} / \text{total number of AG's findings (as per Annexures A and B)}] \times 100$
Means of verification	Audit reports
Assumptions	Client availability, provision of information, client cooperation and internal resources (human, financial and otherwise)
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation	N/A

(where applicable)	
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	100% of follow-up reports issued on AG significant findings to departments and trading entities followed up through follow-up audits
Indicator Responsibility	Gauteng Audit Services

6.5 Indicator Title	Number of annual internal control assessments compiled
Definition	This is number of annual internal control assessments issued to the GPG departments and entities which indicates the state of the internal control environment. The purpose of the indicator is to give assurance to the audit committee and management of GPG departments and entities on the state of the internal control environment.
Source of data	Internal audit reports
Method of Calculation / Assessment	Simple count - the actual number of annual internal control assessment issued
Means of verification	Internal control assessments
Assumptions	Dependent on the performance of audits (client availability, access to records, internal resources)
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired performance	19 annual internal control assessments conducted
Indicator Responsibility	Gauteng Audit Services

Annexures to the Annual Performance Plan

The following annexures must be included in the Annual Performance Plans of institutions where applicable:

Annexure A: Amendments to the Strategic Plan

None

Annexure B: Conditional Grants

Not applicable

Annexure C: Consolidated Indicators

Not applicable

Annexure D: District Development Model

Not applicable