



provincial treasury

Department:
Provincial Treasury
North West Provincial Government
REPUBLIC OF SOUTH AFRICA

STRATEGIC PLAN

2025/26 - 2029/30

Let's Grow North West together.

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EXECUTIVE AUTHORITY STATEMENT

This Strategic Plan for the Provincial Treasury marks a five (5) year plan which will serve as a roadmap that will outline the department's medium-term goals and objectives. The plan will highlight all the steps that will be taken to achieve the identified goals over the next five-year period. The plan serves as a guiding decision-making tool and the diligent implementation thereof will assist the department to edge seamlessly towards attaining its desired outcomes.

As part of the development of this Strategic Plan, the department embarked on a thorough process of mapping out its situation analysis which is important in understanding the environment in which we operate. The process was followed by a formulation of a strategy which is underpinned by the department's vision and mission which are both directed at positioning the North West Treasury up amongst its peers in the country. The process was finalised through the identification of specific monitoring and evaluation strategies to be implemented to guide the process of implementation and to ensure that the department does not lose sight of its goals.

At a national level, the Cabinet has approved the Medium-Term Development Plan (MTDP) for the period 2024-2029 for implementation. The MTDP outlines key priorities for the seventh (7th) administration. The North West Province, in its formulation of the Provincial priorities, to address the socio-economic challenges that our people in the province are forced to grapple with daily, has aligned to the following MTDP strategic priorities:

1. To drive inclusive growth and job creation
2. To reduce poverty and tackle the high cost of living; and
3. To build a capable, ethical and developmental state

This Strategic Plan has incorporated the Medium-Term Development Plan (MTDP) strategic priorities, the State of the Nation (SONA) pronouncements as well as the State of the Province Address (SOPA) commitments and it is the aim of the department to ensure that all efforts are geared towards contributing positively to ensure that all set targets are met.



Ms. K. Mosenogi
MEC for Finance

ACCOUNTING OFFICER STATEMENT

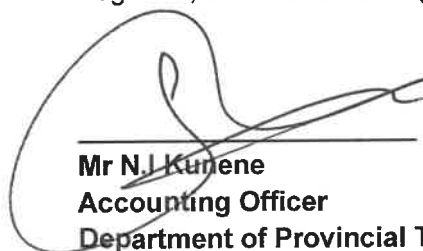
It is with great pleasure that we present this Strategic Plan which is a guiding tool for the department over the next five (5) years. The plan reflects our dedication to transparency and accountability. It outlines our identified goals, measurable outcomes, and the corresponding identified timeline for implementation. We believe that by uniting our efforts and aligning our resources, we can achieve our objectives and bring meaningful change in the province.

In order to drive the implementation of its mandate, the department, through its vision, has committed to becoming 'a leader in financial accountability of public resources in the North West Province' whilst driving a mission of 'providing oversight and support to Departments, Public Entities and Municipalities in the management of public resources for sustained development and inclusive growth.' It is the firm belief of the department that adherence to and successful attainment of both the vision and mission will propel the Provincial Treasury to become a change agent that will improve the financial management discipline in the province whilst ensuring that services are delivered to all in the province in the most efficient and effective manner.

As we embark on this pivotal journey over the next five years, we stand at a crossroads filled with both challenges and opportunities. This strategic plan serves as our roadmap, designed to align our collective vision with actionable steps that will guide our department towards ensuring that the lives of the people of the North West Province are improved through efficient and effective resource allocation. The plan is also geared towards ensuring that there is improvement in the way which public funds are utilised across all provincial departments, Public Entities and municipalities.

As we look forward to the implementation of our plan, we encourage all stakeholders to embrace this strategic plan as our living document. We will strive to attain all objectives as laid out in this plan as the targets set will assist the province to gain traction in its efforts to deliver on all the identified provincial priorities.

Together, we can build a brighter future for our province and the communities we serve.



Mr N.J. Kunene
Accounting Officer
Department of Provincial Treasury

OFFICIAL SIGN-OFF

It is hereby certified that this Strategic Plan:

- Was developed by the management of the Provincial Treasury under the guidance of the Honourable MEC K. Mosenogi
- Takes into account all the relevant policies, legislation and other mandate for which the Provincial Treasury is responsible;
- Accurately reflects the impact and outcomes which the Provincial Treasury will endeavour to achieve over the period of 2025/26-2029/30.

Mr. Gordon Letlhogile
Director: Strategic Management

Signature: 

Ms. Matshidiso Jansen
Chief Director: Corporate Services

Signature: 

Ms. Ayesha Hassim
Chief Financial Officer

Signature: 

Mr. Ndlela Kunene
Accounting Officer

Signature: 

Approved by:

Ms K. Mosenogi
MEC for Finance

Signature: 

PART A: OUR MANDATE

1. Constitutional Mandates

The Constitution of the Republic of South Africa, 1996	<p>National, provincial and municipal budgets</p> <p>Sec. 215.</p> <ul style="list-style-type: none">(1) national, provincial and municipal budgets and budgetary processes must promote transparency, accountability and effective financial management of the economy, debt and the public sector(2) national legislation must prescribe -<ul style="list-style-type: none">(a) the form of national, provincial and municipal budgets.(b) when national and provincial budgets must be tabled; and(c) budgets in each sphere of Government must show the sources of revenue and the way in which proposed expenditure will comply with national legislation.(3) budgets in each sphere of Government must contain –<ul style="list-style-type: none">(a) estimates of revenue and expenditure, differentiating between capital and current expenditure.(b) proposals for financing any anticipated deficit for the period for which they apply, and(c) an indication of intentions regarding borrowing and other forms of public liability that will increase public debt during the ensuing year. <p>Provincial intervention in Local Government</p> <p>Sec. 139.</p> <ul style="list-style-type: none">(1) When a municipality cannot or does not fulfil an executive obligation in terms of the Constitution or legislation, the relevant provincial executive may intervene by taking any appropriate steps to ensure fulfilment of that obligation, including-<ul style="list-style-type: none">(a) issuing a directive to the Municipal Council, describing the extent of the failure to fulfil its obligations and stating any steps required to meet its obligations.(b) assuming responsibility for the relevant obligation in that municipality to the extent necessary to-<ul style="list-style-type: none">(i) maintain essential national standards or meet established minimum standards for the rendering of service.(ii) prevent that Municipal Council from taking unreasonable action that is prejudicial to the interests of another municipality or to the Province as a whole; or(iii) maintain economic unity; or(c) dissolving the Municipal Council and appointing an administrator until a newly elected Municipal Council has been declared elected, if exceptional circumstances warrant such a step.
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	<p>Municipalities in Co-operative Government</p> <p>Sec. 154.</p> <p>(1) The national Government and provincial Governments, by legislative and other measures, must support and strengthen the capacity of municipalities to manage their own affairs, to exercise their powers and to perform their functions.</p> <p>(2) Draft national or provincial legislation that affects the status, institutions, powers or functions of local Government must be published for public comment before it is introduced in Parliament or a provincial legislature, in a manner that allows organized local Government, municipalities and other interested persons an opportunity to make representations with regard to the draft legislation.</p>
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2. Legislative Policy mandates

<p>Public Finance Management Act No. 1 of 1999 (as amended)</p>	<p>Sec. 18. Functions and powers,</p> <p>(1) A provincial treasury must--</p> <ul style="list-style-type: none"> (a) prepare the provincial budget. (b) exercise control over the implementation of the provincial budget; (c) promote and enforce transparency and effective management in respect of revenue, expenditure, assets and liabilities of provincial departments and provincial Public Entities; and (d) ensure that its fiscal policies do not materially and unreasonably prejudice national economic policies. <p>2) A provincial treasury--</p> <ul style="list-style-type: none"> a) must issue provincial treasury instructions not inconsistent with this Act; b) must enforce this Act and any prescribed national and provincial norms and standards, including any prescribed standards of generally recognized accounting practice and uniform classification systems, in provincial departments; c) must comply with the annual Division of Revenue Act, and monitor and assess the implementation of that Act in provincial Public Entities; d) must monitor and assess the implementation in provincial Public Entities of national and provincial norms and standards; e) may assist provincial departments and provincial Public Entities in building their capacity for efficient, effective and transparent financial management; f) may investigate any system of financial management and internal control applied by a provincial department or a provincial public entity; g) must intervene by taking appropriate steps, which may include the withholding of funds, to address a serious or persistent material breach of this Act by a provincial department or a provincial public entity; h) must promptly provide any information required by the National Treasury in terms of this Act; and i) may do anything further that is necessary to fulfil its responsibilities effectively.
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<p>Treasury Regulations, May 2005 issued in terms of PFMA Act 1 of 1999 (as amended)</p>	<p>76. Treasury regulations and instructions, <i>inter alia</i>,</p> <ol style="list-style-type: none"> 1) The National Treasury must make regulations or issue instructions applicable to departments, concerning-- <ol style="list-style-type: none"> a) any matter that must be prescribed for departments in terms of this Act; b) the recovery of losses and damages; c) the handling of, and control over, trust money and property; d) the rendering of free services; e) the writing off of losses of state money or other state assets or amounts owed to the state; f) liability for losses and damages and procedures for recovery; g) the cancellation or variation of contracts to the detriment of the state; h) the settlement of claims by or against the state; i) the waiver of claims by the state; j) the remission of money due to the Revenue Fund, refunds of revenue and payments from the Revenue Fund, as an act of grace; k) the alienation, letting or other disposal of state assets; and l) gifts or donations by or to the state. 2) The National Treasury may make regulations or issue instructions applicable to departments, concerning- <ol style="list-style-type: none"> a) any matter that may be prescribed for departments in terms of this Act; b) the charging of expenditure against particular votes; c) the establishment of and control over trading entities; d) the improvement and maintenance of immovable state assets; e) fruitless and wasteful, unauthorized and irregular expenditure; f) the determination of any scales of fees, other charges or rates relating to revenue accruing to, or expenditure from, a Revenue Fund; g) the treatment of any specific expenditure; h) vouchers or other proofs of receipts or payments, which are defective or have been lost or damaged; i) assets which accrue to the state by operation of any law; or j) any other matter that may facilitate the application of this Act. 3) Regulations in terms of subsection (1) or (2) may prescribe matters for which the prior approval of a treasury must be obtained.
<p>Municipal Finance Management Act 56 of 2003</p>	<p>Chapter 2 General functions of National Treasury and Provincial Treasuries, <i>inter alia</i>,</p> <ol style="list-style-type: none"> 3. A provincial treasury must in accordance with a prescribed framework - <ol style="list-style-type: none"> (a) fulfil its responsibilities in terms of this Act: (b) promote the object of this Act as stated in section 2 within the framework of co-operative Government set out in Chapter 3 of the Constitution: and

	<p>(c) Assist the National Treasury in enforcing compliance with the measures established in terms of section 216(1) of the Constitution, including those established in terms of this Act.</p> <p>(4) To the extent necessary to comply with subsection (3), a provincial treasury-</p> <p>(a) must monitor-</p> <p>(i) compliance with this Act by municipalities and municipal entities in the Province;</p> <p>(ii) the preparation by municipalities in the Province of their budgets;</p> <p>(iii) the monthly outcome of those budgets; and</p> <p>(iv) the submission of reports by municipalities in the Province as required in terms of this Act;</p> <p>(b) my assist municipalities in the Province in the preparation of their budgets;</p> <p>5</p> <p>(c) may exercise any powers and must perform any duties delegated to it by the National Treasury in terms of this Act; and</p> <p>(d) may take appropriate steps if a municipality or municipal entity in the Province commits a breach of this Act.</p>
Division of Revenue Act (Act 16 of 2019)	<p>30. (1) A provincial treasury must reflect allocations listed in Part A of Schedule 5 to the Province separately in the appropriation Bill of the Province.</p> <p>(2) (a) A provincial treasury must, on the same day that its budget is tabled in the provincial legislature, or a date not later than 14 days after this Act takes effect, approved by the National Treasury, publish by notice in the Gazette—</p> <p>i. the indicative allocation per municipality for every allocation to be made by the Province to municipalities from the Province's own funds and from conditional allocations to the Province;</p> <p>ii. the indicative allocation to be made per school and per hospital in the Province in a format determined by the National Treasury;</p> <p>iii. the indicative allocation to any national or provincial public entity for the implementation of a programme funded by an allocation in Part A of Schedule 5 on behalf of a Province or for assistance provided to the Province in implementing such a programme;</p> <p>iv. the envisaged division of the allocation envisaged in subparagraphs (i) and (ii), in respect of each municipality, school and hospital, for the 2020/21 financial year and the 2021/22 financial year; and</p> <p>v. the conditions and other information in respect of the allocations referred to in subparagraphs (i), (ii) and (iii) to facilitate performance measurement and the use of required inputs and outputs.</p> <p>(b) The allocations referred to in paragraph (a) must be regarded as final when the provincial appropriation Act takes effect.</p> <p>(c) If the provincial legislature amends its appropriation Bill, the provincial treasury must publish amended allocations and budgets by notice in the Gazette within 14 days after the appropriation Act takes effect, and those allocations and budget must be regarded as final.</p> <p>(d) Allocations to municipalities in terms of subsection (2)(a) must be consistent with the terms of any agreement concluded between the Province and a municipality</p>

- (3) (a) Despite subsection (2) or any other legislation, a provincial treasury may, in accordance with a framework determined by the National Treasury, amend the allocations referred to in subsection (2) or make additional allocations to municipalities that were not published in terms of subsection (2).
- (b) Any amendments to the allocations published in terms of subsection (2)(a) or (c) must be published by notice in the Gazette not later than 7 February 2020 and takes effect on the date of the publication.
- (4) A provincial treasury must, as part of its report in terms of section 40(4)(b) and (c) of the Public Finance Management Act, in the format determined by the National Treasury, report on—
- (a) actual transfers received by the Province from national departments;
- (b) actual expenditure on such allocations, excluding Schedule 4 allocations, up to the end of that month; and
- (c) actual transfers made by the Province to municipalities and Public Entities, and actual expenditure by municipalities and Public Entities on such allocations, based on the latest information available from municipalities and Public Entities at the time of reporting.
- (5) (a) A provincial treasury must—
- (i) ensure that a payment schedule is agreed between each provincial department and receiving institution envisaged in subsection (2)(a);
- (ii) ensure that transfers are made promptly to the relevant receiving officer in terms of the agreed payment schedule; and
- (iii) submit the payment schedules to the National Treasury within 14 days after this Act takes effect.
- (b) If a provincial department and receiving institution do not agree to a payment schedule in time for submission to the National Treasury, the provincial treasury must, after consultation with the transferring officer, determine the payment schedule.
- (6) If a provincial treasury fails to make a transfer in terms of subsection (5)(a), the relevant receiving officer may request the provincial treasury to immediately make the transfer or to provide written reasons within three working days as to why the transfer has not been made.
- (7) If a provincial treasury fails to make the transfer requested by the receiving officer or provide reasons in terms of subsection (6), or the receiving officer disputes the reasons provided by the provincial treasury as to why the transfer has not been made, the receiving officer may request the National Treasury to investigate the matter.
- (8) On receipt of a request in terms of subsection (7), the National Treasury must—
- (a) consult the transferring officer on the matter;
- (b) investigate the matter, assess any reasons given by the provincial treasury as to why the transfer was not made;
- (c) direct the provincial treasury to immediately effect the transfer or provide reasons to the receiving officer confirming why the provincial treasury was correct in not making the transfer; and
- (d) advise the provincial treasury and the receiving officer as to what steps must be taken to ensure the transfer.

3. Institutional Policies and Strategies over the Five year planning Period

List of current policies

- Anti-corruption strategy and policy 2024
- Risk management strategy and policy 2024 under review
- Integrity management policy 2024
- Ethics management strategy 2024
- Reporting unethical conduct, corruption and noncompliance policy 2024
- Disaster management plan development in progress (new)
- Business continuity policy development in progress (new)
- Employee health and wellness programme policy 2022
- Equipment and protective clothing policy 2024 pending DMC review.
- Bursary scheme policy pending DMC review and approval
- Security Services policy pending EEF review.
- Cost containment policy 2024.
- Corporate governance of the ICT policy 2024.
- ICT end user acceptable use policy 2024.
- IT management service policy 2024.
- ICT security policy 2024.
- Change management strategy 2024 pending EEF review.
- Change management policy 2024 pending EEF review.
- Business process management policy 2024 pending EEF review.
- Debt Management Policy 2022
- Petty cash policy 2023
- Tangible asset management policy 2023
- Asset loss control policy 2023
- SCM policy 2022
- Preferential procurement policy 2023
- Travel management policy 2023
- Asset disposal policy 2023
- Guide on Compilation of Programme/Sub-programme Quarterly Performance Reports 2015
- Revised framework for Strategic Plan and annual performance plan 2021
- Policy development guideline 2021
- Employment equity plan under review
- Job evaluation policy 2021
- SDIP policy 2021
- Change management policy 2021
- Change management strategy development in progress (New)
- Business process management policy development in progress (New)
- Change management strategy development in progress (New)
- ICT Security policy pending EEF review
- ICT End user acceptable policy pending EEF review
- Information technology service management policy pending EEF review
- Corporate governance of the ICT policy pending EEF review

4. Relevant court Rulings

Afribusiness launched an application in the High Court and sought an order reviewing and setting aside the procurement regulations in terms of the Promotion of Administrative Justice Act 3 of 2000 (PAJA) on the basis that the Minister had acted beyond the scope of his powers and that the regulations were invalid.

The procurement regulations were declared invalid as they were inconsistent with the Procurement Act and section 217 of the Constitution. The declaration of invalidity was suspended for 12 months.

Subsequent to this judgment the new regulations were gazetted by parliament giving powers to each organ of state to develop their own policy in line with Preferential Procurement Policy Framework section 2 (d) the specific goals (empowerment goals) which includes : -

- (i) Contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender or disability; and
- (ii) Implementing the programmes of the Reconstruction and Development Programme as published in Government Gazette No. 16085 dated 23 November 1994. (One of those goals include Locality)

PART B: OUR STRATEGIC FOCUS

5. Vision

A leader in financial accountability of public resources in the North West Province.

6. Mission

To provide oversight and support to Departments, Public Entities and Municipalities in the management of public resources for sustained development and inclusive growth.

7. Values

The success of any organization rests with inherent qualities of the personnel delegated with the responsibility of undertaking specific activities. The following values, which are derived from the constitution, underpin the activities of the Provincial Treasury.

- Fairness
- Equity
- Accessibility
- Transparency
- Accountability
- Participation
- Professionalism

8. Situational Analysis

South Africa continues to be faced with the triple challenges of high unemployment, inequality and poverty and the North West Province is not an exception. The ongoing Government interventions need to be intensified if we are to see significant positive results. Support and co-operation by public and private institutions can enable the country to address pressing development issues. The gross domestic product (GDP) of the country was at 0.4 per cent in the second quarter of 2024 moving from 0.0 in the first quarter of 2024. It is worth noting that growth has been below 2 per cent since the first quarter of 2022 until the second quarter of 2024. In terms labour characteristics unemployment rate increased from 32.9 per cent in the first quarter of 2024 to 33.5 per cent in the second quarter of 2024.

Population in the Province increased from 3.80 million (Census 2022) to 4.15 million (Mid-year population estimates) which is an increase of 35 thousand. The North West Provincial Government (NWPG) budget is responsible to cater for the population of about 4.15 million especially in the education and health sectors; majority of the population relies of Government services on those sectors.

8.1 External Environment Analysis

The Government of National Unity (GNU) has been established with the support of 11 political parties. A call for a National Dialogue has been made to work towards a social compact to achieve the NDP goals. The GNU Statement of Intent outlines the Foundational Principles as well as the minimum programme of priorities for the 7th Administration. The Statement of Intent also calls for the development of “an agreed policy agenda, which shall include policy priorities for the GNU” to give effect to these priorities.

Following the establishment of the Government of National Unity (GNU), the development of the Medium-Term Development Plan (MTDP) will be guided by the Statement of Intent and the proposed GNU minimum programme. The MTDP will serve as a Government-wide plan for the 7th Administration.

At thirty years, certain structural features that perpetuate poverty and inequality have not been sufficiently transformed and our economy has not grown at a rate fast enough to create jobs for all those who are unemployed.

The Provincial Government has the responsibility to ensure that the social needs of citizens are always met and plays an important role in eliminating poverty, decreasing unemployment, inequality and generally improving the standard of living. This is achieved by continuously providing and enhancing healthcare, education and other social services. To a certain extent, the government also provides free social services to individuals who are unable to afford them.

In 2023, there were 2.63 million people living in poverty, using the upper poverty line definition, across North-West Province. According to the statistical report by StatsSA, the North West Economy grew by 0.3 per cent in 2023. S&P Global forecasts the Province to grow by 0.7 per cent in 2024. More work needs to be done to stimulate growth in the Province.

The Official unemployment rate in the North West Province increased to 41.3 per cent in the second quarter of 2024 from 36.8 per cent in the same quarter in 2023. The expanded unemployment rate was at 54.2 per cent in the second quarter of 2024. The Province needs a fast growing economy to create more jobs.

In 2023, the mining sector was the largest in North West Province accounting for R 98.5 billion or 26.3 per cent of the total Gross Value Added (GVA) in the Province's economy. The sector that contributes the second most to the GVA of the North West Province is the community services sector at 25.3 per cent, followed by the finance sector with 15.9 per cent. The sector that contributes the least to the economy of North West Province was the construction sector with a contribution of R 6.09 billion or 1.62 per cent of the total GVA.

Key challenges to be addressed and interventions.

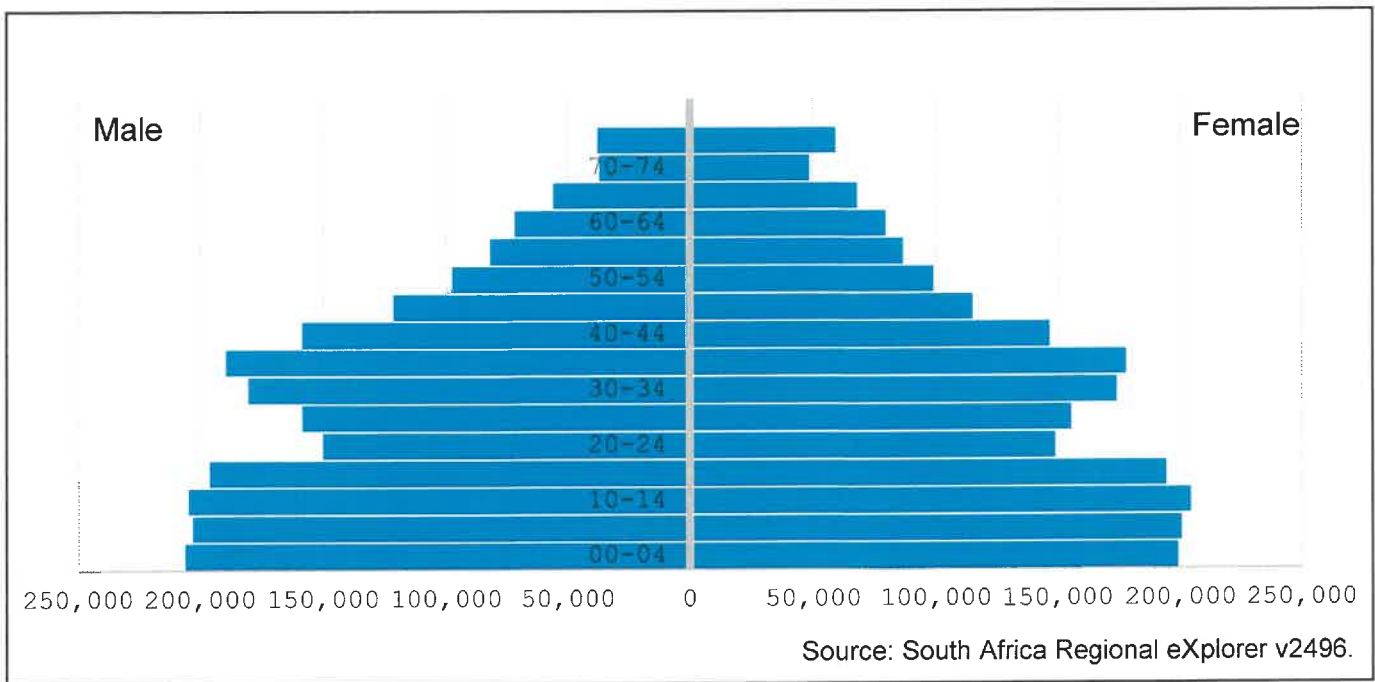
Identified challenges	Remedial Actions
Unstable & unreliable networks infrastructure and lack of backup facilities	Constant engagements with OTP Executive Management including written submissions
Misallocation of funds or overspending, leading to financial discrepancies and ineffective use of resources.	<ul style="list-style-type: none"> Implement regular budget reviews to ensure proper fund allocation and prevent overspending.
Incomplete, inaccurate or late information submitted.	<ul style="list-style-type: none"> Provide reminders to and build relationships with departments, including through other (CFO Forums) structures. Use data strings extracted directly from financial system to reduce inaccuracies.
Late submission of projections and requisitions results in cash flow management challenges.	<ul style="list-style-type: none"> Capacitating of officials in all Departments that are responsible for managing cash flow.
Poor contract management practices	<ul style="list-style-type: none"> Roll out recently launched Provincial Contract Management Framework Policy
Unstable Governance structures in Public Entities	<ul style="list-style-type: none"> Escalated the matter Via HOD (Head of Department) and Executive Authority to take collective action in the Province
Impact of support to municipalities by PT on the financial management	<ul style="list-style-type: none"> Assessments conducted to identify municipalities classified as being financially distressed. Support by Provincial executive rep (PER) to implement the Mandatory and voluntary financial recovery plan (SEC 139 of MFMA)
Inadequate capacity of Chief Financial Officers in Public Entities	<ul style="list-style-type: none"> Filling of funded vacant posts

Demographic information

The Stats SA Census 2024 mid-year release indicates that the South African total population increased to 63.02 million in 2024 from 51.7 million in 2011, this represents 22% increase between the two periods. The North West Province population increased by 900 913 between 2011 and 2024 bringing the total population of the Province to 4.1 million in 2024. The Province contributed about 7 per cent of the total population of the country which makes it the 7th most populous Province out of 9 for the same period.

In the province, males comprise of 51% of the population, slightly outnumbering females at 49%. 2024 population estimates from S&P Global (2024) indicates that Bojanala Platinum District had the largest number of population at 1.9 million followed by Ngaka Modiri Molema District at 1.0 million, and the second smallest population is Dr Kenneth Kaunda District at 841 thousand while Dr Ruth Segomotsi Mompati District had the smallest population at 542 thousand.

North West Population Pyramid, 2024



The population pyramid is showing that there is a relatively high fertility rate in the Province hence the broader base. The Province has a slightly higher number of males vs females in the cohorts of 0-4 and 5-9 indicating more males than females.

Furthermore, within the youthful population of 15-34 there is generally an equal spread between males and females within the cohort.

Based on the cohort from 50-75+, there is a clear indication that the females outlive their male counterparts which is evident from the fact that this cohort has a greater number of females than males.

North West Province's male/female split in population was 101.0 males per 100 females in 2024. The North West Province has significantly more males (51%) relative to South Africa (48.87%) and what is typically seen in a stable population.

This is usually because of physical labour intensive industries such as mining which attracts more males through inward migration as the province offers job opportunities within the mining sector. In total there were 2.04 million (49%) females and 2.11 million (51%) males. This is different from the South Africa as a whole where the female population counted 32.3 million which constitutes 51.13% of the total population of 63.2 million.

Population by population group, gender and age - North-West Province, 2024 [Number].

	African		White		Coloured		Asian	
	Female	Male	Female	Male	Female	Male	Female	Male
00-04	180,000	186,000	4,330	4,600	3,230	3,320	600	587
05-09	164,000	170,000	5,650	5,980	3,080	3,220	701	723
10-14	175,000	179,000	6,200	6,510	3,100	3,230	734	770
15-19	169,000	172,000	5,670	5,920	2,880	3,160	694	648
20-24	138,000	146,000	5,960	6,400	2,680	3,210	746	969
25-29	132,000	147,000	6,540	7,580	2,500	3,290	565	920
30-34	160,000	172,000	7,290	8,120	2,820	3,530	542	1,270
35-39	164,000	167,000	8,890	9,440	2,910	3,700	808	2,060
40-44	132,000	133,000	8,550	8,870	2,670	3,070	1,060	2,160
45-49	107,000	105,000	8,810	8,880	2,290	2,520	1,190	1,460
50-54	86,800	84,500	9,340	9,090	2,240	2,210	989	1,030
55-59	77,100	72,300	9,050	8,400	2,050	1,830	634	533
60-64	65,800	61,400	8,860	8,570	1,760	1,370	449	349
65-69	50,900	45,900	8,250	7,670	1,420	966	330	210
70-74	35,500	28,000	6,930	6,200	1,010	669	529	178
75+	39,000	22,900	13,000	9,290	1,040	570	656	272
Total	1,880,000	1,890,000	123,000	122,000	37,700	39,900	11,200	14,100

Source: S&P Global, 2025

In 2023, the North-West Province comprised of 1.22 million households. This equates to an average annual growth rate of 1.29 per cent in the number of households from 2016 to 2023. The provincial population growth is growing faster than the provincial economy. This implies decline of GDP per capita and deterioration of poverty levels across all four districts of the province. This is confirmed by the data where the average household size in 2013 decreased from approximately 3.4 individuals per household to 3.4 persons per household in 2023.

Number of households - North-West and National Total, 2013-2023 [Number percentage]

	North-West	National Total	North-West as % of national
2016	1,130,000	16,200,000	7.0%
2017	1,140,000	16,500,000	6.9%
2018	1,150,000	16,700,000	6.9%
2019	1,150,000	16,700,000	6.9%
2020	1,150,000	16,700,000	6.9%
2021	1,170,000	16,900,000	6.9%
2022	1,200,000	17,400,000	6.9%
2023	1,220,000	17,800,000	6.8%
Average Annual growth			
2016-2023	1.29%	1.66%	

Source: S&P Global, 2025

The state of the North West Provincial Government (NWPG) Institutions' performance relating to financial and non-financial management.

The present demand for services and challenges that need to be addressed are that most Municipalities and Public Entities in the Province are still experiencing unfavorable or negative audit opinions. The Provincial Treasury will continue to provide support to these Municipalities and Public Entities in reducing audit queries and ultimately achieving improved audit outcomes

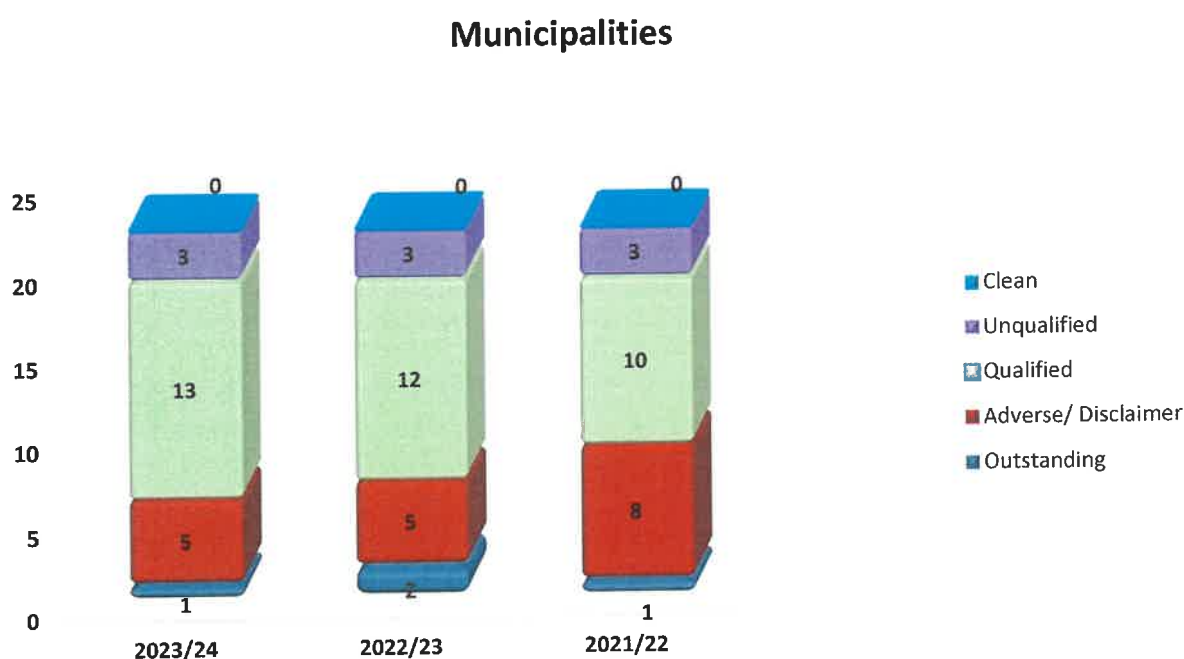
Below is a summary of the audit outcomes for municipalities, provincial departments and Public Entities for 2020/21, 2021/22 & 2022/23 financial years. Source – AGSA Report

Municipalities

The audit outcome of the municipalities in the Province demonstrates consistent improvements for the past three financial years. This is attributable to the following, amongst others:

- The Provincial Treasury support programme that focus on addressing the root causes of municipalities' continuous inability to improve internal controls and obtain better audits.
- Invocation of Section 139(5)(a) and (c) by the Provincial Executive Committee (PEC) at municipalities that were determined to be in financial crisis in the Province.

Graph 1



In the Bojanala District, two (2) municipalities improved from the previous year from qualified to unqualified (Bojanala DM) and Adverse to qualified (Madibeng LM). Moretele, Kgetlengrivier and Moses Kotane maintained their qualified audit opinions.

In the Dr Kenneth Kaunda District, Dr KK District Municipality (DM) and JB marks maintained the qualified audit opinions, while City of Matlosana regressed from Unqualified to Qualified. Maquassi Hills slightly improved from Disclaimer to Adverse with reduction of two (paragraphs).

In Dr RSM District, two (2) Municipalities maintained the qualified opinion i.e. Dr RSM DM and Greater-Taung LM. Naledi improve from Adverse to Qualified as well as Mamusa from Disclaimer to Adverse.

In Ngaka Modiri Molema District, Ramotshere Moiloa and Tswaing maintained the qualified opinions. Ditsobotla managed to submit the backlog of two (2) outstanding AFS for 2021/22 & 2022/23 FY including 2023/24 financial year.

Municipal failures that contribute to bad audit outcomes and financial crisis are rooted in several factors, the most prevalent are:

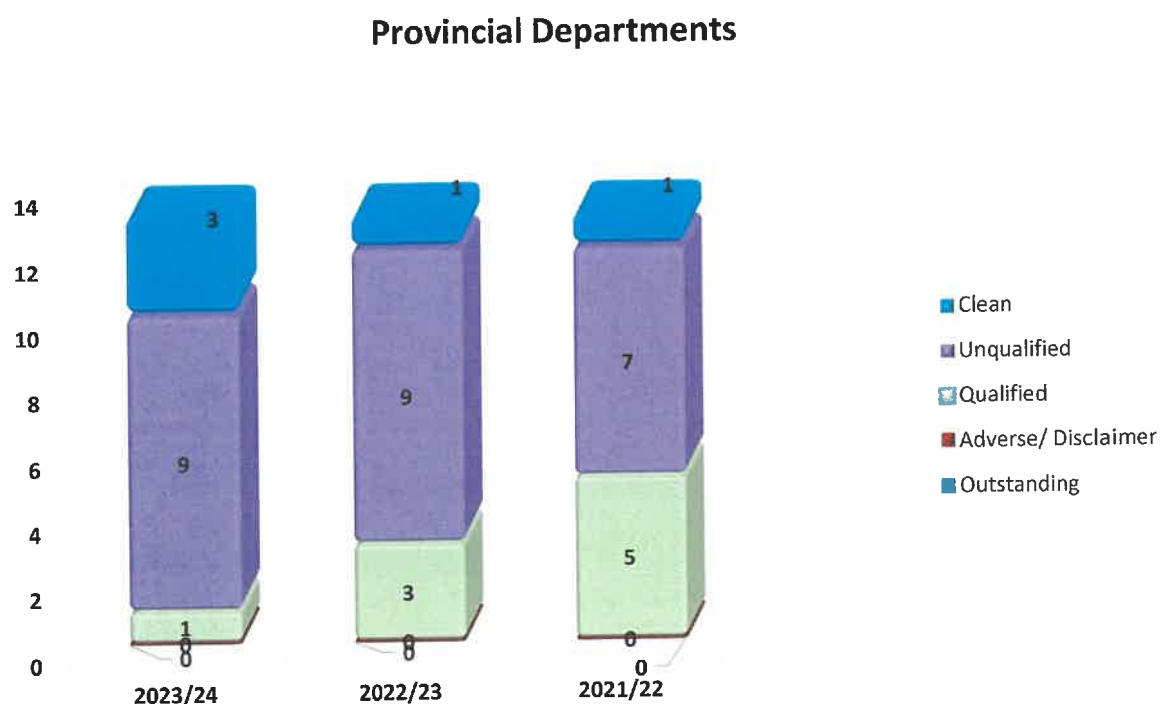
- Political and administrative instability in Municipalities
- Poor implementation of budget and financial management by the BTO (Budget and Treasury Office)
- Lack of consequence Management – municipal official getting away with gross financial misconduct
- Disregard of the law – non-compliance with MFMA
- Culture of non-payment for services
- Deficiencies in institutional arrangements
- Poor or weak institutional capacity (municipal capacity)
- Poor oversight and weak municipal governance.
- Poor inter-Governmental relations across all spheres of Government.

Provincial Departments

The material reasons for qualification in the provincial departments are as follows:

- Irregular expenditure, Material misstatements, Non-compliance with laws and regulation
- The other areas were Prepayments and Immovable properties
- Poor contract management

Graph 2



Summary of Provincial Expenditure

Historical Analysis	Summary of Provincial Expenditure					
	Main Appropriation	Adjusted Budget	Final Budget	Audited AFS Expenditure	Percentage of budget spent	Audited AFS (over)/under expenditure
	R'000	R'000	R'000	R'000	%	R'000
2014/15	29 887 842	30 131 216	32 413 773	31 839 978	98,23%	573 795
2015/16	34 224 420	34 882 645	34 982 645	34 161 582	97,65%	821 063
2016/17	36 228 772	36 589 200	36 589 201	35 972 427	98,31%	616 774
2017/18	39 081 302	39 594 294	39 594 294	38 654 375	97,63%	939 919
2018/19	41 072 114	41 902 743	41 902 743	40 869 132	97,53%	1 033 611
2019/20	44 028 547	44 696 257	44 470 636	42 864 262	96,39%	1 606 374
2020/21	46 513 494	45 117 774	45 117 774	43 951 334	97,41%	1 166 440
2021/22	46 240 425	48 788 244	48 788 244	47 260 861	96,87%	1 527 383
2022/23	49 711 663	51 721 933	51 721 933	49 954 033	96,58%	1 767 900
2023/24	50 856 491	52 716 001	52 716 001	52 204 161	99,03%	511 840
Total	417 845 070	426 140 307	428 297 244	417 732 146	97,53%	10 565 098

The total accumulated Provincial Audited expenditure over the past ten years amounts to R417.732 billion or 99.03 per cent, with cumulated underspending of R10.565 billion for the same period against the total final budget of R428.297 billion. A relative increase in underspending is noted in the last five financial years (2018/19, 2019/20, 2020/21, 2021/22 and 2022/23).

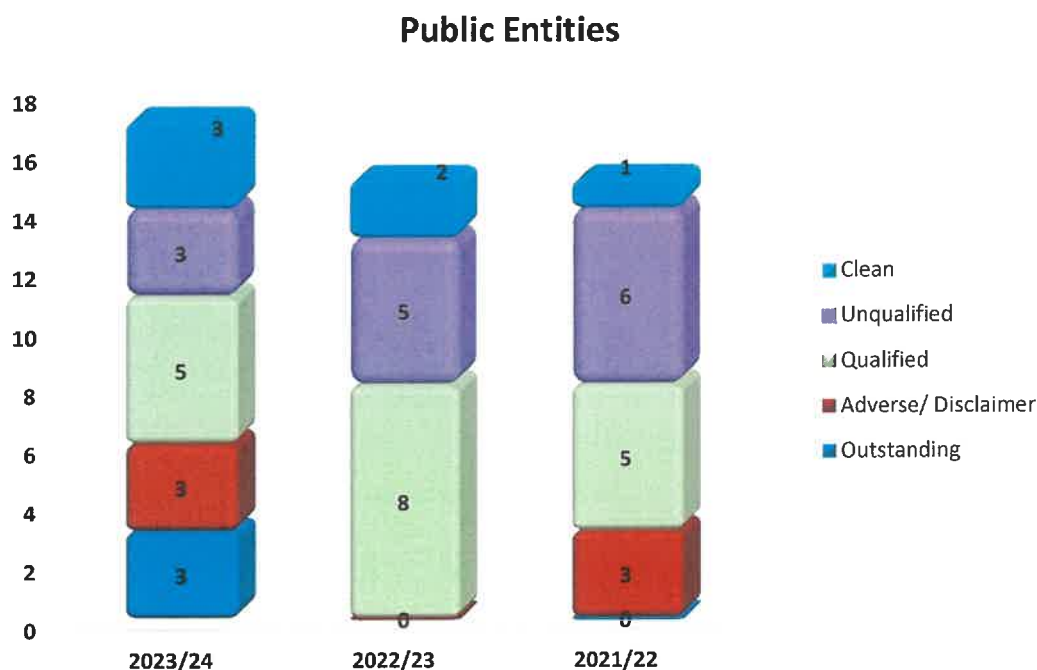
Poor spending performance denies communities the right to receive planned government services. Furthermore, the underspending of the allocated budget to the Departments delays eradication of backlogs, whilst compounding the cost of service delivery and affecting the achievement of the provincial priorities linked to service delivery and contribution to sustainable economic development.

Public Entities

The critical areas that caused negative audit outcomes are as follows:

- Capacity challenges to improve the internal control
- Lack of governance structure such as – risk, internal audit, accounting authorities
- Lack of proper accounting systems
- Irregular expenditure
- Non-compliance with laws and regulation,
- Poor contract management

Graph 3



In 2021/22 financial year, the actual revenue collected by all provincial Public Entities amounted to R1.493 billion or 83 per cent from the adjusted appropriation of R1.807 billion inclusive of R626.8 million transferred to Public Entities from provincial government. As at 31st March 2022 the total actual expenditure for Public Entities amounted to R1.415 billion or 83.4 per cent from the adjusted budget of R1.697 billion, resulting in an underspending of R281 million.

In 2022/23 financial year, the actual revenue as at 31st March 2023, total revenue collection, inclusive of transfers and own revenue amounts to R973.245 million or 95.4 per cent, from the adjusted appropriation of R1.019 billion and under collected amount of R45.897 million. Own revenue collection remains a challenge, only 88.2 per cent or R348.221 million was collected by Public Entities. The actual expenditure as at 31 March 2023 amounts to R775.391 million or 85.9 per cent of the adjusted budget of R902.950 million and under spent by R112.529 million as at 31st March 2023.

In 2023/24 financial year, the actual revenue collected by all provincial Public Entities amounted to R960.7 million or 92.1 per cent from the adjusted appropriation of R1.042 billion. As at 31st March 2024 the total actual expenditure for Public Entities amounted to R850.3 million or 92.7 per cent from the adjusted budget of R917.7 million, resulting in an underspending of R67.4 million.

Provincial 2025 MTEF Budget

The table below shows the proposed 2025 Medium Term Expenditure Framework Allocations for all departments, inclusive of the Provincial Legislature. To ensure that departments achieve their mandates and deliver services to the people of the North West Province, an amount of R170.421 billion has been allocated over the MTEF period.

Department	2024/25	2025 Medium Term Allocation		
	Adjusted Budget	2025/26	2026/27	2027/28
Office of the Premier	498 068	519 498	543 911	562 146
Provincial Legislature	535 332	522 583	539 590	557 407
Health	16 530 721	17 040 332	17 521 219	18 140 078
Arts ,Culture, Sports & Recreation	775 325	776 063	806 093	831 500
Community Safety and Transport Management	2 438 054	2 446 358	2 538 561	2 634 804
Economic Development, Environment, Conservation & Tourism	986 919	1 013 489	1 050 454	1 086 818
Provincial Treasury	573 808	695 181	617 427	636 169
Education	22 051 772	22 894 639	23 569 156	24 375 213
Cooperative Governance & Traditional Affairs	749 130	681 869	698 598	721 585
Public Works and Roads	4 064 618	4 207 490	3 569 724	3 700 787
Social Development	1 819 293	1 876 413	1 937 024	2 000 757
Agriculture and Rural Development	1 218 419	1 218 610	1 256 495	1 304 537
Human Settlements	2 044 310	1 847 870	1 703 855	1 776 891
Total Allocations	54 285 769	55 740 395	56 352 108	58 328 692

The provincial adjusted budget for the 2024/25 financial year amounts to R54.286 billion and continues to prioritize the social cluster namely Education, Health, Social Development, Arts, Culture, Sports and Recreation and Human Settlements. The total budget for 2025/26 financial year amounts to R55.740 billion and grows by 3.5 per cent or to R58.329 billion in the last year of the 2025 MTEF.

The budget allocation is mainly consumed by social cluster with 79.72 per cent or R44.435 billion of the provincial budget of which Education consumes the largest at 51.19 per cent, followed by Health at 38.56 per cent, Social Development at 4.23 per cent, Human Settlements at 4.26 per cent and the department of Arts, Culture, Sports and Recreation consuming 1.75 per cent.

The Economic cluster consumes 11.55 per cent or R6.440 billion. The cluster comprises of department of Economic Development, Environment, Conservation and Tourism, Public Works and Roads, and Agriculture and Rural Development, consuming 15.78 per cent, 64.78 per cent and 19.44 per cent respectively.

The Governance cluster consumes 7.79 per cent which equate to R4.343 billion of the total provincial budget. This cluster comprises of the department of Office of the Premier, Community Safety and Transport Management, Provincial Treasury and Cooperative Governance and Traditional Affairs, all-consuming 11.67 per cent, 57.43 per cent, 13.95 per cent and 16.95 per cent respectively.

The above allocated financial resources to the programmes and initiatives of provincial departments and entities that are designed to achieve the priorities set out in the MTDP, namely: to drive inclusive growth and job creation, reduce poverty and tackle the high cost of living and building a capable, ethical and developmental state

Furthermore, these allocations are to be prioritised by the Provincial Departments to address and fund their Strategic Plan and their Annual Performance Plans in line with their Constitutional Mandates, MTDP, SONA & SOPA.

Opportunities and Threats

Opportunities	Threats
<ul style="list-style-type: none">• Effective stakeholder relations	<ul style="list-style-type: none">• Unreliable ICT infrastructure• High staff turnover• Restrictive regulations on retention strategy• March spike (fiscal dumping)

Stakeholder Engagement

The Departmental Strategic Planning session was held on the 16th to 17th October 2024, where key stakeholders were invited and honoured the invitation. This was a way to get inputs in terms of how the Department can improve services rendered to Departments, Public Entities and Municipalities, and improve stakeholder relations.

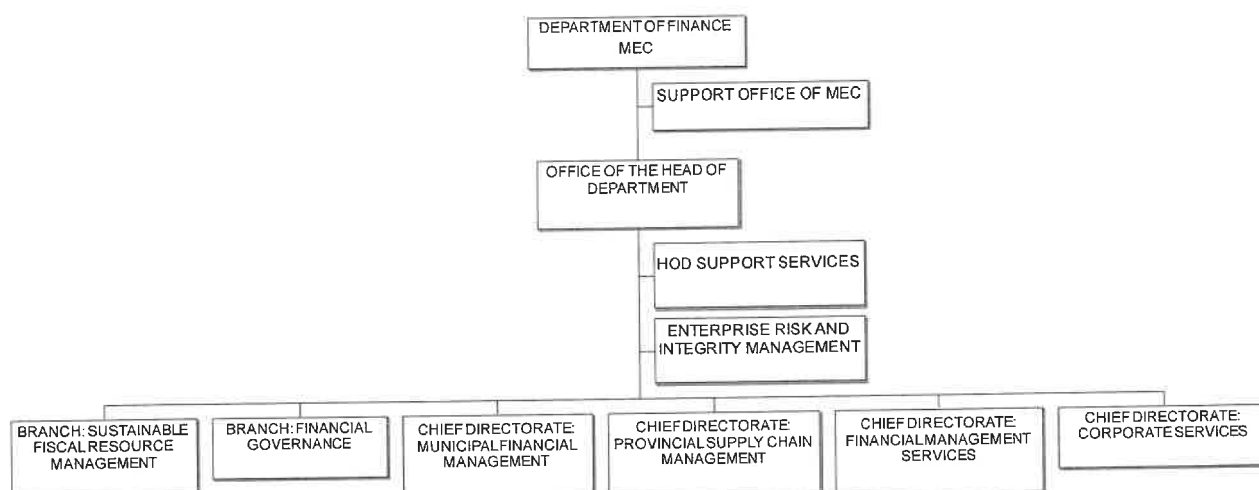
The following Stakeholders were invited to the departmental Strategic Planning session which was held on the 16th to 17th October 2024:-

- Department of Cooperative Governance and Traditional Affairs (COGTA)
- South African Local Government Association (SALGA)
- North West University (NWU)
- National Treasury (NT)
- Office of the Premier (OTP)
- Statistics South Africa (StatsSA)
- Auditor General South Africa (AGSA)

In addition to the above mentioned stakeholders, the Department has a partnership with other stakeholders which includes North West Provincial Legislature (NWPL), banking institutions, Financial and Fiscal Commission, Human Sciences Research Council (HSRC), Provincial Public Entities, South African Revenue Services (SARS), Department of Planning, Monitoring and Evaluation (DPME), Municipalities, Department of Public Works and Roads (DPWR) and other Provincial and National Departments.

8.2 Internal Environment Analysis

(a) Macro organogram



(b) Organizational environment

The Provincial Treasury operates under 4 programmes as stated in the National Treasury budget and programme structure as follows: -

- Programme 1: Administration
- Programme 2: Sustainable Resource Management
- Programme 3: Assets and Liabilities
- Programme 4: Financial Governance

The implementation of the organisational structure which was approved in June 2018 commenced with effect from the 1st August 2018. Subsequent to that, the Inter-Ministerial Task Team (IMTT) through implementation of Section 100 of the constitution in the North-West Province, recommended the strengthening of capacity within Municipalities and Provincial Supply Chain Management.

The above triggered the review of the structure for both Chief Directorate: Municipal Financial Management and Chief Directorate: Provincial Supply Chain Management (PSCM). The organisational structure approved in June 2018, made provision for only two districts whereby one district comprised of two districts (i.e. Ngaka Modiri Molema & Dr Ruth Segomotsi Mompati and Bojanala & Dr Kenneth Kaunda) at the Chief Directorate: MFM and IMTT recommended the creation of four stand-alone districts to enhance service delivery at the Municipalities.

The Chief Directorate: PSCM Structure did not cater for Supply Chain Management Information Communication Technology (ICT) systems, the functions were performed on ad-hoc basis therefore the newly created sub-directorate: Information and Communication Technology will ensure compliance with new reforms developed by National Treasury.

The afore-mentioned confirms that the changes affected only these two Chief Directorates and not the whole organisational structure. The organisational structure which incorporates the changes as recommended by IMTT was approved on the 23rd November 2019 by the MEC and the department is currently in the implementation process. The new structure makes provision for 662 Posts. The Department has the capacity to fully carry out its mandate. The current organisational structure was approved on the 13th June 2018.

RATIONALE FOR THE REVIEW OF PROVINCIAL SUPPLY CHAIN MANAGEMENT

The Provincial Supply Chain Management as the custodian of the Supply chain management in the Province propose the creation of sub directorate SCM ICT to be placed under Directorate SCM client Support. The proposed sub-directorate function is to manage successful implementation of National Treasury developed Systems, active participation in development of National Treasury SCM systems, maintain and improve existing Provincial SCM systems.

RATIONALE FOR THE REVIEW OF MUNICIPAL FINANCIAL MANAGEMENT

The creation of the four districts will improve efficiency and effectiveness in the municipalities and further strengthen capacity. The decision was taken based on the assessment and analysis with regards to performance of the municipalities informed the design of the district.

The Department is currently implementing the approved organizational structure and makes provision for 662 posts. Staff compliment is as follows:

- Filled positions: 478
- Advertised: 62
- Vacant funded: 57
- Vacant unfunded: 65

The progress on implementation of the organizational structure is being reported to Office of the Premier on a quarterly basis. The Department's approved organizational structure has a provision for Information & Communication Technology (ICT) Unit.

The responsibility of office accommodation provision or acquisition, except leases, lies with the Department of Public Works and Roads (DPWR).

(c) The status of the institution regarding compliance with the BBBEE Act

The following table has been completed in accordance with the compliance to the BBBEE requirements of the BBBEE Act of 2013 and as determined by the Department of Trade and Industry.

Has the Department / Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Response Yes / No	Discussion
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	N/A	This criteria does not apply to Provincial Treasury as our mandate is to provide leadership in the management of public resources for efficient, effective and economic service delivery through well-coordinated support to provincial departments, Public Entities and municipalities.
Developing and implementing a preferential procurement policy?	Yes	The Department has an approved Preferential Procurement Policy that is being implemented.
Determining qualification criteria for the sale of state-owned enterprises?	N/A	This criteria does not apply to Provincial Treasury as our mandate is to provide leadership in the management of public resources for efficient, effective and economic service delivery through well-coordinated support to provincial departments, Public Entities and municipalities.
Developing criteria for entering into partnerships with the private sector?	N/A	The department does not have any current partnerships with the private sector.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	N/A	This criteria does not apply to Provincial Treasury as our mandate is to provide leadership in the management of public resources for efficient, effective and economic service delivery through well-coordinated support to provincial departments, Public Entities and municipalities.

(d) The status of the institution regarding women, youth and people with disabilities

Department equity and the mainstreaming of gender, youth and disability consideration across all sector policies, programmes services and human resource practices is being integrated into performance agreements of Head of Department.

The Departmental commitment towards social and transformation issues is attended to by the specialized unit dedicating efforts to gender, youth and people with disabilities by ensuring compliance with legislative prescripts through policy development, training, awareness raising and monitoring and evaluation.

Appointment of female SMS, people with disabilities and youth remains a priority. The Department is committed to integrate specific issues of women, men, youth and people with disabilities in the development programmes.

(e) Internal challenges and remedial actions

Identified challenges	Remedial Actions
Unconducive working environment, e.g. Ablution areas, on - working air conditions and inadequate office space	DPWR to find alternative office accommodation as a matter of urgency
Unstable IT (Network) infrastructure (resulting in Walker, CSD and internet downtime)	Refurbishment of the NWPG network infrastructure
Lack of consequence management for SCM non-compliance by Departments, Public Entities and Municipalities	Implementation of consequence management

(f) Capacity in terms of audit and financial management

The North West provincial Government has adopted Provincial Internal Audit as a shared service/model which is allocated at different departments/ cluster with exception of North-West Provincial Legislature and Department of Education.

Provincial Treasury has got requisite skills within its workforce to support departments, Public Entities and municipalities.

Strengths and Weaknesses analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> Professional, skilled workforce Sound financial management Good governance structures Institutionalisation of policies and procedures. Management of risks Stable and committed leadership Approved Org Structure Effective implementation of knowledge management. Good business processes & systems Employee health and wellness programs 	<ul style="list-style-type: none"> Failure/lack to enforce oversight. Inability to delegate. Inadequate ICT systems Inadequate implementation/ Lack of retention strategy (Lack of succession planning) Lack of Transformation of systems into the 21st Century/4IR. High vacancy rate Delay in the procurement of Goods and Services. Lack of information sharing on similar mandates (silo approach)

Part C: Measuring our Performance

9. Institutional Performance Information

9.1 Measuring the impact

Impact Statement	Sound financial management in Provincial Administration for quality service delivery
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9.1.1 Measuring Outcomes

MTDP Priority	MTDP Strategic Priority 3: Build a capable, ethical and developmental state.		
Outcome	Outcome indicator	Baseline	5 Year target
Skilled, capable and ethical workforce	Disclosure of Financial Interest in line with applicable prescripts	100% compliant	100% compliance
	Number of training initiatives implemented in line with WSP	New	500
	Number of unqualified financial statements without material misstatements (Clean)	unqualified financial statements without material misstatements x4	unqualified financial statements without material misstatements x5
Improved integrated planning, budgeting and monitoring	% spent on approved Provincial budget allocations	98%	99%
	Number of Departments with approved User Immovable Asset Management Plan (U-AMPs)	New	6 departments
	Number of Public Entities assessed on Financial Viability	New	6 Public Entities
	Projected Provincial own revenue collected	R1.4 billion	R2 billion

MTDP Priority	MTDP Strategic Priority 3: Build a capable, ethical and developmental state.		
Outcome	Outcome indicator	Baseline	5 Year target
Improved financial management in Departments, Public Entities and Municipalities	Number of Departments with favourable audit outcomes	3 x Clean 9 x Unqualified 1 x Qualified	6 x Clean 7 x Unqualified 0 x Qualified
	Number of Public Entities with favourable audit outcomes	2 x Clean 4 x Unqualified 5 x Qualified 2 x Disclaimer 1 x Adverse 3 x Outstanding	4 x Clean 10 x Unqualified 3 x Qualified
	Reduction of budget deficit	9 municipalities with funded Budgets	22 Municipalities
	Number of municipalities with favourable audit outcomes	3 x Unqualified 12 x Qualified 4 x Disclaimer 2 x Adverse 1x Outstanding	6 x Unqualified 11 x Qualified 5 x Clean
	Number of municipalities with good health financial state	9	21
Fair, equitable, transparent, competitive and cost-effective Supply Chain Management System in terms of section 217 of the Constitution, 1996.	Number of Departments with reduced audit findings on supply chain management processes	5	8
	Number of Public Entities with reduced audit findings on supply chain management processes	4	4
	Number asset management capacity building interventions provided to Departments and Public Entities	4	20

9.1.2 Explanation of Planned Performance over five-year planning period

The above-mentioned outcome indicators contribute to **MTDP Strategic Priority 3: Build a capable, ethical and developmental state**. The Department has enough enablers to achieve the set five-year targets. The agreed upon outcomes will contribute to the achievement of the departmental set impact.

- Skilled, capable and ethical workforce enable the department to provide the necessary support to its clients namely Departments, Public Entities and Municipalities thus ensuring financial management in the provincial administration.
- Improved integrated planning, budgeting and implementation contributes towards alignment of the appropriation and expenditure through on-going monitoring by Provincial Treasury.
- Improved financial Management in municipalities is critical towards improving service delivery through better utilization of municipal budget.
- Fair, equitable, transparent, competitive and cost-effective Supply Chain Management System promotes competitive bidding and equal opportunities for all service providers thus curbing flawed supply chain management processes.
- Provincial Treasury supports Departments and Public Entities to achieve improved audit outcomes, the kind of support provided include trainings on financial management.

10. Updated Key Risks

Outcome	Key Risk	Risk Mitigation
Skilled, capable and ethical workforce	Unstable network	Refurbishment of the NWPG network infrastructure
	IT systems instability resulting in Walker, CSD and internet downtime	Office of the Premier to upgrade ICT infrastructure
	Unconducive working environment	<ul style="list-style-type: none"> Engage Public Works (follow-up) on the performance of a condition assessment on Garona Building. Requested Public Works to perform an infrastructure condition assessment on Garona Building and to avail additional office space to the Department.
	Inadequate human resources	Fast-tracking filling of vacant funded positions
Improved integrated planning, budgeting and monitoring	Budget database completed incorrectly	Provide information sessions to complete the budget database
	Lack of access to Public Entities financial systems for validation against budget, expenditure and revenue performance	Request downloading rights to Public Entities Financial System Extracts reports on monthly basis
	Ineffective budget planning and implementation in Public Entities.	Separate MTEF database submitted by Public Entities approved by the designated Department.
	Inaccurate information presented to Provincial Treasury by Departments	Quality assurance mechanisms in place
	Inadequate monitoring and reporting of project progress by Provincial Departments.	<ul style="list-style-type: none"> Support to Provincial Departments on compliance to revised Infrastructure Development Management System (IDMS) and Framework for Infrastructure Delivery and Procurement Management (FIDPM) requirements. Enable project managers to update progress directly on the Infrastructure Reporting Model (IRM)
	Inconsistent spending on approved budget allocation.	<ul style="list-style-type: none"> Monitoring and evaluation of Departmental budget performance towards achieving the desired outcomes. Intensifying communication on non-compliance to Departments and Public Entities

Outcome	Key Risk	Risk Mitigation
Fair, equitable, transparent, competitive and cost-effective Supply Chain Management System	Material misstatements of asset notes in financial statements	Conduct training on the preparation of asset notes in the financial statements
	Poor implementation of Contract Management by Stakeholders	Excessive deviation, variation, will be reporting to EXCO
	Non-compliance to mandatory SCM requirements by some Departments and Public Entities	<ul style="list-style-type: none"> Comprehensive SCM monitoring tool developed. Quarterly assessments and feedback on the outcome of the monitoring tool.
	Inability to conduct quality compliance assessments and reporting in order to enforce compliance with legislation in respect of the 5 procurement pillars.	<ul style="list-style-type: none"> Reminder letters to the institutions (HOD to HOD). Physical visits to the institutions (Proactive and Reactive).
Improved financial management in Departments, Public Entities and Municipalities	Lack of co-operation by some Departments and Public Entities leads to continued incurrence of Irregular expenditure	Implementation of consequence management
	Use of legacy systems with limited opportunity for configuration	Leverage the newly developed ICT strategy in the Department
	Weak governance and institutional arrangements at Municipalities	Join implementation of Municipal intervention programmes by Provincial Treasury and COGTA
	Inadequate implementation of Internal Audit & post audit action plans (PAAP)	Review the adequacy of action plans and provide advice on whether planned actions will address internal control deficiencies and prevent re-occurrence
	Ineffective systems of budget, financial management and reporting at Municipalities	Implementation financial recovery plan in line with sec 139 on the MFMA
	Non-submission of Irregular expenditure cases for condonement by Departments and Public Entities	<ul style="list-style-type: none"> Provision of clear, written templates and checklists that facilitate the process of submission for condonement. Training provided in terms of Irregular expenditure condonement requirements. Mother Departments to provide support to implement loss control capacity at Public Entities.

Outcome	Key Risk	Risk Mitigation
	Ineffective implementation of financial management standards at Public Entities	<ul style="list-style-type: none"> • Conducting regular training sessions to ensure that all relevant staff members have the necessary skills to fulfil job responsibilities. Mother Departments to provide capacity to support entities. • Regular on-site/ hands on financial management support provided to Public Entities.
	Financial statements for Tribal and Trust accounts not prepared and subjected for audit	<ul style="list-style-type: none"> • Monthly reconciliation of the Cashbooks for tribal and trust accounts. • Participation on the national task team for the development of a financial reporting framework on tribal and trust accounts.
	Ineffective implementation of financial management systems and controls at Municipalities.	<ul style="list-style-type: none"> • Regular engagements with municipalities where resolutions are adopted to improve on the financial management, budget and reporting: • CFO Forum. • Monitoring adherence to the minimum competency requirements for Senior Managers and SCM units at municipalities.
	Mandatory and voluntary interventions not being impactful	<p>Regular engagements with municipalities where resolutions are adopted to improve on the financial management, budget and reporting:</p> <ul style="list-style-type: none"> - CFO Forum - Mid-term engagements - Audit Committee Meeting - One on One engagements meetings - Muni-Mec Engagements.

11. Programme Resource Consideration

Departmental Expenditure Estimates

Summary of payments and estimates: Provincial Treasury

Table 7.3 : Summary of payments and estimates by programme: PROVINCIAL TREASURY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Programmes									
1. Administration	153,158	157,525	173,109	178,545	184,951	184,951	184,751	193,345	202,044
2. Sustainable Resource Management	139,919	127,374	171,589	136,569	180,175	180,182	250,361	157,345	157,841
3. Asset and Liabilities Management	42,580	48,585	42,784	62,292	48,537	48,672	64,328	64,333	66,231
4. Financial Governance	155,692	149,206	160,469	196,402	160,145	160,145	195,741	202,404	210,053
Total	491,349	482,690	547,951	573,808	573,808	573,950	695,181	617,427	636,169

Table 7.4 : Summary of provincial payments and estimates by economic classification: PROVINCIAL TREASURY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Current payments	449,900	459,182	499,901	565,699	565,017	565,017	686,205	608,056	626,387
Compensation of employees	317,748	313,363	317,898	387,425	341,523	341,523	406,124	426,229	441,453
Goods and services	132,152	145,819	182,003	178,274	223,494	223,494	280,081	181,827	184,934
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	2,803	2,844	1,869	838	1,677	1,677	1,277	1,317	1,375
Provinces and municipalities	-	-	-	-	50	50	50	50	52
Departmental agencies and accounts	-	-	9	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	30	-	-	-	-	-	-	-	-
Households	2,773	2,844	1,860	838	1,627	1,627	1,227	1,267	1,323
Payments for capital assets	7,353	9,182	16,206	7,271	7,114	7,249	7,699	8,054	8,407
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	7,353	9,182	16,206	7,271	7,114	7,249	7,699	8,054	8,407
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	31,293	11,482	29,975	-	-	7	-	-	-
Total economic classification	491,349	482,690	547,951	573,808	573,808	573,950	695,181	617,427	636,169

Departmental spending over the past financial years was R491.3 million in 2021/22, R482.7 million in 2022/23 and R548 million in 2023/24 financial year. The Departmental baseline increased by R25.9 million in 2024/25. There is an increase of R62.4 million throughout the MTEF period. Inclusive in the baseline is the departmental bursary to officials, learnership programme, legal fees, fleet services, security services, external audit fees, a once-off provision for the Provincial Development Fund, property payments and training and development.

Also included are funds for Municipal Financial Management Support Programme and Municipal Interventions, PFMA Interventions, advertising, traveling and subsistence for outreach programmes to speed up registration process of suppliers on the CSD system, training and development for the 2025/26 Estimates of Provincial Revenue and Expenditure provincial officials, Property valuation for Public Entities, Provincial Telephone Account, audit committee fees, and building leases.

Programme Resource Consideration

Programme 1 - Administration

Table 7.5 : Summary of payments and estimates by sub-programme: Programme 1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
1. Office Of The Mec	8,292	10,936	11,411	11,547	16,651	16,651	13,068	13,624	14,237
2. Management Services	20,796	9,382	11,298	12,481	12,670	12,670	12,323	12,890	13,469
3. Corporate Services	77,446	80,776	92,592	90,664	95,172	95,172	95,547	99,944	104,442
4. Financial Management (Office of the	46,624	56,431	57,808	63,853	60,458	60,458	63,813	66,887	69,896
Total payments and estimates	153,158	157,525	173,109	178,545	184,951	184,951	184,751	193,345	202,044

Table 7.6 : Summary of payments and estimates by economic classification: Programme 1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Current payments	137,393	154,584	163,280	175,032	180,613	180,613	180,736	189,157	197,669
Compensation of employees	109,974	104,183	109,619	120,997	114,658	114,658	126,554	132,376	138,333
Goods and services	27,419	50,401	53,661	54,035	65,955	65,955	54,182	56,781	59,336
Interest and rent on land	—	—	—	—	—	—	—	—	—
Transfers and subsidies to:	608	622	701	334	939	939	645	661	691
Provinces and municipalities	—	—	—	—	50	50	50	50	52
Departmental agencies and accounts	—	—	9	—	—	—	—	—	—
Higher education institutions	—	—	—	—	—	—	—	—	—
Foreign governments and international organisations	—	—	—	—	—	—	—	—	—
Public corporations and private enterprises	—	—	—	—	—	—	—	—	—
Non-profit institutions	30	—	—	—	—	—	—	—	—
Households	578	622	692	334	889	889	595	611	639
Payments for capital assets	2,937	2,319	9,128	3,179	3,399	3,399	3,370	3,527	3,684
Buildings and other fixed structures	—	—	—	—	—	—	—	—	—
Machinery and equipment	2,937	2,319	9,128	3,179	3,399	3,399	3,370	3,527	3,684
Heritage Assets	—	—	—	—	—	—	—	—	—
Specialised military assets	—	—	—	—	—	—	—	—	—
Biological assets	—	—	—	—	—	—	—	—	—
Land and sub-soil assets	—	—	—	—	—	—	—	—	—
Software and other intangible assets	—	—	—	—	—	—	—	—	—
Payments for financial assets	12,220	—	—	—	—	—	—	—	—
Total economic classification	153,158	157,525	173,109	178,545	184,951	184,951	184,751	193,345	202,044

Programme Resource Consideration

Programme 2 – Sustainable Resource Management

Table 7.8 : Summary of payments and estimates by sub-programme: Programme 2: Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
1. Programme Support	44	–	–	3,175	1,516	1,516	3,321	3,473	3,629
2. Economic Analysis	6,106	6,294	6,107	8,642	8,642	8,642	109,410	9,840	10,281
3. Fiscal Policy	8,057	8,710	8,118	9,008	9,698	9,698	10,042	10,457	10,929
4. Budget Management	21,816	22,544	24,548	26,035	27,693	27,693	27,928	29,179	30,492
5. Public Finance	17,762	16,625	15,330	26,934	18,044	18,044	27,477	28,774	29,069
6. Municipal Finance	86,134	73,201	117,486	62,775	114,582	114,589	72,183	75,622	73,441
Total payments and estimates	139,919	127,374	171,589	136,569	180,175	180,182	250,361	157,345	157,841

Table 7.9 : Summary of payments and estimates by economic classification: Programme 2: Sustainable Resource Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Current payments	138,307	124,091	154,331	134,890	178,262	178,262	248,553	155,458	155,873
Compensation of employees	74,296	78,613	75,402	97,664	84,913	84,913	103,146	107,845	111,199
Goods and services	64,011	45,478	78,929	37,226	93,349	93,349	145,407	47,613	44,674
Interest and rent on land	–	–	–	–	–	–	–	–	–
Transfers and subsidies to:	296	1,202	809	–	234	234	50	50	52
Provinces and municipalities	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Higher education institutions	–	–	–	–	–	–	–	–	–
Foreign governments and international organisations	–	–	–	–	–	–	–	–	–
Public corporations and private enterprises	–	–	–	–	–	–	–	–	–
Non-profit institutions	–	–	–	–	–	–	–	–	–
Households	296	1,202	809	–	234	234	50	50	52
Payments for capital assets	1,316	2,081	1,558	1,679	1,679	1,679	1,758	1,837	1,916
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	1,316	2,081	1,558	1,679	1,679	1,679	1,758	1,837	1,916
Heritage Assets	–	–	–	–	–	–	–	–	–
Specialised military assets	–	–	–	–	–	–	–	–	–
Biological assets	–	–	–	–	–	–	–	–	–
Land and sub-soil assets	–	–	–	–	–	–	–	–	–
Software and other intangible assets	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	14,891	–	–	7	–	–	–
Total economic classification	139,919	127,374	171,589	136,569	180,175	180,182	250,361	157,345	157,841

Programme resource considerations

Programme 3 – Asset and Liabilities Management

Table 7.1 : Summary of payments and estimates by sub-programme: Programme 3: Asset and Liabilities Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
1. Programme Support	7,392	13,811	10,291	18,915	12,979	12,979	16,955	17,872	18,677
2. Asset Management	9,658	10,034	11,641	14,427	12,471	12,606	18,091	15,786	16,498
3. Support and Interlinked Financial System	25,530	24,740	20,852	28,950	23,087	23,087	29,282	30,675	31,056
Total payments and estimates	42,580	48,585	42,784	62,292	48,537	48,672	64,328	64,333	66,231

Table 7.12 : Summary of payments and estimates by economic classification: Programme 3: Asset and Liabilities Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Current payments	41,230	45,838	42,158	61,502	47,404	47,404	63,454	63,419	65,276
Compensation of employees	36,137	33,637	29,711	44,927	34,144	34,144	43,433	45,592	46,645
Goods and services	5,093	12,201	12,447	16,575	13,260	13,260	20,021	17,827	18,631
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	147	281	105	231	231	231	242	253	264
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	147	281	105	231	231	231	242	253	264
Payments for capital assets	1,203	2,466	521	559	902	1,037	632	661	691
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1,203	2,466	521	559	902	1,037	632	661	691
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	42,580	48,585	42,784	62,292	48,537	48,672	64,328	64,333	66,231

Programme Resource Considerations

Programme 4 – Financial Governance

Table 7.14 : Summary of payments and estimates by sub-programme: Programme 4: Financial Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
1. Programme Support	23,420	17,334	23,101	9,493	10,228	10,228	10,319	10,770	11,194
2. Accounting Services	52,038	49,066	52,120	77,851	55,448	55,448	67,333	66,824	68,432
3. Norms and Standards	7,873	8,963	10,786	11,436	12,286	12,286	15,454	15,500	16,199
4. Risk Management	4,314	4,828	4,194	6,229	3,889	3,889	6,619	6,923	7,235
5. Provincial Internal Audit	68,047	69,015	70,268	91,393	78,294	78,294	96,016	102,387	106,993
Total payments and estimates	155,692	149,206	160,469	196,402	160,145	160,145	195,741	202,404	210,053

Table 7.15 : Summary of payments and estimates by economic classification: Programme 4: Financial Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Current payments	132,970	134,669	140,132	194,275	158,738	158,738	193,462	200,022	207,569
Compensation of employees	97,341	96,930	103,166	123,837	107,808	107,808	132,991	140,416	145,276
Goods and services	35,629	37,739	36,966	70,438	50,930	50,930	60,471	59,606	62,293
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	1,752	739	254	273	273	273	340	353	368
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1,752	739	254	273	273	273	340	353	368
Payments for capital assets	1,897	2,316	4,999	1,854	1,134	1,134	1,939	2,029	2,116
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1,897	2,316	4,999	1,854	1,134	1,134	1,939	2,029	2,116
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	19,073	11,482	15,084	-	-	-	-	-	-
Total economic classification	155,692	149,206	160,469	196,402	160,145	160,145	195,741	202,404	210,053

12. Public Entities

None

13. Infrastructure Projects

None

14. Public Private Partnerships

None

PART D: Technical Indicator Description (TID)

1. Indicator title	Disclosure of Financial Interest in line with applicable prescripts
Definition	100% of financial disclosure forms submitted and verified across designated groups as required by applicable prescripts.
Source of data	<ul style="list-style-type: none"> DPSA eDisclosure system generates status reports per designated group Internally generated verification reports per designated group
Method of calculation/Assessment	Quantitative: (Number of designated groups officials who submitted financial disclosure /divided by total number of designated groups officials) multiplied by 100
Assumptions	<ul style="list-style-type: none"> eDisclosure system shall be available to submit and verify disclosures of financial interest at required intervals Departmental ICT environment shall be adequate to accommodate the eDisclosure system. Verification of disclosure of financial interest of SMS will be carried out by DPSA for the duration of the Strategic Plan.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting cycle	Annual
Desired performance	<ul style="list-style-type: none"> 100% submission and verification of disclosures of financial interest per designated group. Conflict of interest identified and adequately managed.
Indicator responsibility	Ethics Champion/DD: Risk & Integrity Management

2. Indicator title	Number of training initiatives implemented in line with WSP
Definition	Identified training initiatives are in line the Work Skills Plan (WSP). WSP is a document containing training or development needs / interventions that will be implemented in the following year.
Source of data	Training needs identification forms for officials
Method of calculation/Assessment	Simple count
Assumptions	Officials will be trained in line with WSP
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting cycle	Annual
Desired performance	To close the performance gaps and develop staff
Indicator responsibility	Chief Director: Corporate Services

3. Indicator title	Number of unqualified financial statements without material misstatements (Clean)
Definition	The financial statements that are unqualified and free from material misstatements.
Source of data	AGSA management report and audit report
Method of calculation/Assessment	Simple count
Assumptions	Department has skilled, capable and ethical workforce that can achieve clean audit
Disaggregation of Beneficiaries (where applicable)	Not Applicable
Spatial Transformation (where applicable)	Not Applicable
Reporting cycle	Annual
Desired performance	Fair presentation of AFS without material statements
Indicator responsibility	Chief Financial Officer

4. Indicator title	% spent on approved Provincial budget allocations.
Definition	To assess in-year expenditure trends and financial performance of departments, Provincial Legislature and Public Entities to ensure that a proactive approach is taken in addressing the anticipated over or under performance.
Source of data	Data from Financial Systems
Method of calculation/Assessment	Quantitative
Assumptions	Department will spend allocated budget accordingly
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting cycle	Annual
Desired performance	Improved budget performance by provincial institutions

5. Indicator title	Number of Departments with approved User Immovable Asset Management Plan (U-AMPs)
Definition	This indicator tracks the number of Departments that have developed, submitted, and received approval for their U-AMP. The U-AMP is a strategic document developed by Departments or agencies which outlines how immovable assets (e.g. buildings, infrastructure, and land) will be managed. It includes the assets' current condition, planned maintenance, disposal, acquisition strategies, detailed resource requirements, timeliness and milestones for executing the asset management plan, budget and alignment with Departmental objectives.
Source of data	Infrastructure Reporting Model (IRM), BAS/Vulindlela, MTEC Database, EPRE (Table B5)
Method of calculation/Assessment	Simple Count
Assumptions	The assumption is that all Departments that manage immovable assets are required to submit the U-AMP and that there is clear, and standardized criteria for approval.
Disaggregation of Beneficiaries (where applicable)	Not Applicable
Spatial Transformation (where applicable)	Not Applicable
Reporting cycle	Annually
Desired performance	Approved U-AMPs
Indicator responsibility	Chief Director: Budget and Public Finance Management

6. Indicator title	Number of Public Entities assessed on Financial Viability.
Definition	An assessment conducted on Public Entities to ascertain financial affairs of identified Public Entities in order for meet their financial obligations.
Source of data	Annual Financial Statements
Method of calculation/Assessment	Simple Count
Assumptions	Public Entities will meet their financial obligations.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting cycle	Annual
Desired performance	Public Entities to meet their financial obligations.
Indicator responsibility	Chief Director: Budget and Public Finance Management

7. Indicator title	Projected Provincial own revenue collected
Definition	The purpose of the indicator is to augment the provincial equitable share
Source of data	Vulindlela system
Method of calculation/Assessment	Simple count
Assumptions	Departmental own revenue source is reliable
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting cycle	Annual
Desired performance	Maximisation of Provincial own revenue sources
Indicator responsibility	Chief Director Economic Analysis and Fiscal Policy

8. Indicator Title	Number of Departments with favourable audit outcomes
Definition	Improvement of audit outcomes
Source of data	AGSA Audit Report
Method of calculation/Assessment	Simple Count
Assumption	Interventions will have positive impact on audits of departments
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting cycle	Annual
Desired performance	No Material disclosure errors, compliance with Laws and Regulations, No material findings on Performance information
Indicator responsibility	Chief Director – Accounting Services

9. Indicator Title	Number of Public Entities with favourable audit outcomes
Definition	Improvement of audit outcomes
Source of data	AGSA Audit Report
Method of calculation/ Assessment	Simple Count
Assumption	Interventions will have positive impact on audits of Public Entities
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting cycle	Annual
Desired performance	No Material disclosure errors, compliance with Laws and Regulations, No material findings on Performance information
Indicator responsibility	Chief Director – Accounting Services

10. Indicator title	Reduction of budget deficit
Definition	Provide technical support and regular engagement with municipalities to implement the municipal budget regulations for adoption of funded budgets
Source of data	Local Government Budget Database
Method of calculation/Assessment	Simple count
Assumptions	Sound Financial management, effective governance and institutional capacity.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	22 municipalities
Reporting cycle	Annual
Desired performance	Compliance with Municipal Budget Reporting Regulations
Indicator responsibility	Chief Director Municipal Finance

11. Indicator title	Number of municipalities with favourable audit outcomes
Definition	Improvement of audit outcomes in municipalities
Source of data	Municipal audit management reports (AGSA)
Method of calculation/Assessment	Simple Count
Assumptions	Buy - in and full Corporation and by municipal officials. Adequate capacity as well as political and administrative stability at municipalities
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	All Municipalities
Reporting cycle	Annual
Desired performance	Improved reporting and financial management at municipalities. Improved Compliance with MFMA by municipalities
Indicator responsibility	Chief Director Municipal Finance

12. Indicator title	Number of municipalities with good health financial state
Definition	Provide support to Municipalities to implement the Financial Recovery Plan (FRP) to address the crisis in their financial affairs to enable them to meet their financial obligations and commitment
Source of data	Municipal Audit report, Go muni Portal. Section 71 Reports
Method of calculation/Assessment	Simple count
Assumptions	Conducive municipal environment which will enable the implementation of the FRP. Administrative and political stability at the municipality. Resourced provincial interventions with a multidisciplinary intervention team.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	All Districts
Reporting cycle	Annual
Desired performance	Improved financial management in municipalities
Indicator responsibility	Chief Director Municipal Finance

13. Indicator Title	Number of Departments with reduced audit findings on supply chain management processes
Definition	To address / reduce audit findings which were raised by AGSA in previous financial year on supply chain management
Source of data	AGSA Audit Report
Method of calculation/ Assessment	Simple count
Assumption	Compliance by departments on supply chain management matters
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting cycle	Annual
Desired performance	Increased number of Departments receiving unqualified audit opinion on supply chain management
Indicator responsibility	Chief Director

14. Indicator Title	Number of Public Entities with reduced audit findings on supply chain management processes
Definition	To address / reduce audit findings which were raised by AGSA in previous financial year on supply chain management
Source of data	AGSA Audit Report
Method of calculation/ Assessment	Simple count
Assumption	Compliance by Public Entities on supply chain management matters
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting cycle	Annual
Desired performance	Increased number of Public Entities receiving unqualified audit opinion on supply chain management
Indicator responsibility	Chief Director

15. Indicator Title	Number asset management capacity building interventions provided to Departments and Public Entities
Definition	Capacity building is meant to develop asset managers on asset life cycle management, improve technical ability on accounting and reporting for physical assets. Training is provided in areas such as Grap standards, MCS standards Inventory and Asset Management Frameworks and other areas for effective asset management in Provincial Departments and Public Entities.
Source of data	Workshops/Training/Forums/Meetings conducted to develop asset management capacity in Departments and Entities.
Method of calculation/ Assessment	Simple count
Assumption	Trainings will improve compliance to asset management prescripts.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting cycle	Quarterly
Desired performance	Improve audit outcomes on asset management
Indicator responsibility	Programme Manager

ANNEXURES TO THE STRATEGIC PLAN

ANNEXURE A: NSDF AND THE DISTRICT DELIVERY MODEL

Five Year Planning Period									
Area of intervention in the NSDF and DDM	Project Name	Project Description	Budget Allocation	District Municipality	Specific Location	Project Leader	Social Partners	Longitude (East/ West/+X)	Latitude (North/ South/-Y)
Mandatory Intervention on the following pillars: 1) Governance 2) Financial management 3) Institutional 4) Service Delivery	Municipal Financial Recovery	Implementation of the municipal financial recovery plans	R10 million over MTEF period	Bojanala Dr Kenneth Kaunda Dr Segomotsi Mompoti Ngaka Molema	Tswaing LM	Chief Municipal Finance Management	South African Local Government Association (SALGA), Cooperative Governance and Traditional Affairs (COGTA) National Treasury (NT)	N/A	N/A
					Ditsobotla LM				
					Ramotshere Moiloa LM				
					Madibeng LM				
					Kgetlengrivier LM				
					Naledi LM				
					Dr. Ruth Segomotsi Mompoti DM				
					Lekwa Teemane LM				
					Matlosana LM				
					Mamusa LM				



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WE BELONG



WE CARE



WE SERVE