



provincial treasury

Department:
Provincial Treasury
North West Provincial Government
Republic of South Africa

VOTE 7

3rd

QUARTERLY PERFORMANCE REPORT 2025-2026

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DATE:

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1. INTRODUCTION AND BACKGROUND

Provincial Treasury responds to the following MTDP Priority:

MTDP Strategic Priority 3: Build a capable, ethical and developmental state

2. SITUATIONAL ANALYSIS / HIGHLIGHTS ON OTHER ACHIEVEMENTS

PROGRAMME 1: ADMINISTRATION

1.2. SUB-PROGRAMME: RISK MANAGEMENT

During the Quarter under review the sub-programme managed to execute the following:

- Conducted 4 risk awareness sessions for both SMS and Non-SMS Members

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

2.1. SUB-PROGRAMME: BUDGET MANAGEMENT, PUBLIC FINANCE MANAGEMENT AND INFRASTRUCTURE COORDINATION

During the Quarter under review the sub-programme managed to execute the following:

- The Chief Directorate managed to facilitate the Provincial Medium Term Expenditure Committee with National Treasury and NWPG Provincial Departments on the 27th - 31st October 2025.
- The Adjusted Estimates of Provincial Expenditure and Appropriation Bill was tabled successfully on 28th November 2025 at the Provincial Legislature.
- Project Site Visits were facilitated with National Treasury from 29 September 2025 to 03 October 2025.

2.2. SUB-PROGRAMME: ECONOMIC ANALYSIS AND FISCAL POLICY

During the Quarter under review the sub-programme managed to execute the following:

- The sub-programme collected R1.053 billion, representing 75.85% of the approved revenue budget. This performance is slightly above the 75% target for the period under review.

2.3. SUB-PROGRAMME: MUNICIPAL FINANCIAL MANAGEMENT

During the Quarter under review the sub-programme managed to execute the following:

- The Department convened the Chief Audit Executive (CAE), Supply Chain Management (SCM), and CFO Forums and provided training for Municipal Managers (MMCs).

PROGRAMME 3: ASSETS AND LIABILITY MANAGEMENT

3.1. SUB-PROGRAMME: ASSET MANAGEMENT AND PROVINCIAL SUPPLY CHAIN MANAGEMENT

During the Quarter under review the sub-programme managed to execute the following:

- With support from the Provincial Systems and Training Directorate, the asset verification tool was successfully rolled out to additional departments and public entities.
- The Directorate facilitated a workshop on the draft Provincial Inventory Management Policy to provide departments with an opportunity to engage with and input into the draft policy.
- Concerted efforts continue to be made to facilitate and enhance the transfer of immovable assets from user departments to the custodian to improve accuracy and completeness of the provincial asset register.

PROGRAMME 4: FINANCIAL GOVERNANCE

4.1. SUB-PROGRAMME: ACCOUNTANT GENERAL, PROVINCIAL ACCOUNTING SERVICES, FINANCIAL SYSTEMS AND PROVINCIAL RISK MANAGEMENT

During the quarter under review the sub-programme managed to execute the following:

- The Provincial Risk Management Unit convened the 3rd Quarter Provincial Risk Management Forum with Provincial Departments and Public Entities to discuss and address risk management–related challenges across the province.
- Training for Chief Risk Officers and Risk Practitioners from Provincial Departments and Public Entities was arranged under the theme Operational Risk Management, facilitated by the Institute of Risk Management. The training aimed to strengthen practical capability and deepen understanding of operational risk management within the public sector environment.
- Conducted technical workshops, including the ASB Workshop on GRAP Standards on 28 October 2025 and the MCS Update Workshop held on 20–21 November 2025.
- Post Audit Action Plans for departments and Public Entities have been uploaded onto the SharePoint system to enable ongoing monitoring.
- Quarter 2 Interim Financial Statements were submitted by departments on 31 October 2025, reviewed by the team, and the review reports were communicated to the respective departments.

4.2. SUB-PROGRAMME: PROVINCIAL INTERNAL AUDIT

During the quarter under review the sub-programme managed to execute the following:

- Internal Audit performed the Quarter 3 audits as per the annual audit plans.

3. KEY CHALLENGES AND RESPONSES (per sub programme)

PROGRAMME 1: ADMINISTRATION

1.3. SUB-PROGRAMME: CORPORATE SERVICES

Information Management challenges:

- Inadequate human resources

Response to challenges:

- Filling of vacant positions will be expedited

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

2.1. SUB-PROGRAMME: BUDGET MANAGEMENT, PUBLIC FINANCE MANAGEMENT AND INFRASTRUCTURE COORDINATION

Challenges:

- N/A.

Response to challenges:

- N/A

2.2. SUB-PROGRAMME: ECONOMIC ANALYSIS AND FISCAL POLICY

Challenges:

- Four departments underperformed in revenue collection during the period under review. The Department of Arts, Culture, Sports and Recreation (ACSR) achieved 25.28% of its target, the Department of Community Safety and Transport Management (COSATMA) 71.53%, the Department of Public Works and Roads (DPWR) 63%, and the Department of Agriculture and Rural Development (DARD) 48.68%.

Response to challenges:

- The Department of Arts, Culture, Sports and Recreation (ACSR) is yet to record revenue from the Mahika Mahikeng event and expects over-collection in the next reporting period.
- The Department of Community Safety and Transport Management (COSATMA) plans an additional auction before year-end to address under-collection.
- The Department of Public Works and Roads (DPWR) is expected to improve revenue performance following a budget adjustment,
- Revenue for the Department of Agriculture and Rural Development (DARD) is seasonal and anticipated to increase during the student academic registration period. Provincial Treasury will continue to monitor and support these departments to ensure revenue targets are met.

2.3. SUB-PROGRAMME: MUNICIPAL FINANCIAL MANAGEMENT

Challenges:

- Inadequate human resources

Response to challenges:

- Filling of vacant positions will be expedited

PROGRAMME 3: ASSETS AND LIABILITIES

3.1. SUB-PROGRAMME: ASSET MANAGEMENT AND PROVINCIAL SUPPLY CHAIN MANAGEMENT

Asset Management Challenges:

- Monitoring and assessing progress on the implementation of post-audit action plans for public entities is becoming difficult due to inadequate capacity within the entities and the tendency to address action items only at the financial year-end.

Response to challenges:

- The issue will be addressed through the CFO Forum, facilitated by the Office of the Provincial Accountant General, to strengthen oversight and ensure timely implementation of post-audit action plans.

Provincial Supply Management Challenges:

- Departments and Public Entities not submitting required SCM information timeously.

Response to challenges:

- Escalation letter to Accounting Officers and Accounting Authorities.

PROGRAMME 4: FINANCIAL GOVERNANCE

4.1. SUB-PROGRAMME: ACCOUNTANT GENERAL, PROVINCIAL ACCOUNTING SERVICES, FINANCIAL SYSTEMS AND PROVINCIAL RISK MANAGEMENT

Challenges:

- Inadequate human resources

Response to challenges:

- Filling of vacant positions will be expedited

4.2. SUB-PROGRAMME: PROVINCIAL INTERNAL AUDIT

Challenges:

- Inadequate human resources

Response to challenges:

- Filling of vacant positions will be expedited

Actual Performance against 2025-2026 3rd Quarter Targets

4. ACTUAL PERFORMANCE AGAINST 2025-2026 3rd QUARTERLY TARGETS

PROGRAMME 1: ADMINISTRATION QUARTERLY TARGETS

Sub-Programme 1.1: Office of the MEC

No	Output Indicators	Annual target 2025-2026	Validated 2 nd Quarter actual outputs	3 rd Quarter planned targets	3 rd Quarter actual outputs	Reasons underperformance or overachievement	Measures to address under achievements
1	Departmental Annual Report finalized	1	1	N/A	N/A	N/A	N/A

Actual Performance against 2025-2026 3rd Quarter Targets

Sub-Programme 1.2: Risk Management

No	Output Indicators	Annual target 2025-2026	Validated 2 nd Quarter actual outputs	3 rd Quarter planned targets	3 rd Quarter actual outputs	Reasons for underperformance or overachievement	Measures to address under achievements
1	% submission of disclosures of financial interest for SMS	100%	N/A	N/A	N/A	N/A	N/A
2	% of compliance to Financial Disclosure on designated groups	100%	99%	N/A	N/A	N/A	N/A
3	Number of Strategic Risk Assessment Performed	1	N/A	N/A	N/A	N/A	N/A

Actual Performance against 2025-2026 3rd Quarter Targets

Sub-Programme1.3: Corporate Services

No	Output Indicators	Annual target 2025-2026	Validated 2 nd Quarter actual outputs	3 rd Quarter planned targets	3 rd Quarter actual outputs	Reasons for underperformance or overachievement	Measures to address under achievements
1	Number of training initiatives implemented in line with WSP	100	N/A	N/A	N/A	N/A	N/A
2	Number of interns intake	60	N/A	60	100	Over-achievement was driven by Units increasing their intern intake requirements, as well as additional Units that had not previously hosted interns now requesting to accommodate interns.	N/A
3	Departmental Annual Performance Plan developed	1	N/A	N/A	N/A	N/A	N/A
4	Communication Strategy reviewed	1	0	N/A	1	The shortfall experienced in the previous Quarter regarding the development of the Departmental Communication Strategy has been addressed,	N/A

Actual Performance against 2025-2026 3rd Quarter Targets

Sub-Programme 1.4: Financial Management (CFO)

No	Output Indicators	Annual target 2025-2026	Validated 2 nd Quarter actual outputs	3 rd Quarter planned targets	3 rd Quarter actual outputs	Reasons for underperformance or overachievement	Measures to address under achievements
1	Number of unqualified financial statements without material misstatements (Clean)	1	1	N/A	N/A	N/A	N/A
2	% of valid invoices paid within 30 days	100%	100%	100%	100%	N/A	N/A
3	Implemented procurement on women, youth and persons with disabilities owned enterprises	4	1	1	1	N/A	N/A

Actual Performance against 2025-2026 3rd Quarter Targets

PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT QUARTERLY TARGETS

Sub-Programme 2.1: Budget Management, Public Finance Management and Infrastructure Coordination

No	Output Indicators	Annual target 2025-2026	Validated 2 nd Quarter actual outputs	3 rd Quarter planned targets	3 rd Quarter actual outputs	Reasons for underperformance or overachievement	Measures to address under achievements
1	Estimates of Provincial Revenue and Expenditure (EPRE)	1	N/A	N/A	N/A	N/A	N/A
2	Number of quarterly financial assessment performed on Provincial spending	4	1	1	1	N/A	N/A
3	Number of Departments with Approved User Immovable Asset Management Plan (U-AMPs)	2	N/A	N/A	N/A	N/A	N/A
4	Number of Public Entities assessed on Financial Viability	2	1	N/A	N/A	N/A	N/A

Actual Performance against 2025-2026 3rd Quarter Targets

Sub-Programme 2.2: Economic Analysis and Fiscal Policy

No	Output Indicators	Annual target 2025-2026	Validated 2 nd Quarter actual outputs	3 rd Quarter planned targets	3 rd Quarter actual outputs	Reasons for underperformance or overachievement	Measures to address under achievements
1	Projected Provincial own revenue collected	R1.4 billion	N/A	N/A	N/A	N/A	N/A
2	Provincial revenue enhancement strategy reviewed	1	N/A	N/A	N/A	N/A	N/A
3	Provincial Economic Review and Outlook (PERO)	1	1	N/A	N/A	N/A	N/A
4	Socio-Economic Review and Outlook (SERO) for the Province	1	N/A	N/A	N/A	N/A	N/A

Actual Performance against 2025-2026 3rd Quarter Targets

Sub-Programme 2.3: Municipal Financial Management

No	Output Indicators	Annual target 2025-2026	Validated 2 nd Quarter actual outputs	3 rd Quarter planned targets	3 rd Quarter actual outputs	Reasons for underperformance or overachievement	Measures to address under achievements
1	Number of budget assessments conducted on adopted Municipal budgets	20	20	N/A	N/A	N/A	N/A
2	Number of Municipal capacity building interventions conducted	4	2	1	1	N/A	N/A
3	Number of municipalities with clean audit outcomes	N/A	N/A	N/A	N/A	N/A	N/A
4	Provincial consolidated report on technical support provided to municipalities in-line with Section 154 of the Constitution	3	1	1	1	N/A	N/A
5	Number of legislated reports in line with section 147 of the MFMA	3	1	1	1	N/A	N/A

Actual Performance against 2025-2026 3rd Quarter Targets

PROGRAMME 3: ASSET AND LIABILITIES QUARTERLY TARGETS

Sub-Programme 3.1: Asset Management and Provincial Supply Chain Management

No	Output Indicators	Annual target 2025-2026	Validated 2 nd Quarter actual outputs	3 rd Quarter planned targets	3 rd Quarter actual outputs	Reasons for underperformance or overachievement	Measures to address under achievements
1	Number of supply chain management (SCM) capacity building interventions provided to Departments and Public Entities	4	1	1	1	N/A	N/A
2	Number of Departments and Public Entities supported to improve audit outcomes on SCM	8 (6D;2 PE)	N/A	8 (6D;2 PE)	11 (9D;2 PE)	Based on audit reports, the number of institutions increased by three (3) due to certain cross-cutting SCM compliance issues that were identified. The manager and other unallocated seniors had to augment the available functional capacity to supplement additional capacity needed.	N/A

Actual Performance against 2025-2026 3rd Quarter Targets

No	Output Indicators	Annual target 2025-2026	Validated 2 nd Quarter actual outputs	3 rd Quarter planned targets	3 rd Quarter actual outputs	Reasons for underperformance or overachievement	Measures to address under achievements
3	Number of assessments done on non-compliance by Departments and Public Entities on SCM regulations	3	1	1	1	N/A	N/A
4	Outreach programme rolled-out	3	1	1	1	N/A	N/A
5	Number of asset management capacity building interventions provided to Departments and Public Entities	4	N/A	3	2	The variance is due to the identification of a risk in the management of the white fleet across Provincial Departments, arising from the absence of training following decentralisation.	A process to procure a professional service provider to deliver white fleet management training has been initiated. A business case is being developed for consideration and approval by Accounting Officers, and the capacity-building intervention is scheduled for implementation in the fourth Quarter.

Actual Performance against 2025-2026 3rd Quarter Targets

PROGRAMME 4: FINANCIAL GOVERNANCE QUARTERLY TARGETS

Sub-Programme 4.1: Programme Support – Accountant General, Provincial Accounting Services, Financial Systems and Provincial Risk Management

No	Output Indicators	Annual target 2025-2026	Validated 2 nd Quarter actual outputs	3 rd Quarter planned targets	3 rd Quarter actual outputs	Reasons for underperformance or overachievement	Measures to address under achievements
1	Number of capacity Building Interventions for Departments and Public Entities	9	3	2	2	N/A	N/A
2	Assessments on the implementation of AGSA findings on the preceding financial year on Departments and public entities	3	N/A	1	1	N/A	N/A
3	Number of Payment Files interfaced between the core Financial Systems	220	63	55	57	The overachievement is due to improved system efficiency and stable system availability during the third quarter, with no load-shedding or system disruptions, which enabled seamless interfacing between the core financial systems.	N/A

Actual Performance against 2025-2026 3rd Quarter Targets

No	Output Indicators	Annual target 2025-2026	Validated 2 nd Quarter actual outputs	3 rd Quarter planned targets	3 rd Quarter actual outputs	Reasons for underperformance or overachievement	Measures to address under achievements
4	Number of key control assessments performed on Departments and Public Entities	8 (7D;1 PE)	N/A	8 (7D;1 PE)	8	N/A	N/A
5	Number of Departments and Public Entities achieving improved risk management maturity level	10 (7D; 3PE)	N/A	N/A	N/A	N/A	N/A

Actual Performance against 2025-2026 3rd Quarter Targets

Sub-Programme 4.2: Provincial Internal Audit

No	Output Indicators	Annual target 2025-2026	Validated 2 nd Quarter actual outputs	3 rd Quarter planned targets	3 rd Quarter actual outputs	Reasons for underperformance or overachievement	Measures to address under achievements
1	Number of Departmental post audit action plans implementation assessed.	11	N/A	N/A	N/A	N/A	N/A
2	Number of Departmental risk management strategies assessed	11	N/A	11	11	N/A	N/A
3	Number of departmental supply chain management systems assessed	11	N/A	N/A	N/A	N/A	N/A