



## **provincial treasury**

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

### VOTE 7

4<sup>th</sup>

## **QUARTERLY PERFORMANCE REPORT 2025-2026**



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**MR. N. I. KUNENE**

**ACCOUNTING OFFICER**

DATE: 

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## Actual Performance against 2025-2026 4<sup>th</sup> Quarter Targets

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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:

- Finalized the review of the Enterprise Risk and Integrity Management Policies.
- Finalized the review of departmental risk registers, i.e., strategic, operational, fraud & ethics, and ICT.
- Finalized the analysis and reporting of the 3<sup>rd</sup> Quarter Computer-Assisted Audit Techniques (CAATs) reports.
- Finalized the analysis and reporting of the Public Service Commission (PSC) verification report on SMS financial disclosures.
- Globalized the Integrity Management Policies.

#### **1.3. SUB-PROGRAMME: CORPORATE SERVICES**

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

- Developed departmental communication policy
- Implementation of communication strategy
- Convened 2026 Departmental Strategic Planning session

#### **1.4. SUB-PROGRAMME : FINANCIAL MANAGEMENT (CFO)**

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

- Prepared and submitted the 3<sup>rd</sup> Quarter Interim Financial Statements.

### **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:

- Successful tabling of the Provincial main budget for 2026/27 Financial year and Appropriation Bill on the 12 March 2026 by the MEC for Finance at the Provincial Legislature.

## **Actual Performance against 2025-2026 4<sup>th</sup> Quarter Targets**

### **2.2. SUB-PROGRAMME: ECONOMIC ANALYSIS AND FISCAL POLICY**

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

- Convened quarterly Provincial Revenue Forum, Cash Flow Management Workshop and participated in the National Revenue Workgroup.

### **2.3. SUB-PROGRAMME: MUNICIPAL FINANCIAL MANAGEMENT**

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

- Held the Chief Audit Executive (CAE) Forum engagement.
- Conducted the 2025/26 Mid-Term Budget and Performance Assessment engagements.

## **PROGRAMME 3: ASSETS AND LIABILITY MANAGEMENT**

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

#### **Asset Management**

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

- Supported several provincial departments with asset verification.
- Conducted compliance assessments focusing on clearing 3<sup>rd</sup> Quarter IFS review asset findings.

#### **Provincial Supply Chain Management**

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

- Successfully convened an SCM Forum with departments and public entities, with CFOs invited to provide inputs on four legislative documents drafted by PSCM that required final comments before approval and implementation.
- Procured a mobile office to enhance the efficiency and effectiveness of outreach programmes conducted by Stakeholder Management.

## **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:

- Continued monitoring and implementation of Post-Audit Action Plans for Departments and Public Entities.
- All Departments submitted their Q3 Interim Financial Statements on 31 January 2026; the Department has completed the reviews, and the review reports have been communicated to the respective Departments.

## Actual Performance against 2025-2026 4<sup>th</sup> Quarter Targets

### 4.2. SUB-PROGRAMME: PROVINCIAL INTERNAL AUDIT

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

- Conducted audits in line with the approved Annual Internal Audit Plan.
- Executed several audits for bids exceeding R10 million, including an NTI special assignment.
- Successfully convened and held all Quarter 3 Audit Committee (AC) meetings.

### 3. KEY CHALLENGES AND RESPONSES (per sub programme)

#### PROGRAMME 1: ADMINISTRATION

##### 1.3. SUB-PROGRAMME: CORPORATE SERVICES

**Information Management challenges:**

- Staff shortage in Communication section

**Response to challenges:**

- Three contract workers have been appointed for a period of six months to support the implementation of planned activities.

#### PROGRAMME 2: SUSTAINABLE RESOURCE MANAGEMENT

##### 2.3. SUB-PROGRAMME: MUNICIPAL FINANCIAL MANAGEMENT

**challenges:**

- Staff Turnover

**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:**

- Providing support and conducting effective compliance assessments in Public Entities remains a challenge due to inadequate capacity within many of these entities.

**Response to challenges:**

- Planning sessions will be convened with respective Public Entities in the new financial year to provide support in the development of Asset Management Operational Plans and to ensure the alignment and incorporation of the Department's compliance assessment and support initiatives within their plans.

**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:**

- No network connectivity.
- Inadequate Human Resources.

**Response to challenges:**

- Continuous follow up with the Office of The Premier.
- Filling of vacant positions will be expedited

**Actual Performance against 2025-2026 4<sup>th</sup> Quarter Targets**

**4. ACTUAL PERFORMANCE AGAINST 2025-2026 4<sup>th</sup> QUARTERLY TARGETS**

**PROGRAMME 1: ADMINISTRATION QUARTERLY TARGETS**

**Sub-Programme 1.1: Office of the MEC**

No	Output Indicators	Annual target 2025-2026	Validated 3 <sup>rd</sup> Quarter actual outputs	4 <sup>th</sup> Quarter planned targets	4 <sup>th</sup> Quarter actual outputs	Reasons for underperformance or overachievement	Measures to address under achievements
1	Departmental Annual Report finalized	1	N/A	N/A	N/A	N/A	N/A

Actual Performance against 2025-2026 4<sup>th</sup> Quarter Targets

Sub-Programme 1.2: Risk Management

No	Output Indicators	Annual target 2025-2026	Validated 3 <sup>rd</sup> Quarter actual outputs	4 <sup>th</sup> Quarter planned targets	4 <sup>th</sup> 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%	N/A	N/A	100%	The eDisclosure system was reopened to accommodate officials who were unable to submit their disclosures during the initial disclosure period. This enabled the affected employee to complete and submit the required financial disclosure, resulting in the Department achieving 100% of the planned target for Quarter 2.	N/A
3	Number of Strategic Risk Assessment Performed	1	N/A	1	1	N/A	N/A

Actual Performance against 2025-2026 4<sup>th</sup> Quarter Targets

Sub-Programme1.3: Corporate Services

No	Output Indicators	Annual target 2025-2026	Validated 3 <sup>rd</sup> Quarter actual outputs	4 <sup>th</sup> Quarter planned targets	4 <sup>th</sup> 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	100	104	The overachievement is due to the successful coordination and implementation of mandatory training programmes in line with the DPSA directive, as provided for in the Workplace Skills Plan (WSP).	N/A
2	Number of interns intake	60	100	N/A	N/A	N/A	N/A
3	Departmental Annual Performance Plan developed	1	N/A	1	1	N/A	N/A
4	Communication Strategy reviewed	1	1	N/A	N/A	N/A	N/A

**Actual Performance against 2025-2026 4<sup>th</sup> Quarter Targets**

**Sub-Programme 1.4: Financial Management (CFO)**

No	Output Indicators	Annual target 2025-2026	Validated 3 <sup>rd</sup> Quarter actual outputs	4 <sup>th</sup> Quarter planned targets	4 <sup>th</sup> Quarter actual outputs	Reasons for underperformance or overachievement	Measures to address under achievements
1	Number of unqualified financial statements without material misstatements (Clean)	1	N/A	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 4<sup>th</sup> 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 3 <sup>rd</sup> Quarter actual outputs	4 <sup>th</sup> Quarter planned targets	4 <sup>th</sup> Quarter actual outputs	Reasons for underperformance or overachievement	Measures to address under achievements
1	Estimates of Provincial Revenue and Expenditure (EPRE)	1	N/A	1	1	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	2	2	N/A	N/A

**Actual Performance against 2025-2026 4<sup>th</sup> Quarter Targets**

No	Output Indicators	Annual target 2025-2026	Validated 3 <sup>rd</sup> Quarter actual outputs	4 <sup>th</sup> Quarter planned targets	4 <sup>th</sup> Quarter actual outputs	Reasons for underperformance or overachievement	Measures to address under achievements
4	Number of Public Entities assessed on Financial Viability	2	N/A	1	0	<p>The processes to appoint the Service Provider to assess the 2<sup>nd</sup> Public Entity were dependent on the concluded pilot exercise, The terms of Reference which was completed in July 2026.</p> <p>The 2<sup>nd</sup> phase was dependent on the final report of the 1<sup>st</sup> pilot phase and preparations for appointment of the Panel of Service Providers was advertised and closed during the 4<sup>th</sup> quarter.</p>	<p>With the lessons learned on the 1<sup>st</sup> phase of the pilot phase, The Department concluded that instead of appointing one Service provider, a panel of Service Providers will be appointed which is underway which is envisaged to be concluded during 1<sup>st</sup> quarter of the new financial year.</p>

## Actual Performance against 2025-2026 4<sup>th</sup> Quarter Targets

### Sub-Programme 2.2: Economic Analysis and Fiscal Policy

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

**Actual Performance against 2025-2026 4<sup>th</sup> Quarter Targets**

**Sub-Programme 2.3: Municipal Financial Management**

No	Output Indicators	Annual target 2025-2026	Validated 3 <sup>rd</sup> Quarter actual outputs	4 <sup>th</sup> Quarter planned targets	4 <sup>th</sup> Quarter actual outputs	Reasons for underperformance or overachievement	Measures to address under achievements
1	Number of budget assessments conducted on adopted Municipal budgets	20	N/A	N/A	N/A	N/A	N/A
2	Number of Municipal capacity building interventions conducted	4	1	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 4<sup>th</sup> 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 3 <sup>rd</sup> Quarter actual outputs	4 <sup>th</sup> Quarter planned targets	4 <sup>th</sup> 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)	11 (9D;2PE)	N/A	N/A	N/A	N/A
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

**Actual Performance against 2025-2026 4<sup>th</sup> Quarter Targets**

No	Output Indicators	Annual target 2025-2026	Validated 3 <sup>rd</sup> Quarter actual outputs	4 <sup>th</sup> Quarter planned targets	4 <sup>th</sup> Quarter actual outputs	Reasons for underperformance or overachievement	Measures to address under achievements
5	Number of asset management capacity building interventions provided to Departments and Public Entities	4	2	1	2	The overachievement in the 4th quarter is due to one (1) annual performance target not being achieved in the 3rd quarter, which was subsequently completed in the 4th quarter.	N/A

**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 3 <sup>rd</sup> Quarter actual outputs	4 <sup>th</sup> Quarter planned targets	4 <sup>th</sup> 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	2	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	1	2	2	N/A	N/A

**Actual Performance against 2025-2026 4<sup>th</sup> Quarter Targets**

No	Output Indicators	Annual target 2025-2026	Validated 3 <sup>rd</sup> Quarter actual outputs	4 <sup>th</sup> Quarter planned targets	4 <sup>th</sup> Quarter actual outputs	Reasons for underperformance or overachievement	Measures to address under achievements
3	Number of Payment Files interfaced between the core Financial Systems	220	57	55	61	The overachievement is due to the full availability of the system mainframe during the quarter, supported by stable system performance and uninterrupted operations, which enabled the consistent processing and interfacing of payment files between core financial systems.	N/A
4	Number of key control assessments performed on Departments and Public Entities	8 (7D;1 PE)	8 (7D;1PE)	N/A	N/A	N/A	N/A
5	Number of Departments and Public Entities achieving improved risk management maturity level	10 (7D; 3PE)	N/A	10 (7D;3PE)1	12 (8D, 4PE)	The overachievement is driven by improved performance by Departments and Entities, as well as the review and refinement of the maturity model.	N/A

**Actual Performance against 2025-2026 4<sup>th</sup> Quarter Targets**

**Sub-Programme 4.2: Provincial Internal Audit**

No	Output Indicators	Annual target 2025-2026	Validated 3 <sup>rd</sup> Quarter actual outputs	4 <sup>th</sup> Quarter planned targets	4 <sup>th</sup> 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	11	11	N/A	N/A
2	Number of Departmental risk management strategies assessed	11	11	N/A	N/A	N/A	N/A
3	Number of departmental supply chain management systems assessed	11	N/A	11	11	N/A	N/A