



**Western Cape  
Government**

Provincial Treasury

**Enabling  
Service  
Delivery**

**Integrated  
Management**

**Enhanced  
Governance**

**Creating  
Public Value**

**Value for  
Money**

**Accountability and  
Oversight**

**Partnerships**

**CITIZEN'S REPORT 2016/2017**

# Who are we?

The Provincial Treasury is responsible for supporting and guiding the Western Cape Provincial Departments by bringing together or integrating service delivery. The service delivery strengthened by good control (governance), will lead to improvements for every citizen in the Western Cape.

## Vision

*Good governance through financial accountability*

## Mission

*To improve governance through:*

- *enhancing accountability and oversight;*
- *creating public value;*
- *enabling delivery of quality services through partnerships; and*
- *capacity building in public sector.*

## Who is in charge?



Our Minister is **Dr Ivan Meyer**. He is an elected politician, responsible for directing the Department's activities in line with the National and Provincial Government policies

The Head of the Department is **Mr Zakariya Hoosain** who is a public servant appointed to ensure that the Department implements the Ministerial and Governmental directives effectively and efficiently.



# What do we do?

The Provincial Treasury does not deliver services to the public directly, but rather through its clients. We assist our clients (the Western Cape provincial departments and municipalities) to deliver services to our citizens.

This Department's focus is to build on joint planning, coordination and delivery between provincial departments, municipalities, national government and other key interested parties.

### Our strategic goals in action:

1

Efficient and effective departmental governance support services to enable the Department to achieve all its goals and objectives and a clean audit outcome.

2

Effective, efficient and sustainable management of provincial and municipal fiscal resources to enable service delivery and public value through:

- the annual tabling of the provincial budget;
- assistance to municipalities in preparation of municipal budgets through the annual municipal budget assessments; and
- monitoring and quarterly reporting on the budget implementation.

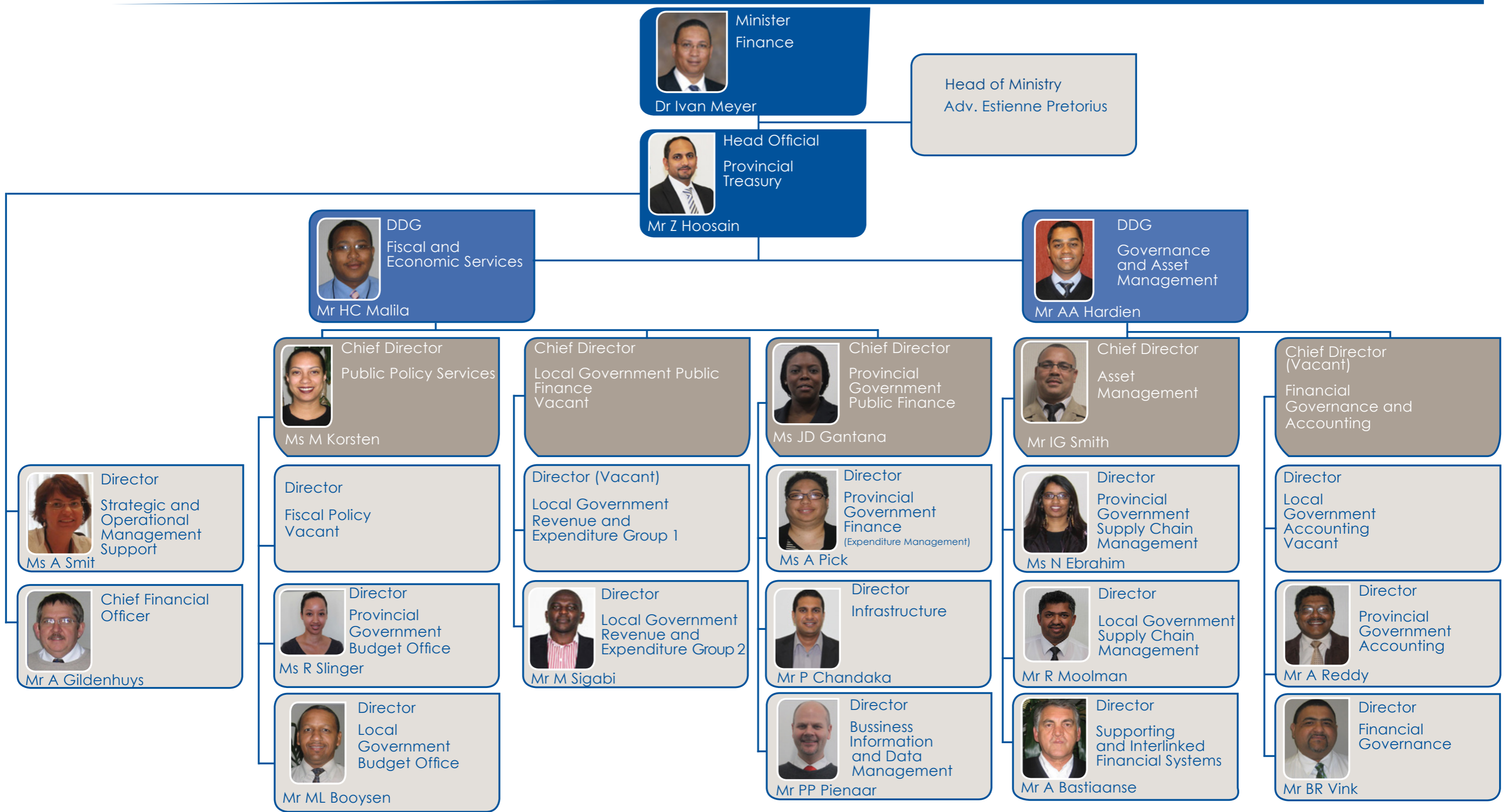
3

Financial system, supply chain and movable asset governance within the provincial and municipal spheres by assisting 13 departments and 30 municipalities to build capacity and instilling good governance practices to improve the financial management maturity that equates to a managed level.

4

Achieving accountability through promoting the reporting frameworks and compliance with financial norms and standards through the establishment of sound financial governance within the provincial and municipal spheres. This will be continually measured to achieve the highest level of governance in 2020.

# Organogram



# Taking the budget to the people

## Strategic goal 2:

Effective, efficient and sustainable management of provincial and municipal fiscal resources

The Provincial Treasury's "taking the Budget to the People campaign" is in its 2nd year and the department illustrates its transparency through this initiative to the citizen. The citizen has been informed on "how PT will administer the spending of the 2016/17 budget through social media such as facebook and twitter, radio campaigns in specific regions, advertisements in daily newspapers, on YouTube and on the Western Cape Government's website.

Talking Point broadcasted live radio interviews with Minister of Finance, Dr Ivan Meyer, wherein he talked to the Cape Winelands-, Central Karoo- and the Western Cape Metro regions on how the Provincial Treasury would bring about economic and social growth to the citizen with the funding which would improve lives such as broadband, roads, clinics, houses, new schools, library's and youth and after-school-care developments.



## The R55 billion 2016/17 budget has bought the citizen approximately:

	<b>Department of Health</b>	<b>12 838</b> Professional & Staff Nurses & Nursing Assistants; <b>5 064</b> Medical and related professionals   <b>33</b> Capital Health facilities
	<b>Department of Education</b>	<b>32 039</b> Educators & related professionals   <b>15</b> New Schools
	<b>Department of Human Settlements</b>	<b>11 134</b> housing units   <b>8 530</b> Sites
	<b>Department Transport and Public Works</b>	Transport upgrades along the <b>N1 and N2</b>
	<b>Department of Social Development</b>	<b>1 532</b> Social Services Professionals

The radio interview recordings may be found on the Provincial Treasury's website, with specifics in terms of the funding sizes and its usages.

# Shifting gears - Game Changers

## Strategic goal 2:

Effective, efficient and sustainable management of provincial and municipal fiscal resources

The Provincial Treasury is an enabler of "Game Changers". A Game Changer is an event, or an idea or a procedure that brings about a significant shift in the current way government does things or thinks about somethings.

The Provincial Treasury provides financial support and monitoring oversight in terms of these Game Changers:: Game Changers have been implemented since 2009 in the Western Cape Government to speed up the delivery of government's long term vision, which is to foster a highly skilled, innovation driven, resource efficient, connected, high-opportunity society for all.

## Energy Security (Power)

The Western Cape Government energy security game changer focusses on providing alternative energy resources, to reduce the electricity demand from Eskom and to bring a solution to SA energy concerns. Steenbras Dam hydro-electric programme is the start and solar and wind energy purchasing agreements with independent power producers are looked at.

The lead department in respect of this project and for progress enquiries is the Department of Economic Development and Tourism.



## Vocational and Technical Skills (Apprenticeships)

This Game changer aims to equip our youth with the necessary vocational and technical skills (apprenticeships) to ensure that there are sufficient, appropriately qualified artisans to meet the needs of priority sectors for economic growth, including the green economy, oil and gas sector, ICT, tourism and agri-processing. We are continually working towards strengthening our partnerships with employers, learning institutions and SETA's across sectors in order to achieve equipped artisans. A target of introducing 32 500 qualified apprentices into the labour market by 2019, inclusive of artisans, semi-skilled workers who achieve partial qualifications, and top-up qualifications for existing artisans and semi-skilled workers.

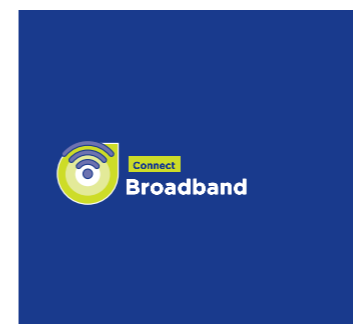
The lead department in respect of this project and for progress enquiries is the Department Transport and Public Works.



## Broadband Infrastructure

The Western Cape Government has been providing broadband access to approximately 2000 government sites including schools, health facilities, and libraries at a cost of R1.7 billion over the 2017 MTEF. Infrastructure investments were made to support this Game Changer with either wireless or fibre optic cable infrastructure connections provided at over 1000 sites inclusive of 692 schools, 92 libraries and 169 corporate sites. We aim to have free High Speed Internet available in all schools eventually.

The lead department in respect of this project and for progress enquiries is the Department of Economic Development and Tourism.





## e-Learning

We aim to enhance the teaching and learning experience of Western Cape learners, predominately in Maths and Languages, through the use of technology. E-Learning in schools across the province to improve education and to better prepare learners for the 21st century.

This Game Changer requires the creation of an e-Culture in schools, backed by e-Infrastructure, an e-Admin system, well trained e-Teachers using e-technology and e-Content in pupil lessons.

The lead department in respect of this project and for progress enquiries is the Department of Economic Development and Tourism.



## After-School Programme for Youth

The Western Cape Government builds on our Mass Opportunity and Development (MOD) programme, which has been rolled out at schools across the province. It provides learners an opportunity to participate in quality after-school activities that contribute towards positive youth development and encompass sport, culture, technology access and homework support. Over 112000 learners in no-fee schools will be provided with access to safe, quality after school programmes by 2019. The Department of Cultural Affairs and Sport oversees 180 MOD centres, they may provide progress related information in this regard. The Department of Social Development oversees 5 Youth Cafes and 93 partial care centres, they may provide progress related information in this regard.



## Reducing Alcohol-Related Harms

The Western Cape Government has been partnering with communities, to roll out interventions to reduce Alcohol Related abuse at high-risk areas. These interventions aims to reduce access to alcohol, increase access to alternative economic and recreational activities and to provide social support services to citizens. We have discovered that alcohol abuse causes the majority of trauma cases in our hospitals and is the driver of burdens on diseases on our health system.

The Western Cape Liquor Authority (WCLA) is very active in seeking to maintain appropriate standards in the licenced liquor retail trade and between April 2014 and February 2015 they conducted 3,729 inspections of licensed liquor outlets, issued 446 compliance notices, prosecuted 19 traders, closed down 6, and issued fines running into six figures for breaches of licence conditions.

Booza TV, produced by the Western Cape Government's Departments of Health, Social Development and Community Safety, and the University of Cape Town's School of Public Health, is an entertaining and provocative documentary mini-series consisting of six 24-minute episodes that takes a daring look at the drinking culture to get drinkers thinking. The lead department in respect of this project and for progress enquiries is the Department of Health.



## Better Living Model

The better Living Model is focussed on creating an integrated, affordable, residentially-led, mixed-use development close to the Cape Town CBD. It will include schools and a number of parks and green spaces to meet the educational and recreational needs of households moving into the area.

The former Conradie Hospital site, near Cape Town will be developed with more than 3000 residential units as well as business premises, schools and safe green public spaces with access to safe public transport.

Sanitation in informal settlements will also be scaled up to provide decent sanitation services. Government has an overall delivery target of over 104 000 housing opportunities by 2019. The Lead departments in respect of this project and for progress enquiries are the Department of Transport and Public Works; and Human Settlements.

## Supplier development and Central Supplier Database (CSD) registrations

### Strategic goal 3:

Financial system, supply chain and movable asset governance within the provincial and municipal spheres

The Provincial Treasury has developed supplier clients throughout 2017 to enable them to work with the State. It is a mandatory requirement for all suppliers who want to do business with the State to be registered on the Central Supplier Database (CSD). This also increases transparency in procurement, it improves efficiency and reduces costs through electronic registration and

verification and it also has benefits to local suppliers and small businesses. A key feature of the database is that government procurement officials will be able to identify local suppliers throughout the country.

On 8 March 2017 the Provincial Treasury participated in the 4th Annual Smart Procurement World, Enterprise and Supplier Development Event where they assisted SMMEs to register on the Central Supplier Database (CSD) as mandated by National Treasury. This opportunity to small businesses was provided at no cost to all attendees and visitors.

Furthermore, we rolled out "How to do business with the Western Cape Government campaigns or Supplier Open Day workshops" and 19 supplier open days/ engagements were hosted to create awareness and develop knowledge and skills with suppliers. 6 of the 19 events were hosted in collaboration with the Departments of Economic Development & Tourism; transport & Public Works, SEFA and SARS. The events were held in all 6 municipal regions.

## Capacitating the newly elected Municipal Mayoral Committee members of finance

### Strategic goal 4:

Accountability through the review of financial reporting of departments, entities and municipalities and compliance with financial norms and standards.



The Western Cape Finance Minister, Dr Ivan Meyer together with senior officials from the Provincial Treasury met with the newly elected Mayco members for Finance and Mayors of the Western Cape Municipalities to skill municipalities with the necessary financial management expertise as an enabler to deliver basic municipal

This training session aimed to provide the municipalities with the necessary skills and knowledge in budget planning, budget implementation, oversight and reporting which would lead to public value and service delivery. It has become clear that the municipal budget is an important tool to improve service delivery in respect of:

- Regulating the development of land,
- Development of infrastructure,
- Water quality and supply,

- Solid waste management,
- Pollution control,
- Disaster management,
- Road maintenance and construction,
- Road closures/ proclamations, tourism potential introduction

Other topics as the role of the mayors and financial managers; their revenue and expenditure management; intern audits; asset management; infrastructure and municipal financial reporting were also addressed.

The Provincial Treasury officials offered their advice and guidance at the session to support municipalities in achieving clean audits and to offer training to skill municipal staff to deliver on goals aligned to budgets.

# New Western Cape Government Chartered Accountants Academy (CAA) trains our youth

## Strategic goal 4:

Efficient and effective departmental governance support services



Minister Meyer and Mr Aziz Hardien, DDG: Governance and Asset Management, explaining the Western Cape budget to the seven trainee accountants at the Budget Day exhibition in the Concourse.

The Provincial Treasury has established its own Chartered Accountant Academy (CAA), which aims to provide an avenue for our youth to receive accredited training inside the public sector, to become chartered accountants.

These CA's will acquire a deep understanding of public sector financial systems and processes to allow them to embed good governance and entrench a culture of financial accountability in the Province. A total of seven (7) trainee accountants were the first to undergo training at the CAA during 2016/17. The academy has been set up to continue contributing

to our Province's consistent rising trend of clean audits in our provincial departments and municipalities. Trained and equipped CA's at municipalities will positively influence Service delivery to the citizen because all financial administration and financial system gaps will be improved upon tremendously.

The academy will ensure one of our primary goals are achieved, which is to improve and build on the quality and standard of financial governance throughout our department, as well as the Western Cape Province.

# Our standards and how we met them in 2016/17

In terms of Section 18 of the Public Finance Management Act, 1999 (Act of 1999) and Section 5 (4) of the Municipal Finance Management Act, 2003 (Act 56 of 2003), the Provincial Treasury is instructed to assist its clients to improve service delivery.

We were able to deliver on each of our standards. Tabled below, is a snippet of some of the core services we rendered from 1 April 2016 to 31 March 2017:

Main service / standard	Planned for 2016/2017	Actual achievement for 2016/2017
Number of fiscal policy reports on fiscal matters that impact on the fiscal framework of provincial and local government	20	20
Timeous publication of the Overview of Provincial Revenue and Expenditure	March 2017	March 2017
Number of municipal budget policy assessment reports	30	30
Timeous tabling of the Estimates of Provincial Revenue and Expenditure	March 2017	March 2017
Number of quarterly reports on the implementation of the municipal budgets	4	4
Number of assessments on the institutionalisation of the Western Cape Infrastructure Delivery Management System(WCIDMS)	5	5
An available central repository for the safeguarding of financial and performance information to enable proper decision-making and credible publications	1	1
Number of departments assisted to continuously improve management of supply chain and movable assets	13	13
Number of municipalities assisted to improve management of supply chain and assets	30	30
Number of votes assisted to effectively utilise the suite of financial systems	14	14
Number of municipalities supported to comply with the General Recognised Accounting Practices (GRAP) standards	30	30
Number of votes assisted to comply with financial accounting and governance norms and standards	14	14
Number of municipalities assisted to improve corporate governance in risk management, internal audit, compliance to the Municipal Finance Management Act, 2003and delegations	30	30

# Our organisation and staffing

As at 31 March 2017, the Department has employed 306 staff members.

Representation in terms of salary bands is as follows:

Salary bands	Number of employees appointed at that level
Lower skills (Levels 1-2)	2
Skilled (Levels 3-5)	37
Highly skilled production (Levels 6-8)	52
Highly skilled supervision (Levels 9-12)	193
Senior management (Levels 13-16)	22

# Our budget

We received a total adjusted budget of R254 548 000 from 1 April 2016 - 31 March 2017. The Department has utilised R248 001 000 of the adjusted allocation, which reflects an underspending of R6 547 000.

Breakdown of the final allocation and actual expenditure per economic classification:

Economic classification	Final allocation R'000	Actual expenditure R'000
Compensation of employees	159 228	157 405
Goods and services	55 484	51 580
Transfers and subsidies	36 530	35 814
Capital assets	3 194	3 077
Financial assets	112	125
<b>Total</b>	<b>254 548</b>	<b>248 001</b>

Breakdown of the final allocation and actual expenditure per programme:

Programme	Final allocation R'000	Actual expenditure R'000
Administration (Programme 1)	50 934	49 537
Sustainable Resource Management (Programme 2)	113 943	111 431
Asset Management (Programme 3)	54 833	54 106
Financial Governance (Programme 4)	34 838	32 927
<b>Total</b>	<b>254 548</b>	<b>248 001</b>

*\*The figures in the tables above have been rounded off to the nearest R1 000, with the exception of the figures quoted in the opening paragraph.*

The Provincial Treasury

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