

Vote 3

Cooperative Governance

Budget summary

R million	2021/22				2022/23	2023/24
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	293.4	289.6	0.1	3.7	289.5	270.8
Local Government Support and Intervention Management	17 154.3	128.9	17 025.4	–	18 491.6	19 283.5
Institutional Development	78 602.9	210.0	78 392.9	–	83 345.0	83 837.6
National Disaster Management Centre	605.1	103.2	498.9	2.9	625.8	628.5
Community Work Programme	4 220.2	4 220.2	–	–	4 354.1	4 365.8
Total expenditure estimates	100 875.9	4 951.8	95 917.4	6.7	107 106.0	108 386.1

Executive authority Minister of Cooperative Governance and Traditional Affairs

Accounting officer Director-General of Cooperative Governance

Website www.cogta.gov.za

The Estimates of National Expenditure is available at www.treasury.gov.za. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Improve cooperative governance across the three spheres of government, in partnership with provinces, municipalities, civil society and communities, to enable accelerated service delivery.

Mandate

The Department of Cooperative Governance is mandated to: develop and monitor the implementation of national policy and legislation aimed at transforming and strengthening key institutions and mechanisms of governance at the national, provincial and local levels to enable government to fulfil its developmental role; develop, promote and monitor mechanisms, systems and structures to enable integrated service delivery and implementation within government; and promote sustainable development by providing support to and exercising oversight of provincial and local government. This mandate is derived from the following legislation:

- the Intergovernmental Relations Framework Act (2005)
- the Municipal Property Rates Act (2004)
- the Municipal Systems Act (2000)
- the Municipal Structures Act (1998)
- the Disaster Management Act (2002).

Selected performance indicators

Table 3.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Number of secondary cities supported to improve spatial and economic planning by implementing the integrated urban development framework per year	Local Government Support and Intervention Management	Priority 5: Spatial integration, human settlements and local government	3	4	6	6	6	6	6
Percentage of the municipal infrastructure grant transferred to municipalities per year	Local Government Support and Intervention Management		99% (R16.3bn/R16.4bn)	100% (R15.3bn)	100% (R16.4bn)	100%	100%	100%	100%
Number of municipalities assessed and guided to comply with the rating criteria of the Municipal Property Rates Act (2004) per year	Institutional Development		110	110	71	71	71	71	71
Number of work opportunities provided through the community work programme per year	Community Work Programme	Priority 2: Economic transformation and job creation	264 041	280 206	247 466	250 000	250 000	250 000	250 000
Total number of districts and metros implementing the district development model	Local Government Support and Intervention Management	Priority 5: Spatial integration, human settlements and local government	-1	-1	-1	52	52	52	52

1. No historical data available.

Expenditure overview

Over the medium term, the Department of Cooperative Governance will continue to focus on strengthening intergovernmental coordination and spatial development, facilitating the delivery of basic municipal infrastructure and sustainable services, alleviating poverty by creating work opportunities, and enhancing proactive planning to reduce the severity of disasters when they occur. To increase access to basic services and improve spatial and economic development, R54.9 billion over the medium term is allocated to the *Local Government Support and Intervention Management* programme and R245.8 billion to the *Institutional Development* programme. This spending accounts for an estimated 95.2 per cent of the department's total estimated expenditure over the period ahead. The bulk of these funds will be disbursed through the *municipal infrastructure grant*, the *integrated urban development grant* and the local government equitable share. They will enable the department to support 18 secondary cities to improve planning for spatial and economic development and 52 district municipalities per year to roll out the district development model.

To enable the department to create a targeted 250 000 work opportunities in each year of the MTEF period, expenditure in the *Community Work Programme* programme is expected to increase at an average annual rate of 2.1 per cent, from R4.1 billion in 2020/21 to R4.4 billion in 2023/24.

Total expenditure is expected to increase at an average annual rate of 0.4 per cent, from R106.9 billion in 2020/21 to R108.4 billion in 2023/24. This low increase is due to the one-off allocation of R10.7 billion in 2020/21 to supplement additional municipal operational costs arising from the COVID-19 pandemic, and Cabinet-approved reductions of R3.4 billion in 2021/22, R4.6 billion in 2022/23 and R8.1 billion in 2023/24, mainly on the local government equitable share.

Expenditure on compensation of employees is expected to decrease at an average annual rate of 3.7 per cent, from R371.4 million in 2020/21 to R331.7 million in 2023/24, in line with Cabinet-approved reductions and a decrease in the department's number of personnel as a result of natural attrition.

Expenditure trends and estimates

Table 3.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Local Government Support and Intervention Management											
3. Institutional Development											
4. National Disaster Management Centre											
5. Community Work Programme											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21		2021/22	2022/23	2023/24	2020/21 - 2023/24	
Programme 1	268.2	294.3	300.7	333.6	7.5%	0.3%	293.4	289.5	270.8	-6.7%	0.3%
Programme 2	16 581.3	15 800.1	16 205.5	16 003.8	-1.2%	18.4%	17 154.3	18 491.6	19 283.5	6.4%	16.8%
Programme 3	55 751.9	60 961.8	65 797.3	85 920.9	15.5%	76.3%	78 602.9	83 345.0	83 837.6	-0.8%	78.4%
Programme 4	492.4	1 370.3	646.3	580.4	5.6%	0.9%	605.1	625.8	628.5	2.7%	0.6%
Programme 5	3 115.8	3 328.6	3 832.1	4 104.1	9.6%	4.1%	4 220.2	4 354.1	4 365.8	2.1%	4.0%
Total	76 209.5	81 755.1	86 782.0	106 942.8	12.0%	100.0%	100 875.9	107 106.0	108 386.1	0.4%	100.0%
Change to 2020 Budget estimate				10 708.8			(3 386.2)	(4 550.6)	(8 117.1)		
Economic classification											
Current payments	3 596.2	3 901.8	4 358.7	4 824.9	10.3%	4.7%	4 951.8	5 092.1	5 094.3	1.8%	4.7%
Compensation of employees	288.1	306.8	301.8	371.4	8.8%	0.4%	352.3	347.8	331.7	-3.7%	0.3%
Goods and services ¹	3 308.1	3 595.0	4 056.8	4 453.5	10.4%	4.4%	4 599.6	4 744.3	4 762.6	2.3%	4.4%
<i>of which:</i>											
Consultants: Business and advisory services	287.8	401.7	377.1	1 495.2	73.2%	0.7%	1 568.2	1 634.7	1 642.0	3.2%	1.5%
Contractors	2 440.2	2 585.5	2 931.7	1 818.1	-9.3%	2.8%	1 895.3	1 944.8	1 951.7	2.4%	1.8%
Inventory: Materials and supplies	-	11.7	-	615.9	0.0%	0.2%	581.2	596.5	598.6	-0.9%	0.6%
Consumable supplies	212.7	227.4	337.7	154.9	-10.0%	0.3%	187.4	192.3	193.0	7.6%	0.2%
Property payments	25.3	25.3	28.8	51.9	27.1%	0.0%	53.8	55.2	55.4	2.2%	0.1%
Training and development	154.3	117.8	148.8	104.2	-12.3%	0.1%	105.5	108.3	108.7	1.4%	0.1%
Interest and rent on land	0.0	-	0.1	-	-100.0%	0.0%	-	-	-	0.0%	0.0%
Transfers and subsidies¹	72 595.2	77 808.2	82 352.9	102 097.6	12.0%	95.2%	95 917.4	102 006.8	103 284.5	0.4%	95.3%
Provinces and municipalities	72 094.6	77 359.2	81 899.9	101 603.3	12.1%	94.7%	95 099.9	101 528.8	102 806.2	0.4%	94.7%
Departmental agencies and accounts	470.4	431.1	442.1	486.1	1.1%	0.5%	450.8	460.8	461.0	-1.8%	0.4%
Foreign governments and international organisations	1.2	0.3	0.3	0.6	-18.7%	0.0%	2.2	2.2	2.2	51.9%	0.0%
Non-profit institutions	18.0	15.3	7.9	7.6	-24.9%	0.0%	14.5	15.0	15.1	25.5%	0.0%
Households	11.1	2.4	2.7	-	-100.0%	0.0%	350.0	-	-	0.0%	0.1%
Payments for capital assets	17.9	44.5	70.3	20.3	4.2%	0.0%	6.7	7.1	7.4	-28.7%	0.0%
Buildings and other fixed structures	0.3	-	4.6	-	-100.0%	0.0%	-	-	-	0.0%	0.0%
Machinery and equipment	17.6	44.5	65.7	20.3	4.9%	0.0%	6.7	7.1	7.4	-28.7%	0.0%
Payments for financial assets	0.2	0.5	0.1	-	-100.0%	0.0%	-	-	-	0.0%	0.0%
Total	76 209.5	81 755.1	86 782.0	106 942.8	12.0%	100.0%	100 875.9	107 106.0	108 386.1	0.4%	100.0%

1. Tables with expenditure trends, annual budget, adjusted appropriation and audited outcome are available at www.treasury.gov.za and www.vulekamali.gov.za.

Transfers and subsidies expenditure trends and estimates

Table 3.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R thousand	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21		2021/22	2022/23	2023/24	2020/21 - 2023/24	
Provinces and municipalities											
Municipal bank accounts											
Current	56 120 981	61 932 519	66 617 402	86 973 752	15.7%	81.1%	79 366 833	84 531 425	85 065 607	-0.7%	83.3%
Vehicle licences	22	26	24	118	75.0%	-	119	122	122	1.1%	-
Municipal demarcation transition grant	139 714	-	-	-	-100.0%	-	-	-	-	-	-
Integrated urban development grant	-	-	856 895	936 368	-	0.5%	1 009 068	1 075 368	1 122 764	6.2%	1.0%
Municipal systems improvement grant	-	23 216	-	-	-	-	-	-	-	-	-
Local government equitable share	55 613 725	60 757 889	65 627 263	85 683 326	15.5%	79.9%	77 999 135	83 084 515	83 569 989	-0.8%	81.9%
Municipal disaster relief grant	341 373	-	-	353 940	1.2%	0.2%	358 511	371 420	372 732	1.7%	0.4%
Municipal disaster recovery grant	26 147	1 151 388	133 220	-	-100.0%	0.4%	-	-	-	-	-
Capital	15 891 252	15 287 685	14 816 103	14 491 065	-3.0%	18.1%	15 592 748	16 852 001	17 594 733	6.7%	16.0%
Municipal infrastructure grant	15 891 252	15 287 685	14 816 103	14 491 065	-3.0%	18.1%	15 592 748	16 852 001	17 594 733	6.7%	16.0%

Table 3.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Non-profit institutions											
Current	17 972	15 252	7 864	7 611	-24.9%	-	14 495	15 005	15 057	25.5%	-
South African Cities Network	6 950	9 353	7 765	7 512	2.6%	-	8 161	8 508	8 538	4.4%	-
United Cities and Local Governments of Africa - South African regional office	10 923	5 800	-	-	-100.0%	-	6 239	6 403	6 425	-	-
Disaster Management Institute of Southern Africa	99	99	99	99	-	-	95	94	94	-1.7%	-
Households											
Social benefits											
Current	124	1 546	2 297	-	-100.0%	-	-	-	-	-	-
Employee social benefits	124	1 546	2 297	-	-100.0%	-	-	-	-	-	-
Households											
Other transfers to households											
Current	10 939	828	351	-	-100.0%	-	350 000	-	-	-	0.1%
Employee social benefits	377	420	146	-	-100.0%	-	-	-	-	-	-
Non-returning local government councillors	10 494	-	35	-	-100.0%	-	350 000	-	-	-	0.1%
Employee social benefit	68	408	29	-	-100.0%	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	470 414	431 124	442 123	486 058	1.1%	0.5%	450 834	460 836	460 966	-1.8%	0.5%
Municipal Demarcation Board	57 631	55 568	64 268	63 017	3.0%	0.1%	70 601	74 340	73 104	5.1%	0.1%
Municipal Infrastructure Support Agent	381 483	342 456	343 976	339 849	-3.8%	0.4%	344 864	350 216	351 454	1.1%	0.3%
Municipal Infrastructure Support Agent: Improving labour intensity in infrastructure	-	-	-	50 000	-	-	-	-	-	-100.0%	-
South African Local Government Association	31 300	33 100	33 879	33 192	2.0%	-	35 369	36 280	36 408	3.1%	-
Foreign governments and international organisations											
Current	1 190	289	314	640	-18.7%	-	2 178	2 236	2 244	51.9%	-
Commonwealth Local Government Forum	513	289	314	640	7.7%	-	648	666	668	1.4%	-
United Cities and Local Governments of Africa - Moroccan office	677	-	-	-	-100.0%	-	1 530	1 570	1 576	-	-
Provinces and municipalities											
Provincial revenue funds											
Current	82 339	138 982	466 392	138 489	18.9%	0.2%	140 277	145 328	145 843	1.7%	0.1%
Provincial disaster relief grant	82 339	122 678	466 392	138 489	18.9%	0.2%	140 277	145 328	145 843	1.7%	0.1%
Provincial disaster recovery grant	-	16 304	-	-	-	-	-	-	-	-	-
Total	72 595 211	77 808 225	82 352 846	102 097 615	12.0%	100.0%	95 917 365	102 006 831	103 284 450	0.4%	100.0%

Personnel information

Table 3.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Local Government Support and Intervention Management																			
3. Institutional Development																			
4. National Disaster Management Centre																			
5. Community Work Programme																			
Number of posts estimated for 31 March 2021	Number of funded posts	Number of posts additional to the establishment	Number and cost ² of personnel posts filled/planned for on funded establishment												Number				
			Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)			
			2019/20	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24											
Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Cooperative Governance																			
Salary level	469	8	469	301.8	0.6	551	371.4	0.7	506	352.3	0.7	479	347.8	0.7	439	331.7	0.8	-7.3%	100.0%
1 – 6	139	4	139	36.7	0.3	159	43.3	0.3	144	40.3	0.3	127	36.4	0.3	107	31.7	0.3	-12.4%	27.2%
7 – 10	123	3	123	47.9	0.4	150	77.4	0.5	128	66.0	0.5	122	64.1	0.5	111	59.1	0.5	-9.5%	25.8%
11 – 12	93	-	93	75.3	0.8	110	94.0	0.9	103	88.0	0.9	100	86.8	0.9	95	83.8	0.9	-4.8%	20.7%
13 – 16	112	1	112	137.9	1.2	130	152.4	1.2	129	153.7	1.2	129	156.1	1.2	124	152.6	1.2	-1.6%	25.9%
Other	2	-	2	4.1	2.1	2	4.2	2.1	2	4.3	2.1	2	4.4	2.2	2	4.4	2.2	-	0.4%
Programme	469	8	469	301.8	0.6	551	371.4	0.7	506	352.3	0.7	479	347.8	0.7	439	331.7	0.8	-7.3%	100.0%
Programme 1	245	8	245	130.0	0.5	311	192.0	0.6	250	156.9	0.6	223	149.2	0.7	183	129.8	0.7	-16.2%	49.0%
Programme 2	99	-	99	77.4	0.8	106	85.5	0.8	113	92.3	0.8	113	93.8	0.8	113	95.3	0.8	2.2%	22.5%
Programme 3	54	-	54	40.3	0.7	59	36.0	0.6	64	41.4	0.6	64	42.1	0.7	64	42.8	0.7	2.7%	12.7%
Programme 4	31	-	31	24.8	0.8	32	26.4	0.8	33	27.6	0.8	33	28.1	0.9	33	28.6	0.9	1.0%	6.6%
Programme 5	40	-	40	29.3	0.7	43	31.5	0.7	46	34.1	0.7	46	34.7	0.8	46	35.3	0.8	2.3%	9.2%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.
 2. Rand million.

Departmental receipts

Table 3.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2017/18	2018/19	2019/20					2020/21	2021/22	2022/23		
Departmental receipts	1 661	44 580	1 577	2 461	2 461	14.0%	100.0%	2 580	2 661	2 674	2.8%	100.0%
Sales of goods and services produced by department	184	328	210	450	450	34.7%	2.3%	705	751	806	21.4%	26.1%
Sales by market establishments	184	328	210	450	450	34.7%	2.3%	700	750	805	21.4%	26.1%
<i>of which:</i>												
Rental parking: Covered and open	184	95	210	350	350	23.9%	1.7%	600	650	700	26.0%	22.2%
Commission: Insurance and garnishee	-	89	-	100	100	-	0.4%	-	-	-	-100.0%	1.0%
Sale of Assets <R5000	-	-	-	-	-	-	-	100	100	105	-	2.9%
Reimbursement of goods issued	-	1	-	-	-	-	-	-	-	-	-	-
Access to information act	-	143	-	-	-	-	0.3%	-	-	-	-	-
Other sales	-	-	-	-	-	-	-	5	1	1	-	0.1%
<i>of which:</i>												
Replacement of security cards	-	-	-	-	-	-	-	5	1	1	-	0.1%
Sales of scrap, waste, arms and other used current goods	2	-	-	-	-	-100.0%	-	5	5	5	-	0.1%
<i>of which:</i>												
Sales of paper	2	-	-	-	-	-100.0%	-	5	5	5	-	0.1%
Interest, dividends and rent on land	777	1 132	620	1 411	1 411	22.0%	7.8%	1 220	1 205	1 208	-5.0%	48.6%
Interest	777	1 132	620	211	211	-35.2%	5.4%	20	-	-	-100.0%	2.2%
Dividends	-	-	-	1 200	1 200	-	2.4%	1 200	1 205	1 208	0.2%	46.4%
<i>of which:</i>												
Bank accounts	-	-	-	1 200	1 200	-	2.4%	1 200	1 205	1 208	0.2%	46.4%
Sales of capital assets	-	621	253	-	-	-	1.7%	45	50	-	-	0.9%
Transactions in financial assets and liabilities	698	42 499	494	600	600	-4.9%	88.1%	605	650	655	3.0%	24.2%
Total	1 661	44 580	1 577	2 461	2 461	14.0%	100.0%	2 580	2 661	2 674	2.8%	100.0%

Programme 1: Administration

Programme purpose

Provide strategic leadership, management and support services to the department.

Expenditure trends and estimates

Table 3.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
R million											
Ministry	32.0	42.1	41.0	30.8	-1.3%	12.2%	31.3	31.1	30.1	-0.7%	10.4%
Management	18.5	19.0	17.4	20.5	3.5%	6.3%	19.4	19.2	18.5	-3.4%	6.5%
Corporate Services	131.7	135.7	136.5	176.3	10.2%	48.5%	134.5	129.7	113.9	-13.6%	46.7%
Financial Services	30.6	30.8	37.1	43.7	12.6%	11.9%	44.0	44.0	42.9	-0.6%	14.7%
Internal Audit and Risk management	7.9	12.7	13.9	14.4	22.4%	4.1%	14.5	14.5	14.1	-0.7%	4.9%
Office Accommodation	47.4	54.1	54.9	47.9	0.3%	17.1%	49.8	51.1	51.2	2.3%	16.8%
Total	268.2	294.3	300.7	333.6	7.5%	100.0%	293.4	289.5	270.8	-6.7%	100.0%
Change to 2020				28.7			(19.6)	-	(62.7)		
Budget estimate											

Table 3.6 Administration expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation 2020/21	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average Expenditure/Total (%)
	2017/18	2018/19	2019/20		2017/18	2020/21	2021/22	2022/23	2023/24		
R million											
Current payments	262.1	286.6	289.4	331.0	8.1%	97.7%	289.6	285.5	266.5	-7.0%	98.8%
Compensation of employees	125.4	135.8	130.0	192.0	15.2%	48.7%	156.9	149.2	129.8	-12.2%	52.9%
Goods and services ¹	136.6	150.8	159.3	139.0	0.6%	48.9%	132.7	136.2	136.7	-0.5%	45.9%
of which:											
Audit costs: External	9.1	6.3	10.2	9.5	1.3%	2.9%	10.7	11.0	11.0	5.1%	3.5%
Communication	1.8	1.9	1.8	5.7	46.4%	0.9%	5.8	5.9	5.9	1.4%	2.0%
Computer services	20.5	18.9	16.1	5.8	-34.4%	5.1%	5.8	6.0	6.0	1.1%	2.0%
Consultants: Business and advisory services	3.6	9.6	5.6	5.8	17.5%	2.1%	10.8	11.0	11.1	24.0%	3.3%
Property payments	25.3	24.9	28.8	51.9	27.1%	10.9%	53.8	55.2	55.4	2.2%	18.2%
Travel and subsistence	15.3	21.1	16.2	9.9	-13.7%	5.2%	12.2	12.5	12.6	8.5%	4.0%
Interest and rent on land	–	–	0.0	–	–	–	–	–	–	–	–
Transfers and subsidies¹	0.1	1.6	2.2	0.1	-5.3%	0.3%	0.1	0.1	0.1	1.1%	–
Provinces and municipalities	0.0	0.0	0.0	0.1	75.0%	–	0.1	0.1	0.1	1.1%	–
Households	0.1	1.5	2.2	–	-100.0%	0.3%	–	–	–	–	–
Payments for capital assets	5.8	5.7	9.0	2.5	-24.2%	1.9%	3.7	3.9	4.1	17.6%	1.2%
Machinery and equipment	5.8	5.7	9.0	2.5	-24.2%	1.9%	3.7	3.9	4.1	17.6%	1.2%
Payments for financial assets	0.2	0.4	0.1	–	-100.0%	0.1%	–	–	–	–	–
Total	268.2	294.3	300.7	333.6	7.5%	100.0%	293.4	289.5	270.8	-6.7%	100.0%
Proportion of total programme expenditure to vote expenditure	0.4%	0.4%	0.3%	0.3%	–	–	0.3%	0.3%	0.2%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	0.1	1.5	2.1	–	-100.0%	0.3%	–	–	–	–	–
Employee social benefits	0.1	1.5	2.1	–	-100.0%	0.3%	–	–	–	–	–
Households											
Other transfers to households											
Current	0.0	–	0.1	–	-100.0%	–	–	–	–	–	–
Employee social benefits	0.0	–	0.1	–	-100.0%	–	–	–	–	–	–

1. Estimates of National Expenditure data tables are available at www.treasury.gov.za. These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

Personnel information

Table 3.7 Administration personnel numbers and cost by salary level¹

Administration	Number of posts estimated for 31 March 2021		Number and cost ² of personnel posts filled/planned for on funded establishment												Number				
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%) 2020/21 - 2023/24	Average Salary level/Total (%)			
			2019/20		2020/21		2021/22		2022/23		2023/24								
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	245	8	245	130.0	0.5	311	192.0	0.6	250	156.9	0.6	223	149.2	0.7	183	129.8	0.7	-16.2%	100.0%
1 – 6	97	4	97	24.3	0.3	115	30.0	0.3	98	26.1	0.3	81	22.0	0.3	61	17.0	0.3	-19.1%	36.7%
7 – 10	66	3	66	20.3	0.3	90	47.3	0.5	65	34.0	0.5	59	31.6	0.5	48	25.9	0.5	-18.9%	27.0%
11 – 12	41	–	41	33.3	0.8	53	46.2	0.9	41	35.3	0.9	38	33.3	0.9	33	29.5	0.9	-14.6%	17.1%
13 – 16	39	1	39	48.0	1.2	51	64.3	1.3	44	57.2	1.3	44	58.0	1.3	39	52.9	1.4	-8.6%	18.4%
Other	2	–	2	4.1	2.1	2	4.2	2.1	2	4.3	2.1	2	4.4	2.2	2	4.4	2.2	1.6%	0.8%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Programme 2: Local Government support and Intervention Management

Programme purpose

Conduct performance monitoring, support and interventions in municipalities and provincial departments of cooperative governance that will drive activities related to the District Development Model.

Objectives

- Improve performance reporting and accountability at the local government level through legislative and policy oversight on an ongoing basis.

- Coordinate and facilitate the development of municipal infrastructure through transfers of the *municipal infrastructure grant* to extend services to unserved communities in terms of the annual Division of Revenue Act on an ongoing basis.
- Coordinate and monitor the implementation of plans for the integrated district development model in all metros and district municipalities by March 2024.
- Coordinate and implement sustainable initiatives to develop and maintain infrastructure in partnership with the Municipal Infrastructure Support Agent, sector departments and other entities to improve service delivery and extend infrastructure to unserved communities on an ongoing basis.
- Target and facilitate the restructuring of the municipal spatial economy through integrated development planning by March 2024.
- Support the effective management of cooperative governance systems through strengthened intergovernmental reporting and communication, and a revised framework for local government powers and functions, by March 2024.

Subprogrammes

- *Management: Local Government Support and Intervention Management* provides strategic leadership to the programme to ensure compliance and the achievement of departmental targets in line with the district development model.
- *Performance Monitoring* monitors and reports on local government performance information by institutionalising quarterly performance reporting. This subprogramme also conducts research on local government systems and provides knowledge management tools to facilitate improvement.
- *Local Government Improvement Programme* monitors and performs diagnostic municipal performance assessments to support municipalities in developing and implementing remedial action plans through the district development model.
- *Municipal Infrastructure Grant Administration* administers the *municipal infrastructure grant* payments and monitors spending related to transferred funds.
- *Urban Development Planning* facilitates and monitors the implementation of the integrated urban development framework policy and local economic development plans. This subprogramme also supports municipalities in facilitating integrated urban development and spatial contracts in key restructuring zones.
- *Integrated Districts and Regional Spatial Planning* facilitates the implementation of planning frameworks to promote integrated development across government, and build capacity for geographic information systems in district and local municipalities to enhance evidence-based decision-making.
- *Intergovernmental Policy and Practice* facilitates legislative and policy reviews to inform the assignment and management of municipal powers and functions. This subprogramme fosters collaborative intergovernmental practice between sectors, provinces and local government to ensure the alignment of service delivery priorities.
- *Integrated Urban Development Grant* makes transfers to intermediate city municipalities to supplement their capital budgets for the implementation of the objectives of the integrated urban development framework.
- *Municipal Demarcation Board* makes transfers to the Municipal Demarcation Board to fund operational activities such as capacity assessments, ward delimitation and boundary redeterminations. This subprogramme's budget is transferred in full to the board.
- *South African Cities Network* makes transfers to the South African Cities Network to fund operational activities, including enabling cooperation between South African cities. This subprogramme's budget is transferred in full to the network.
- *Municipal Infrastructure Grant* makes transfers to supplement municipal capital budgets to address the infrastructure investment priorities of poor households.
- *Municipal Infrastructure Support Agent* makes transfers to assist municipalities in building in-house capacity and provide technical support for the sustained development of municipal infrastructure.

Expenditure trends and estimates

Table 3.8 Local Government Support and Intervention Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
R million											
Management: Local Government Support and Intervention Management	3.1	2.9	3.4	6.2	25.9%	–	7.3	7.3	7.0	4.4%	–
Performance Monitoring	22.1	12.3	14.9	15.4	-11.3%	0.1%	11.9	11.8	11.5	-9.3%	0.1%
Local Government Improvement Programme	22.9	25.2	31.8	26.4	4.8%	0.2%	27.4	27.2	26.3	-0.1%	0.2%
Municipal Infrastructure Grant Administration	33.9	34.8	29.9	30.9	-3.0%	0.2%	46.7	49.5	53.6	20.1%	0.3%
Urban Development Planning	9.6	14.0	14.3	11.3	5.8%	0.1%	11.9	11.8	11.4	0.3%	0.1%
Integrated Districts and Regional Spatial Planning	7.4	9.9	12.8	14.5	24.7%	0.1%	12.5	12.5	12.3	-5.3%	0.1%
Intergovernmental Policy and Practice	5.1	6.0	9.6	11.3	30.0%	–	11.2	11.2	10.8	-1.5%	0.1%
Integrated Urban Development Grant	–	–	856.9	936.4	–	2.8%	1 009.1	1 075.4	1 122.8	6.2%	5.8%
Municipal Demarcation Board	197.3	55.6	64.3	63.0	-31.6%	0.6%	70.6	74.3	73.1	5.1%	0.4%
South African Cities Network	7.0	9.4	7.8	7.5	2.6%	–	8.2	8.5	8.5	4.4%	–
Municipal Infrastructure Grant	15 891.3	15 287.7	14 816.1	14 491.1	-3.0%	93.6%	15 592.7	16 852.0	17 594.7	6.7%	91.0%
Municipal Infrastructure Support Agent	381.5	342.5	344.0	389.8	0.7%	2.3%	344.9	350.2	351.5	-3.4%	2.0%
Total	16 581.3	15 800.1	16 205.5	16 003.8	-1.2%	100.0%	17 154.3	18 491.6	19 283.5	6.4%	100.0%
Change to 2020 Budget estimate				(180.9)			846.0	(5 226.6)	12.6		
Economic classification											
Goods and services ¹	23.0	26.9	38.8	30.5	9.9%	0.2%	36.6	37.4	37.6	7.2%	0.2%
of which:											
Administrative fees	0.7	0.6	0.7	1.0	12.0%	–	1.1	1.2	1.2	6.2%	–
Catering: Departmental activities	1.0	1.7	1.5	1.2	5.7%	–	1.6	1.6	1.6	10.5%	–
Communication	0.7	0.7	0.7	2.8	56.8%	–	3.7	3.7	3.7	10.3%	–
Consultants: Business and advisory services	5.9	6.8	18.1	9.9	18.6%	0.1%	10.5	10.8	10.8	3.0%	0.1%
Consumables: Stationery, printing and office supplies	0.8	0.5	0.3	4.9	80.0%	–	2.6	2.7	2.7	-18.0%	–
Travel and subsistence	10.8	12.1	12.2	7.5	-11.4%	0.1%	13.5	13.8	13.9	22.7%	0.1%
Transfers and subsidies¹	16 487.7	15 695.5	16 089.1	15 887.8	-1.2%	99.3%	17 025.4	18 360.4	19 150.6	6.4%	99.3%
Provinces and municipalities	16 031.0	15 287.7	15 673.0	15 427.4	-1.3%	96.6%	16 601.8	17 927.4	18 717.5	6.7%	96.8%
Departmental agencies and accounts	439.1	398.0	408.2	452.9	1.0%	2.6%	415.5	424.6	424.6	-2.1%	2.4%
Non-profit institutions	7.0	9.4	7.8	7.5	2.6%	–	8.2	8.5	8.5	4.4%	–
Households	10.6	0.4	0.1	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	0.0	–	0.1	–	-100.0%	–	–	–	–	–	–
Machinery and equipment	0.0	–	0.1	–	-100.0%	–	–	–	–	–	–
Payments for financial assets	–	0.0	0.0	–	–	–	–	–	–	–	–
Total	16 581.3	15 800.1	16 205.5	16 003.8	-1.2%	100.0%	17 154.3	18 491.6	19 283.5	6.4%	100.0%
Proportion of total programme expenditure to vote expenditure	21.8%	19.3%	18.7%	15.0%	–	–	17.0%	17.3%	17.8%	–	–
Details of transfers and subsidies											
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	139.7	–	856.9	936.4	88.5%	3.0%	1 009.1	1 075.4	1 122.8	6.2%	5.8%
Municipal Demarcation Transition Grant	139.7	–	–	–	-100.0%	0.2%	–	–	–	–	–
Integrated Urban Development Grant	–	–	856.9	936.4	–	2.8%	1 009.1	1 075.4	1 122.8	6.2%	5.8%
Capital	15 891.3	15 287.7	14 816.1	14 491.1	-3.0%	93.6%	15 592.7	16 852.0	17 594.7	6.7%	91.0%
Municipal Infrastructure Grant	15 891.3	15 287.7	14 816.1	14 491.1	-3.0%	93.6%	15 592.7	16 852.0	17 594.7	6.7%	91.0%
Households											
Other transfers to households											
Current	10.5	–	0.0	–	-100.0%	–	–	–	–	–	–
Non-returning local government councillors	10.5	–	0.0	–	-100.0%	–	–	–	–	–	–

Table 3.8 Local Government Support and Intervention Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2017/18 - 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
R million											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	439.1	398.0	408.2	452.9	1.0%	2.6%	415.5	424.6	424.6	-2.1%	2.4%
Municipal Demarcation Board	57.6	55.6	64.3	63.0	3.0%	0.4%	70.6	74.3	73.1	5.1%	0.4%
Municipal Infrastructure Support Agent	381.5	342.5	344.0	339.8	-3.8%	2.2%	344.9	350.2	351.5	1.1%	2.0%
Municipal Infrastructure Support Agent: Improving labour intensity in infrastructure	–	–	–	50.0	–	0.1%	–	–	–	-100.0%	0.1%
Non-profit institutions											
Current	7.0	9.4	7.8	7.5	2.6%	–	8.2	8.5	8.5	4.4%	–
South African Cities Network	7.0	9.4	7.8	7.5	2.6%	–	8.2	8.5	8.5	4.4%	–

1. Estimates of National Expenditure data tables are available at www.treasury.gov.za. These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

Personnel information

Table 3.9 Local Government Support and Intervention Management personnel numbers and cost by salary level¹

Local Government Support and Intervention Management	Number of posts estimated for 31 March 2021		Number and cost ² of personnel posts filled/planned for on funded establishment												Number				
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%) 2020/21 - 2023/24	Average: Salary level/ Total (%)			
			2019/20		2020/21		2021/22		2022/23		2023/24								
			Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost							
Salary level	99	–	99	77.4	0.8	106	85.5	0.8	113	92.3	0.8	113	93.8	0.8	113	95.3	0.8	2.2%	100.0%
1 – 6	15	–	15	4.7	0.3	16	5.2	0.3	17	5.5	0.3	17	5.6	0.3	17	5.8	0.3	2.0%	15.1%
7 – 10	28	–	28	14.3	0.5	30	15.9	0.5	32	17.0	0.5	32	17.3	0.5	32	17.6	0.6	2.2%	28.3%
11 – 12	25	–	25	20.5	0.8	27	23.0	0.9	29	25.1	0.9	29	25.4	0.9	29	25.8	0.9	2.4%	25.6%
13 – 16	31	–	31	38.0	1.2	33	41.4	1.3	35	44.7	1.3	35	45.4	1.3	35	46.1	1.3	2.0%	31.0%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Programme 3: Institutional Development

Programme purpose

Build institutional resilience in local government by supporting system development, governance and capacity building.

Objectives

- Support municipalities in improving their financial sustainability and revenue management by developing simplified revenue plans, property and consumer databases, record management systems, and organograms aligned with municipal functions on an ongoing basis.
- Support the efforts of municipalities to improve their finances by monitoring the implementation of the Municipal Property Rates Act (2004) on an ongoing basis.
- Strengthen the functionality of municipalities by developing and implementing human resources and administrative systems, in line with the Municipal Systems Act (2000), by March 2024.
- Reduce corruption in municipalities by monitoring the implementation of the anti-corruption strategy on an ongoing basis.

Subprogrammes

- *Management: Institutional Development* provides strategic leadership to the programme to ensure compliance and the achievement of departmental targets in line with the District Development Model.
- *Municipal Human Resource Management System* builds sound institutional capabilities in municipalities through the development, implementation and enforcement of an efficient and effective human resource management framework, in line with the Municipal Systems Act (2000).
- *Municipal Revenue Enhancement and Audit Outcomes* provides support and technical capacity to municipalities on municipal revenue management and enhancement strategies, debt collection and free basic services; and promotes good financial governance.
- *Citizen Engagement* promotes local government accountability and engagement with communities through the implementation of a citizen engagement framework.
- *Anti-Corruption and Good Governance* conducts anti-corruption campaigns to instil ethical conduct at the local government level. This subprogramme also strengthens and implements preventative measures against corruption, and creates a conducive environment for the swift resolution of corruption cases.
- *Municipal Property Rates* guides municipalities in complying with critical rating and valuation criteria of the Municipal Property Rates Act (2004) and its regulations.
- *Municipal Governance* supports implementation of the Municipal Demarcation Act (1998) and the Municipal Structures Amendment Act (2020).
- *Local Government Equitable Share* is the share of nationally raised revenue payable to local government in terms of section 214 of the Constitution. This transfer supplements municipal revenue for the provision of free basic services to poor households, and the creation of greater institutional capacity in weaker municipalities.
- *South African Local Government Association* makes transfers to the South African Local Government Association to fund operational activities, including its participation in intergovernmental structures and legislatures.
- *United Cities and Local Government of Africa* makes transfers to United Cities and Local Government of Africa to fund operational activities, enhance cooperation and knowledge sharing among local governments in Africa, and improve the delivery of services to communities across the continent.
- *Municipal Systems Improvement Grant* provides technical assistance and support to municipalities to build in-house capacity to perform their functions, and to stabilise institutional and governmental systems, as required by the Municipal Systems Act (2000), the Municipal Property Rates Act (2004) and related legislation.

Expenditure trends and estimates

Table 3.10 Institutional Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
R million					2017/18 - 2020/21					2020/21 - 2023/24	
Management: Institutional Development	1.5	1.2	1.1	3.9	38.6%	–	3.6	3.6	3.5	-3.8%	–
Municipal Human Resource Management System	8.4	13.4	9.6	10.4	7.3%	–	10.2	10.2	9.9	-1.7%	–
Municipal Revenue Enhancement and Audit Outcomes	8.6	27.4	12.3	38.6	65.2%	–	28.2	29.6	31.8	-6.3%	–
Citizen Engagement	8.0	7.3	7.6	6.8	-5.1%	–	7.6	7.6	7.5	3.0%	–
Anti-Corruption and Good Governance	6.0	8.1	6.6	6.1	0.1%	–	6.6	6.6	6.4	2.0%	–
Municipal Property Rates	6.9	8.9	9.9	12.5	22.3%	–	12.5	12.4	11.9	-1.6%	–
Municipal Governance	5.3	5.0	3.6	6.3	5.9%	–	356.7	5.9	5.7	-2.9%	0.1%
Local Government Equitable Share	55 613.7	60 757.9	65 627.3	85 683.3	15.5%	99.7%	77 999.1	83 084.5	83 570.0	-0.8%	99.6%

Table 3.10 Institutional Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
R million											
South African Local Government Association	31.3	33.1	33.9	33.2	2.0%	–	35.4	36.3	36.4	3.1%	–
United Cities and Local Government of Africa	11.6	5.8	–	–	-100.0%	–	7.8	8.0	8.0	–	–
Municipal Systems Improvement Grant	50.6	93.7	85.4	119.8	33.2%	0.1%	135.3	140.3	146.5	6.9%	0.2%
Total	55 751.9	60 961.8	65 797.3	85 920.9	15.5%	100.0%	78 602.9	83 345.0	83 837.6	-0.8%	100.0%
Change to 2020 Budget estimate				10 952.0			(3 824.5)	676.0	(7 503.3)		
Current payments	94.7	141.4	135.8	203.7	29.1%	0.2%	210.0	215.5	222.5	3.0%	0.3%
Compensation of employees	33.0	39.3	40.3	36.0	2.9%	0.1%	41.4	42.1	42.8	5.9%	–
Goods and services ¹	61.7	102.1	95.4	167.7	39.6%	0.2%	168.6	173.5	179.8	2.3%	0.2%
of which:											
Catering: Departmental activities	0.6	0.6	0.5	1.3	33.9%	–	1.3	1.4	1.4	1.4%	–
Communication	0.4	0.4	0.3	2.1	80.7%	–	1.4	1.4	1.4	-12.5%	–
Consultants: Business and advisory services	53.0	89.7	88.1	122.7	32.3%	0.1%	140.1	145.4	151.6	7.3%	0.2%
Contractors	–	–	0.0	30.6	–	–	14.0	14.1	14.1	-22.7%	–
Consumables: Stationery, printing and office supplies	0.4	0.1	0.4	2.8	84.3%	–	2.3	2.4	2.4	-4.8%	–
Travel and subsistence	5.8	8.1	4.1	4.9	-5.5%	–	7.2	6.5	6.5	10.0%	–
Transfers and subsidies¹	55 657.1	60 820.3	65 661.5	85 717.2	15.5%	99.8%	78 392.9	83 129.4	83 615.1	-0.8%	99.7%
Provinces and municipalities	55 613.7	60 781.1	65 627.3	85 683.3	15.5%	99.7%	77 999.1	83 084.5	83 570.0	-0.8%	99.6%
Departmental agencies and accounts	31.3	33.1	33.9	33.2	2.0%	–	35.4	36.3	36.4	3.1%	–
Foreign governments and international organisations	1.2	0.3	0.3	0.6	-18.7%	–	2.2	2.2	2.2	51.9%	–
Non-profit institutions	10.9	5.8	–	–	-100.0%	–	6.2	6.4	6.4	–	–
Households	–	–	0.1	–	–	–	350.0	–	–	–	0.1%
Payments for capital assets	–	0.1	0.0	–	–	–	–	–	–	–	–
Machinery and equipment	–	0.1	0.0	–	–	–	–	–	–	–	–
Payments for financial assets	–	0.0	0.0	–	–	–	–	–	–	–	–
Total	55 751.9	60 961.8	65 797.3	85 920.9	15.5%	100.0%	78 602.9	83 345.0	83 837.6	-0.8%	100.0%
Proportion of total programme expenditure to vote expenditure	73.2%	74.6%	75.8%	80.3%	–	–	77.9%	77.8%	77.4%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	–	–	0.1	–	–	–	–	–	–	–	–
Employee social benefits	–	–	0.1	–	–	–	–	–	–	–	–
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	55 613.7	60 781.1	65 627.3	85 683.3	15.5%	99.7%	77 999.1	83 084.5	83 570.0	-0.8%	99.6%
Municipal systems improvement grant	–	23.2	–	–	–	–	–	–	–	–	–
Local government equitable share	55 613.7	60 757.9	65 627.3	85 683.3	15.5%	99.7%	77 999.1	83 084.5	83 570.0	-0.8%	99.6%
Households											
Other transfers to households											
Current	–	–	–	–	–	–	350.0	–	–	–	0.1%
Non-returning local government councillors	–	–	–	–	–	–	350.0	–	–	–	0.1%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	31.3	33.1	33.9	33.2	2.0%	–	35.4	36.3	36.4	3.1%	–
South African Local Government Association	31.3	33.1	33.9	33.2	2.0%	–	35.4	36.3	36.4	3.1%	–
Non-profit institutions											
Current	10.9	5.8	–	–	-100.0%	–	6.2	6.4	6.4	–	–
United Cities and Local Governments of Africa - South African regional office	10.9	5.8	–	–	-100.0%	–	6.2	6.4	6.4	–	–
Foreign governments and international organisations											
Current	1.2	0.3	0.3	0.6	-18.7%	–	2.2	2.2	2.2	51.9%	–
Commonwealth Local Government Forum	0.5	0.3	0.3	0.6	7.7%	–	0.6	0.7	0.7	1.4%	–
United Cities and Local Governments of Africa - Moroccan office	0.7	–	–	–	-100.0%	–	1.5	1.6	1.6	–	–

1. Estimates of National Expenditure data tables are available at www.treasury.gov.za. These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

Personnel information

Table 3.11 Institutional Development personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2021		Number and cost ² of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)				
		2019/20			2020/21			2021/22		2022/23		2023/24							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			2020/21 - 2023/24			
Institutional Development																			
Salary level	54	–	54	40.3	0.7	59	36.0	0.6	64	41.4	0.6	64	42.1	0.7	64	42.8	0.7	2.7%	100.0%
1–6	13	–	13	4.0	0.3	13	4.2	0.3	13	4.3	0.3	13	4.4	0.3	13	4.4	0.3	–	20.7%
7–10	10	–	10	4.9	0.5	10	5.2	0.5	10	5.3	0.5	10	5.4	0.5	10	5.5	0.6	–	15.9%
11–12	15	–	15	12.0	0.8	17	14.2	0.8	19	16.1	0.8	19	16.3	0.9	19	16.6	0.9	3.8%	29.5%
13–16	16	–	16	19.4	1.2	19	12.5	0.7	22	15.8	0.7	22	16.0	0.7	22	16.3	0.7	5.0%	33.9%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Programme 4: National Disaster Management Centre

Programme purpose

Promote an integrated and coordinated system of disaster prevention, mitigation and risk management.

Objectives

- Oversee institutional systems for disaster management and improve legislative compliance by upgrading regulatory and policy frameworks for disaster management on an ongoing basis.
- Improve and strengthen systems for disaster management for all common disasters, such as drought, floods, fire and disease, in all provinces by raising public awareness about the impact and management of disasters on an ongoing basis.
- Coordinate effective, integrated disaster management and fire services by developing, strengthening and managing regulatory and institutional frameworks on an ongoing basis.

Subprogrammes

- *Management: Head of the National Disaster Management Centre* provides strategic leadership to the programme.
- *Disaster Risk Reduction, Capacity Building and Intervention* develops and implements operational systems for disaster management; coordinates disaster management capacity building and strategic research across all spheres of government; and provides for the allocation of funding for disaster response, relief and rehabilitation when a disaster has occurred.
- *Legislation and Policy Management* develops disaster management policies and legislative frameworks derived from the Disaster Management Act (2002) and the national disaster management framework. This subprogramme also manages legislative compliance across sectors and spheres of government.
- *Integrated Provincial Disaster Management Support, Monitoring and Evaluation Systems* facilitates education, training and public awareness to build capacity among role players and communities to ensure communities do their best to avoid the risk of disaster, and to build community resilience.
- *Fire Services* develops policies and legislative frameworks for fire services, and coordinates programmes for the support and administration of fire services, and the implementation of the 2020 White Paper on Fire Services.
- *Information Technology, Intelligence and Information Management Systems* guides the development of a comprehensive information management and communications system, and establishes integrated communication channels with all disaster management role players. In collaboration with the relevant disaster management stakeholders, this subprogramme also provides early warning messaging systems for severe weather and other hazards.

- *Disaster Relief Grant* is a conditional allocation that aims to provide immediate relief for legally classified disasters. Transfers are made only when a disaster has been classified.
- *Municipal Disaster Recovery Grant* is a conditional allocation that aims to rehabilitate and reconstruct municipal infrastructure damaged by disasters. Transfers are made only when a disaster has been declared.
- *Provincial Disaster Recovery Grant* is a conditional allocation that aims to rehabilitate and reconstruct the provincial infrastructure damaged by disasters. Transfers are made only when a disaster has been declared.

Expenditure trends and estimates

Table 3.12 National Disaster Management Centre expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2017/18	2018/19	2019/20		2020/21	2017/18 - 2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24	Average Expenditure/ Total (%)
R million											
Management: Head of the National Disaster Management Centre	4.8	3.2	3.8	4.1	-5.7%	0.5%	4.0	4.0	3.9	-1.5%	0.7%
Disaster Risk Reduction, Capacity Building and Intervention	10.4	45.4	15.0	43.8	61.6%	3.7%	55.4	57.7	59.3	10.7%	8.9%
Legislation and Policy Management	5.7	6.0	6.7	6.2	3.3%	0.8%	6.8	6.8	6.6	2.0%	1.1%
Integrated Provincial Disaster Management Support, Monitoring and Evaluation Systems	2.2	3.2	3.3	5.2	33.7%	0.4%	4.7	4.7	4.5	-4.7%	0.8%
Fire Services	3.3	3.6	3.7	4.9	13.6%	0.5%	5.3	5.3	5.2	2.3%	0.9%
Information Technology, Intelligence and Information Management Systems	16.2	18.5	14.2	23.8	13.7%	2.4%	30.0	30.5	30.4	8.5%	4.7%
Disaster Relief Grant	423.7	122.7	466.4	492.4	5.1%	48.7%	498.8	516.7	518.6	1.7%	83.1%
Municipal Disaster Recovery Grant	26.1	1 151.4	133.2	-	-100.0%	42.4%	-	-	-	-	-
Provincial Disaster Recovery Grant	-	16.3	-	-	-	0.5%	-	-	-	-	-
Total	492.4	1 370.3	646.3	580.4	5.6%	100.0%	605.1	625.8	628.5	2.7%	100.0%
Change to 2020 Budget estimate				(19.3)			(31.0)	-	(59.5)		
Economic classification											
Current payments	41.2	79.1	44.8	85.1	27.4%	8.1%	103.2	105.8	106.6	7.8%	16.4%
Compensation of employees	20.4	22.4	24.8	26.4	9.1%	3.0%	27.6	28.1	28.6	2.6%	4.5%
Goods and services ¹	20.8	56.7	20.0	58.6	41.3%	5.1%	75.6	77.7	78.0	10.0%	11.9%
<i>of which:</i>											
<i>Catering: Departmental activities</i>	0.4	0.3	0.6	0.5	6.3%	0.1%	0.5	0.5	0.5	1.4%	0.1%
<i>Communication</i>	0.4	0.4	0.4	0.6	15.1%	0.1%	0.7	0.7	0.7	1.6%	0.1%
<i>Computer services</i>	4.0	4.2	4.3	8.6	29.1%	0.7%	8.7	9.0	9.0	1.4%	1.4%
<i>Consultants: Business and advisory services</i>	3.8	36.3	4.8	31.6	102.1%	2.5%	58.6	60.2	60.5	24.1%	8.6%
<i>Inventory: Other supplies</i>	-	0.0	0.1	0.6	-	-	0.6	0.6	0.6	1.5%	0.1%
<i>Travel and subsistence</i>	3.5	3.7	3.8	2.4	-12.3%	0.4%	4.2	4.4	4.4	22.3%	0.6%
<i>Interest and rent on land</i>	0.0	-	-	-	-100.0%	-	-	-	-	-	-
Transfers and subsidies¹	450.2	1 290.5	599.9	492.5	3.0%	91.7%	498.9	516.8	518.7	1.7%	83.1%
Provinces and municipalities	449.9	1 290.4	599.6	492.4	3.1%	91.7%	498.8	516.7	518.6	1.7%	83.1%
Non-profit institutions	0.1	0.1	0.1	0.1	-	-	0.1	0.1	0.1	-1.7%	-
Households	0.2	-	0.2	-	-100.0%	-	-	-	-	-	-
Payments for capital assets	1.1	0.7	1.6	2.8	37.8%	0.2%	2.9	3.1	3.2	5.2%	0.5%
Machinery and equipment	1.1	0.7	1.6	2.8	37.8%	0.2%	2.9	3.1	3.2	5.2%	0.5%
Payments for financial assets	-	0.0	0.0	-	-	-	-	-	-	-	-
Total	492.4	1 370.3	646.3	580.4	5.6%	100.0%	605.1	625.8	628.5	2.7%	100.0%
Proportion of total programme expenditure to vote expenditure	0.6%	1.7%	0.7%	0.5%	-	-	0.6%	0.6%	0.6%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	0.0	-	0.1	-	-100.0%	-	-	-	-	-	-
Employee social benefits	0.0	-	0.1	-	-100.0%	-	-	-	-	-	-
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	367.5	1 151.4	133.2	353.9	-1.2%	64.9%	358.5	371.4	372.7	1.7%	59.7%
Municipal Disaster Relief Grant	341.4	-	-	353.9	1.2%	22.5%	358.5	371.4	372.7	1.7%	59.7%
Municipal Disaster Recovery Grant	26.1	1 151.4	133.2	-	-100.0%	42.4%	-	-	-	-	-
Households											
Other transfers to households											
Current	0.2	-	-	-	-100.0%	-	-	-	-	-	-
Employee social benefits	0.2	-	-	-	-100.0%	-	-	-	-	-	-

Table 3.12 National Disaster Management Centre expenditure trends and estimates by subprogramme and economic classification

Provinces and municipalities	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
R million											
Provinces											
Provincial revenue funds											
Current	82.3	139.0	466.4	138.5	18.9%	26.7%	140.3	145.3	145.8	1.7%	23.4%
Provincial Disaster Relief Grant	82.3	122.7	466.4	138.5	18.9%	26.2%	140.3	145.3	145.8	1.7%	23.4%
Provincial Disaster Recovery Grant	–	16.3	–	–	–	0.5%	–	–	–	–	–

1. Estimates of National Expenditure data tables are available at www.treasury.gov.za. These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

Personnel information

Table 3.13 National Disaster Management Centre personnel numbers and cost by salary level¹

National Disaster Management Centre	Number of posts estimated for 31 March 2021		Number and cost ² of personnel posts filled/planned for on funded establishment												Number				
	Number of funded posts	Number of posts additional to the establishment	Actual 2019/20			Revised estimate 2020/21			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)			
Salary level	31	–	Number	Cost	Unit cost	Number	Cost	Unit cost	2021/22		2022/23		2023/24		2020/21 - 2023/24				
									Number	Cost	Unit cost	Number	Cost	Unit cost					
1–6	3	–	3	24.8	0.8	3	26.4	0.8	3	27.6	0.8	3	28.1	0.9	3	28.6	0.9	1.0%	100.0%
7–10	9	–	3	0.9	0.3	9	4.1	0.5	9	4.4	0.5	9	4.5	0.5	9	4.6	0.5	–	27.5%
11–12	9	–	9	7.3	0.8	10	8.4	0.8	11	9.3	0.8	11	9.5	0.9	11	9.6	0.9	3.2%	32.8%
13–16	10	–	10	12.4	1.2	10	12.7	1.3	10	12.9	1.3	10	13.1	1.3	10	13.3	1.3	–	30.5%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Programme 5: Community Work Programme

Programme purpose

Create income security and work experience for participants, and promote social and economic inclusion by targeting areas of high unemployment.

Objective

- Provide and maintain 250 000 work opportunities per year through effective and efficient programme management and strategic partnerships by March 2024.

Subprogrammes

- *Management: Community Work Programme* provides strategic management and leadership to the programme.
- *Programme Coordination* develops frameworks and standard operating procedures. This subprogramme also facilitates the implementation and functionality of coordination structures, and monitors the performance of implementing agents.
- *Partnerships, Norms, Standards and Innovation* ensures the effective management and coordination of partnerships and special projects with both the private and public sectors to meet the programme's objectives.

Expenditure trends and estimates

Table 3.14 Community Work Programme expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
R million											
Management: Community Work Programme	3 114.0	3 325.3	3 827.8	4 041.3	9.1%	99.5%	4 158.9	4 292.0	4 304.3	2.1%	98.5%
Programme Coordination	1.2	1.5	2.0	48.0	245.1%	0.4%	46.8	47.5	47.0	-0.7%	1.1%
Partnerships, Norms, Standards and Innovation	0.6	1.9	2.3	14.8	192.2%	0.1%	14.5	14.7	14.5	-0.6%	0.3%
Total	3 115.8	3 328.6	3 832.1	4 104.1	9.6%	100.0%	4 220.2	4 354.1	4 365.8	2.1%	100.0%
Change to 2020 Budget estimate				(71.8)			(357.1)	–	(504.2)		
Economic classification											
Current payments	3 104.7	3 290.2	3 772.6	4 089.1	9.6%	99.1%	4 220.2	4 354.1	4 365.8	2.2%	99.9%
Compensation of employees	38.6	31.6	29.3	31.5	-6.6%	0.9%	34.1	34.7	35.3	3.9%	0.8%
Goods and services ¹	3 066.0	3 258.6	3 743.2	4 057.7	9.8%	98.2%	4 186.0	4 319.4	4 330.5	2.2%	99.1%
of which:											
Computer services	7.5	4.5	4.9	31.5	61.2%	0.3%	31.9	32.7	32.8	1.4%	0.8%
Consultants: Business and advisory services	221.5	259.3	260.5	1 325.3	81.5%	14.4%	1 348.4	1 407.3	1 408.1	2.0%	32.2%
Contractors	2 440.0	2 582.2	2 927.8	1 786.5	-9.9%	67.7%	1 879.6	1 928.9	1 935.7	2.7%	44.2%
Inventory: Materials and supplies	–	11.7	–	603.9	–	4.3%	581.2	596.4	598.6	-0.3%	14.0%
Consumable supplies	212.0	226.2	336.6	154.2	-10.1%	6.5%	186.6	191.5	192.2	7.6%	4.3%
Training and development	151.4	114.3	144.1	100.9	-12.6%	3.6%	102.2	104.9	105.3	1.4%	2.4%
Interest and rent on land	–	–	0.1	–	–	–	–	–	–	–	–
Transfers and subsidies ¹	0.1	0.4	0.0	–	-100.0%	–	–	–	–	–	–
Provinces and municipalities	–	–	0.0	–	–	–	–	–	–	–	–
Households	0.1	0.4	0.0	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	11.0	38.0	59.5	15.0	10.8%	0.9%	–	–	–	-100.0%	0.1%
Buildings and other fixed structures	0.3	–	4.6	–	-100.0%	–	–	–	–	–	–
Machinery and equipment	10.7	38.0	55.0	15.0	11.9%	0.8%	–	–	–	-100.0%	0.1%
Payments for financial assets	–	0.0	0.0	–	–	–	–	–	–	–	–
Total	3 115.8	3 328.6	3 832.1	4 104.1	9.6%	100.0%	4 220.2	4 354.1	4 365.8	2.1%	100.0%
Proportion of total programme expenditure to vote expenditure	4.1%	4.1%	4.4%	3.8%	–	–	4.2%	4.1%	4.0%	–	–

1. Estimates of National Expenditure data tables are available at www.treasury.gov.za. These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

Personnel information

Table 3.15 Community Work Programme personnel numbers and cost by salary level¹

Community Work Programme	Salary level	Number of posts estimated for 31 March 2021	Number of posts additional to the establishment	Number and cost ² of personnel posts filled/planned for on funded establishment												Number				
				Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)			
				2019/20		Unit cost	2020/21		Unit cost	2021/22		2022/23		2023/24				2020/21 - 2023/24		
				Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost		Unit cost	
		40	–	40	29.3	0.7	43	31.5	0.7	46	34.1	0.7	46	34.7	0.8	46	35.3	0.8	2.3%	100.0%
	1–6	11	–	11	2.7	0.2	12	3.0	0.3	13	3.4	0.3	13	3.4	0.3	13	3.5	0.3	2.7%	28.2%
	7–10	10	–	10	4.3	0.4	11	4.7	0.4	12	5.2	0.4	12	5.3	0.4	12	5.4	0.5	2.9%	26.0%
	11–12	3	–	3	2.2	0.7	3	2.2	0.7	3	2.3	0.8	3	2.3	0.8	3	2.3	0.8	–	6.6%
	13–16	16	–	16	20.1	1.3	17	21.5	1.3	18	23.2	1.3	18	23.6	1.3	18	24.0	1.3	1.9%	39.2%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Entities

Municipal Demarcation Board

Selected performance indicators

Table 3.16 The Municipal Demarcation Board performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Process for delimitation of municipal ward boundaries for local government elections per year	Demarcation and spatial transformation excellence	Priority 5: Spatial integration, human settlements and local government	Finalise review of all ward delimitation policies and procedures	Final draft plan for 2021 ward delimitation process	Engage with all stakeholders on ward delimitation process for 2021 local government elections	Finalise delimitation of municipal boundaries	-1	-1	-1
Process for development of capacity assessment model for selected municipalities struggling to perform their functions per year	Demarcation and spatial transformation excellence		Implement municipal capacity assessment model in 4 provinces	Draft plan for municipal capacity assessment model in 5 provinces	Compile report for the conducted assessment	Update capacity assessment model	Update capacity assessment model	-1	-1
Number of municipalities with spatial boundary descriptions finalised per year	Research, spatial information and intelligence development		85	57	57	58	60	60	60
Number of reports compiled on minimum norms and standards for municipal capacity to perform powers and functions per year	Research, spatial information and intelligence development		-2	8	8	8	5	5	5
Number of outreach programmes to strengthen public awareness and education on demarcation processes per year	Research, spatial information and intelligence development		-2	4	5	5	5	5	5

1. Target achieved.

2. No historical data available.

Entity overview

The Municipal Demarcation Board is an independent authority established in terms of chapter 7 of the Constitution. The board is mandated to determine municipal boundaries in accordance with section 3 of the Local Government Municipal Demarcation Act (1998), delimit wards, and assess the capacity of the executive council responsible for local government, as per the Municipal Structures Act (1998).

Over the medium term, the board plans to focus on finalising amendments to the Municipal Demarcation Act (1998) to improve its administrative and legislative functions. It is also in the process of finalising and updating the municipal capacity model, which will assist in determining whether municipalities have the institutional capacity to execute their mandates.

The board's total expenditure is expected to increase at an average annual rate of 2.1 per cent, from R69.8 million in 2020/21 to R74.3 million in 2023/24. Transfers from the department account for R218 million of the board's revenue, which is set to increase from R69.8 million in 2020/21 to R74.3 million in 2023/24 at an average annual rate of 5.1 per cent.

Programmes/Objectives/Activities**Table 3.17 Municipal Demarcation Board expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2017/18	2018/19	2019/20		2017/18 - 2020/21	Average: Expenditure/Total (%)	2021/22	2022/23	2023/24	2020/21 - 2023/24	Average: Expenditure/Total (%)
Administration	32.6	36.2	37.9	42.8	9.5%	63.3%	48.7	49.5	51.0	6.1%	65.9%
Demarcation and spatial transformation excellence	10.8	11.1	12.1	19.5	22.0%	22.3%	13.6	14.0	14.7	-8.9%	21.4%
Research, spatial information and intelligence development	3.6	7.0	2.2	2.8	-8.5%	6.7%	3.2	3.3	3.5	7.8%	4.4%
Stakeholder engagement and partnership	3.5	6.1	4.3	4.7	11.0%	7.8%	6.1	8.7	5.0	2.1%	8.4%
Total	50.5	60.5	56.5	69.8	11.4%	100.0%	71.7	75.5	74.3	2.1%	100.0%

Statements of financial performance, cash flow and financial position**Table 3.18 Municipal Demarcation Board statements of financial performance, cash flow and financial position**

Statement of financial performance											
R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2017/18	2018/19	2019/20		2017/18 - 2020/21	Average: Expenditure/Total (%)	2021/22	2022/23	2023/24	2020/21 - 2023/24	Average: Expenditure/Total (%)
Revenue											
Non-tax revenue	0.8	1.1	1.1	6.8	103.1%	3.6%	1.1	1.2	1.2	-43.9%	3.6%
Sale of goods and services other than capital assets	0.0	-	-	-	-100.0%	-	-	-	-	-	-
of which:											
Administrative fees	0.0	-	-	-	-100.0%	-	-	-	-	-	-
Other non-tax revenue	0.8	1.1	1.1	6.8	103.3%	3.6%	1.1	1.2	1.2	-43.9%	3.6%
Transfers received	59.3	56.4	64.3	63.0	2.1%	96.4%	70.6	74.3	73.1	5.1%	96.4%
Total revenue	60.1	57.5	65.3	69.8	5.1%	100.0%	71.7	75.5	74.3	2.1%	100.0%
Expenses											
Current expenses	50.5	60.5	56.5	69.8	11.4%	100.0%	71.7	75.5	74.3	2.1%	100.0%
Compensation of employees	27.0	28.0	32.4	38.8	13.0%	53.2%	42.0	45.3	47.9	7.2%	59.7%
Goods and services	21.3	30.7	23.0	31.0	13.4%	44.5%	29.8	30.2	26.4	-5.2%	40.3%
Depreciation	2.3	1.8	1.1	-	-100.0%	2.4%	-	-	-	-	-
Total expenses	50.5	60.5	56.5	69.8	11.4%	100.0%	71.7	75.5	74.3	2.1%	100.0%
Surplus/(Deficit)	9.6	(3.0)	8.9	-	-100.0%	-	-	-	-	-	-
Cash flow statement											
Cash flow from operating activities	11.6	(2.1)	9.6	4.9	-25.2%	100.0%	3.5	0.3	(4.1)	-194.8%	100.0%
Receipts											
Non-tax receipts	2.8	1.3	1.0	6.8	33.6%	4.6%	1.1	1.2	1.2	-43.9%	3.6%
Other tax receipts	2.8	1.3	1.0	6.8	33.6%	4.6%	1.1	1.2	1.2	-43.9%	3.6%
Transfers received	57.6	55.6	64.3	63.0	3.0%	95.4%	70.6	74.3	73.1	5.1%	96.4%
Total receipts	60.5	56.9	65.3	69.8	4.9%	100.0%	71.7	75.5	74.3	2.1%	100.0%
Payment											
Current payments	48.9	59.0	55.7	64.9	9.9%	100.0%	68.2	75.2	78.4	6.5%	100.0%
Compensation of employees	26.6	28.3	32.4	38.8	13.4%	55.1%	42.0	46.0	47.9	7.2%	60.9%
Goods and services	22.3	30.6	23.3	26.1	5.4%	44.9%	26.3	29.2	30.5	5.4%	39.1%
Total payments	48.9	59.0	55.7	64.9	9.9%	100.0%	68.2	75.2	78.4	6.5%	100.0%
Net cash flow from investing activities	(1.1)	(0.3)	(2.1)	(3.2)	43.7%	100.0%	(1.6)	-	-	-100.0%	-
Acquisition of property, plant, equipment and intangible assets	(0.9)	(0.3)	(1.4)	(1.1)	6.7%	76.4%	(0.6)	-	-	-100.0%	-
Acquisition of software and other intangible assets	(0.2)	(0.0)	(0.7)	(2.1)	106.7%	31.8%	(1.0)	-	-	-100.0%	-
Proceeds from the sale of property, plant, equipment and intangible assets	0.1	0.1	-	-	-100.0%	-8.2%	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	10.5	(2.3)	7.5	1.7	-45.5%	8.2%	1.9	0.3	(4.1)	-234.4%	-

Table 3.18 Municipal Demarcation Board statements of financial performance, cash flow and financial position

Statement of financial position	Audited outcome			Revised estimate 2020/21	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average Expenditure/Total (%)
	2017/18	2018/19	2019/20		2017/18	2020/21	2021/22	2022/23	2023/24		
R million											
Carrying value of assets	4.0	2.6	3.5	1.5	-28.6%	12.4%	3.2	1.6	1.0	-13.2%	14.7%
Acquisition of assets	(0.9)	(0.3)	(1.4)	(1.1)	6.7%	100.0%	(0.6)	-	-	-100.0%	-
Investments	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Inventory	0.2	0.3	0.3	0.2	1.3%	1.1%	0.3	0.2	0.2	3.6%	2.0%
Receivables and prepayments	0.4	0.4	1.3	1.4	48.6%	4.4%	1.2	1.2	1.2	-5.0%	10.6%
Cash and cash equivalents	20.0	17.7	25.2	12.0	-15.7%	82.0%	9.0	7.0	7.3	-15.2%	72.7%
Total assets	24.7	20.9	30.3	15.1	-15.2%	100.0%	13.6	10.0	9.7	-13.6%	100.0%
Accumulated surplus/(deficit)	19.6	16.6	25.5	10.0	-20.0%	77.3%	9.1	5.6	5.1	-20.3%	60.3%
Trade and other payables	4.7	3.3	3.9	4.0	-5.4%	18.6%	3.5	3.4	3.6	-3.9%	30.7%
Provisions	0.4	1.0	1.0	1.1	38.2%	4.1%	1.0	1.0	1.1	1.3%	9.0%
Total equity and liabilities	24.7	20.9	30.3	15.1	-15.2%	100.0%	13.6	10.0	9.7	-13.6%	100.0%

Personnel information

Table 3.19 Municipal Demarcation Board personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020		Number and cost ¹ of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate			2023/24			Average growth rate (%)	Average Salary level/Total (%)			
		2019/20	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24											
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Municipal Demarcation Board		48	32.4	0.7	46	38.8	0.8	48	42.0	0.9	48	45.3	0.9	48	47.9	1.0	7.2%	100.0%
Salary level																		
1 - 6		-	2	0.2	0.1	-	-	-	-	-	-	-	-	-	-	-	-	-
7 - 10		24	23	9.7	0.4	23	12.8	0.6	24	13.8	0.6	24	14.9	0.6	24	15.8	0.7	7.2%
11 - 12		13	13	8.6	0.7	13	11.0	0.8	13	11.8	0.9	13	12.8	1.0	13	13.5	1.0	7.2%
13 - 16		10	9	11.6	1.3	9	12.8	1.4	10	13.8	1.4	10	14.9	1.5	10	15.8	1.6	7.2%
17 - 22		1	1	2.3	2.3	1	2.3	2.3	1	2.5	2.5	1	2.7	2.7	1	2.9	2.9	7.2%

1. Rand million.

Municipal Infrastructure Support Agent

Selected performance indicators

Table 3.20 Municipal Infrastructure Support Agent performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance 2020/21	MTEF targets		
			2017/18	2018/19	2019/20		2021/22	2022/23	2023/24
Number of municipalities supported with the development and implementation of plans compliant with the Spatial Planning and Land Use Management Act (2013) per year	Technical support services	Priority 5: Spatial integration, human settlements and local government	14	0	30	30	30	30	30
Number of municipal sector plans developed or reviewed per year	Technical support services		8	2	6	6	6	6	6
Number of learners enrolled in apprentice programmes per year	Technical support services		303	259	230	130	130	130	130
Number of municipal officials provided with technical skills training per year	Technical support services		450	610	250	250	250	250	250
Number of candidates enrolled in the young graduate programme per year	Technical support services		85	159	135	100	150	150	150
Number of municipalities supported in implementing framework contracts per year	Infrastructure delivery		-1	-1	5	10	10	10	10

1. No historical data available.

Entity overview

The Municipal Infrastructure Support Agent is a government component established in terms of section 7(5)(c) of the Public Service Act (1994). By offering technical advice, the agent supports and strengthens the capacity of municipalities to provide access to basic services, exercise their powers, and perform the functions required to develop, maintain and operate municipal infrastructure. It also aims to improve the municipal management of infrastructure contracts, procurement and construction. These functions will remain focal over the medium term as the agent aims to train 130 learners, 150 graduates and 250 municipal technical officials per year to improve municipal capacity and assist 90 municipalities in developing spatial development frameworks, in line with the Spatial Planning and Land Use Management Act (2013).

Total expenditure is expected to increase from R339.8 million in 2020/21 to R351.5 million in 2023/24 at an average annual rate of 1.1 per cent. The agent is set to derive R1 billion of its projected revenue over the MTEF period through transfers from the department.

Programmes/Objectives/Activities

Table 3.21 Municipal Infrastructure Support Agent expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
Administration	57.9	98.8	90.5	91.3	16.4%	23.0%	102.2	106.8	109.5	6.2%	29.5%
Technical support	181.3	296.1	269.6	218.8	6.5%	65.5%	219.8	221.8	220.2	0.2%	63.5%
Infrastructure delivery management support	63.2	25.3	42.0	29.8	-22.2%	11.5%	22.9	21.6	21.8	-9.9%	6.9%
Total	302.5	420.2	402.0	339.8	4.0%	100.0%	344.9	350.2	351.5	1.1%	100.0%

Statements of financial performance, cash flow and financial position

Table 3.22 Municipal Infrastructure Support Agent statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
Revenue											
Non-tax revenue	4.2	4.9	3.4	4.8	5.0%	1.2%	5.0	5.3	5.5	4.8%	1.4%
of which:											
Other non-tax revenue	4.2	4.9	3.4	4.8	5.0%	1.2%	5.0	5.3	5.5	4.8%	1.4%
Transfers received	381.5	342.5	344.0	389.8	0.7%	98.8%	344.9	350.2	351.5	-3.4%	98.6%
Total revenue	385.6	347.4	347.4	394.7	0.8%	100.0%	349.9	355.5	357.0	-3.3%	100.0%
Expenses											
Current expenses	302.5	420.2	402.0	339.8	4.0%	100.0%	344.9	350.2	351.5	1.1%	100.0%
Compensation of employees	65.3	163.1	186.6	223.2	50.7%	43.1%	227.0	227.0	227.0	0.6%	65.2%
Goods and services	230.8	251.7	209.6	110.7	-21.7%	55.2%	110.9	114.1	115.0	1.3%	32.5%
Depreciation	6.4	5.4	5.9	6.0	-1.9%	1.7%	7.0	9.1	9.5	16.7%	2.3%
Total expenses	302.5	420.2	402.0	339.8	4.0%	100.0%	344.9	350.2	351.5	1.1%	100.0%
Surplus/(Deficit)	83.2	(72.8)	(54.6)	54.8	-13.0%		5.0	5.3	5.5	-53.5%	
Cash flow statement											
Non-tax receipts	4.2	4.4	3.4	5.4	9.3%	1.2%	5.7	6.0	6.2	4.7%	1.6%
Other tax receipts	4.2	4.4	3.4	5.4	9.3%	1.2%	5.7	6.0	6.2	4.7%	1.6%
Transfers received	381.5	342.5	344.0	389.8	0.7%	98.8%	344.9	350.2	351.5	-3.4%	98.4%
Total receipts	385.6	346.8	347.3	395.3	0.8%	100.0%	350.5	356.2	357.7	-3.3%	100.0%
Payment											
Current payments	300.4	397.2	354.0	359.7	6.2%	100.0%	379.2	393.3	411.0	4.5%	100.0%
Compensation of employees	61.6	160.5	186.6	230.1	55.1%	44.4%	242.5	255.4	266.9	5.1%	64.4%
Goods and services	238.8	236.7	167.5	129.7	-18.4%	55.6%	136.7	137.9	144.1	3.6%	35.6%
Total payments	300.4	397.2	354.0	359.7	6.2%	100.0%	379.2	393.3	411.0	4.5%	100.0%

Table 3.22 Municipal Infrastructure Support Agent statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Net cash flow from investing activities	(2.3)	(5.7)	0.0	-	-100.0%	-	-	-	-	-	-
Acquisition of property, plant, equipment and intangible assets	(2.3)	(5.7)	-	-	-100.0%	-	-	-	-	-	-
Proceeds from the sale of property, plant, equipment and intangible assets	-	-	0.0	-	-	-	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	82.9	(56.1)	(6.7)	35.5	-24.6%	5.7%	(28.6)	(37.1)	(53.3)	-214.5%	-5.9%
Statement of financial position											
Carrying value of assets	32.0	32.1	26.9	35.6	3.6%	17.6%	37.4	39.2	41.0	4.8%	18.0%
Acquisition of assets	(2.3)	(5.7)	-	-	-100.0%	-	-	-	-	-	-
Receivables and prepayments	1.4	1.2	2.0	1.1	-9.5%	0.8%	1.1	1.2	1.2	4.8%	0.5%
Cash and cash equivalents	202.6	146.4	98.2	161.5	-7.3%	81.5%	169.5	178.0	186.0	4.8%	81.5%
Total assets	236.0	179.7	127.2	198.1	-5.7%	100.0%	208.0	218.4	228.2	4.8%	100.0%
Accumulated surplus/(deficit)	188.4	115.6	60.9	127.4	-12.2%	64.1%	133.8	140.5	146.8	4.8%	64.3%
Trade and other payables	40.4	54.9	37.9	60.5	14.4%	27.0%	63.5	66.7	69.7	4.8%	30.5%
Provisions	7.2	9.2	12.3	10.2	12.2%	5.8%	10.7	11.2	11.7	4.8%	5.1%
Derivatives financial instruments	-	-	16.1	-	-	3.2%	-	-	-	-	-
Total equity and liabilities	236.0	179.7	127.2	198.1	-5.7%	100.0%	208.0	218.4	228.2	4.8%	100.0%

Personnel information**Table 3.23 Municipal Infrastructure Support Agent personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number			
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2019/20		Unit cost	2020/21		Unit cost	2021/22		Unit cost	2022/23		Unit cost			2023/24		Unit cost	
Municipal Infrastructure Support Agent		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	535	535	595	186.6	0.3	528	223.2	0.4	548	227.0	0.4	548	227.0	0.4	548	227.0	0.4	0.6%	100.0%
1 – 6	339	339	399	51.9	0.1	336	35.7	0.1	356	38.4	0.1	356	38.4	0.1	356	38.4	0.1	2.4%	16.5%
7 – 10	38	38	38	13.4	0.4	38	18.5	0.5	38	18.8	0.5	38	18.7	0.5	38	18.7	0.5	0.4%	8.3%
11 – 12	46	46	46	27.8	0.6	46	40.7	0.9	46	41.4	0.9	46	41.2	0.9	46	41.2	0.9	0.4%	18.2%
13 – 16	112	112	112	93.5	0.8	108	128.2	1.2	108	130.5	1.2	108	128.6	1.2	108	128.6	1.2	0.1%	57.1%

1. Rand million.

South African Local Government Association**Entity overview**

The South African Local Government Association is an association of municipalities recognised by the Organised Local Government Act (1997). The association represents the interests of local government within the overall system of government, supporting its members to fulfil their developmental obligations and actively participate in intergovernmental relations.

The association has requested that it be delisted from the Public Finance Management Act (1999) as a public entity, and as such, its performance information is no longer recorded in this publication. This request is awaiting agreement from the department. To support its operations particularly its attendance of mandatory governance structures, the association is set to receive transfers from the department amounting to R123.1 million over the medium term.

Programmes/Objectives/Activities**Table 3.24 South African Local Government Association expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
Administration	233.1	291.6	383.7	303.0	9.1%	45.8%	419.7	431.0	441.6	13.4%	52.1%
Economic growth and spatial transformation	182.2	175.2	79.2	262.9	13.0%	26.4%	85.7	94.7	99.7	-27.6%	18.0%
Good governance and resilient municipal institutions	109.3	105.1	123.2	112.4	0.9%	17.1%	149.5	155.0	162.9	13.2%	18.9%
Financial sustainability of local government	72.9	70.1	85.1	51.8	-10.7%	10.7%	88.6	94.5	99.5	24.3%	10.9%
Total	597.4	642.0	671.2	730.1	6.9%	100.0%	743.5	775.3	803.7	3.3%	100.0%

Statements of financial performance, cash flow and financial position**Table 3.25 South African Local Government Association statements of financial performance, cash flow and financial position**

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
Revenue											
Non-tax revenue	561.5	609.3	661.7	679.8	6.6%	92.9%	703.3	734.3	762.6	3.9%	94.3%
Sale of goods and services other than capital assets	533.2	574.4	624.0	667.6	7.8%	88.7%	692.3	723.2	751.5	4.0%	92.8%
<i>Sales by market establishment</i>	533.2	574.4	624.0	667.6	7.8%	88.7%	692.3	723.2	751.5	4.0%	92.8%
Other non-tax revenue	28.3	34.9	37.6	12.2	-24.5%	4.2%	11.0	11.1	11.1	-3.2%	1.5%
Transfers received	44.1	46.0	50.0	50.3	4.4%	7.1%	40.4	41.3	41.4	-6.3%	5.7%
Total revenue	605.6	655.3	711.7	730.1	6.4%	100.0%	743.7	775.5	804.0	3.3%	100.0%
Expenses											
Current expenses	597.4	642.0	671.2	730.1	6.9%	100.0%	743.5	775.3	803.7	3.3%	100.0%
Compensation of employees	329.8	333.4	346.2	458.7	11.6%	55.4%	470.1	495.5	522.7	4.5%	63.8%
Goods and services	258.4	300.0	317.1	260.7	0.3%	43.2%	262.4	268.3	269.0	1.0%	34.8%
Depreciation	8.1	7.2	6.5	9.2	4.2%	1.2%	9.5	10.0	10.4	4.2%	1.3%
Interest, dividends and rent on land	1.1	1.4	1.4	1.4	8.0%	0.2%	1.5	1.6	1.7	4.8%	0.2%
Total expenses	597.4	642.0	671.2	730.1	6.9%	100.0%	743.5	775.3	803.7	3.3%	100.0%
Surplus/(Deficit)	8.2	13.3	40.5	-	-100.0%		-	-	-	-	
Cash flow statement											
Cash flow from operating activities	(19.7)	19.0	49.9	15.6	-192.5%	100.0%	22.4	24.3	25.3	17.4%	100.0%
Receipts											
Non-tax receipts	557.0	605.9	674.2	685.3	7.2%	95.1%	708.3	739.3	767.6	3.9%	95.0%
Sales of goods and services other than capital assets	530.6	575.6	639.1	677.0	8.5%	91.2%	698.3	729.3	757.6	3.8%	93.7%
<i>Sales by market establishment</i>	525.1	568.0	619.8	655.4	7.7%	89.3%	690.4	721.4	749.7	4.6%	92.2%
<i>Other sales</i>	5.5	7.6	19.3	21.6	57.8%	2.0%	7.9	7.9	7.9	-28.4%	1.5%
Other tax receipts	26.5	30.3	35.0	8.3	-32.0%	3.9%	10.0	10.0	10.0	6.4%	1.3%
Transfers received	6.2	44.0	40.6	44.8	93.8%	4.9%	35.4	36.3	36.4	-6.7%	5.0%
Total receipts	563.2	649.9	714.8	730.1	9.0%	100.0%	743.7	775.5	804.0	3.3%	100.0%
Payment											
Current payments	582.9	630.9	664.9	714.4	7.0%	100.0%	721.3	751.3	778.7	2.9%	100.0%
Compensation of employees	329.8	333.4	330.2	458.7	11.6%	55.8%	470.1	495.5	522.7	4.5%	65.6%
Goods and services	251.9	296.1	333.3	254.3	0.3%	44.0%	249.7	254.2	254.3	-	34.2%
Interest and rent on land	1.1	1.4	1.4	1.4	8.0%	0.2%	1.5	1.6	1.7	4.8%	0.2%
Total payments	582.9	630.9	664.9	714.4	7.0%	100.0%	721.3	751.3	778.7	2.9%	100.0%
Net cash flow from investing activities	(28.2)	(10.2)	(2.7)	(18.7)	-12.8%	100.0%	(19.6)	(21.5)	(22.5)	6.4%	100.0%
Acquisition of property, plant, equipment and intangible assets	(30.7)	(10.5)	(2.8)	(17.0)	-17.8%	101.1%	(17.7)	(19.5)	(20.4)	6.2%	90.6%
Acquisition of software and other intangible assets	-	-	-	(1.7)	-	2.3%	(1.9)	(2.1)	(2.1)	8.1%	9.4%
Proceeds from the sale of property, plant, equipment and intangible assets	2.5	0.4	0.0	-	-100.0%	-3.3%	-	-	-	-	-

Table 3.25 South African Local Government Association statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Net cash flow from financing activities	0.6	1.6	(1.4)	-	-100.0%	-	-	-	-	-	-
Repayment of finance leases	0.6	1.6	(1.4)	-	-100.0%	-	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	(47.4)	10.5	45.7	(3.1)	-59.8%	-	2.9	2.7	2.8	-197.0%	0.2%
Statement of financial position											
Carrying value of assets	56.7	58.9	53.6	187.3	48.9%	25.6%	134.0	140.1	146.4	-7.9%	33.9%
Acquisition of assets	(30.7)	(10.5)	(2.8)	(17.0)	-17.8%	100.0%	(17.7)	(19.5)	(20.4)	6.2%	100.0%
Investments	1.1	1.1	1.8	1.0	-2.9%	0.4%	1.0	1.0	1.1	1.5%	0.2%
Receivables and prepayments	124.5	119.0	109.1	26.6	-40.3%	31.7%	28.0	29.4	30.7	4.9%	6.3%
Cash and cash equivalents	89.1	110.4	162.9	204.3	31.9%	42.4%	278.4	291.8	304.9	14.3%	59.5%
Total assets	271.4	289.4	327.4	419.2	15.6%	100.0%	441.4	462.3	483.1	4.8%	100.0%
Accumulated surplus/(deficit)	159.6	172.9	213.4	336.6	28.3%	66.0%	358.9	379.3	396.4	5.6%	81.4%
Capital and reserves	2.3	2.3	2.3	2.3	-	0.7%	2.3	2.3	2.4	1.5%	0.5%
Capital reserve fund	10.3	11.3	8.9	-	-100.0%	2.6%	-	-	-	-	-
Finance lease	1.9	3.5	2.1	9.1	69.1%	1.2%	9.1	9.1	9.5	1.5%	2.1%
Deferred income	-	-	-	2.8	-	0.2%	2.8	2.8	2.9	1.5%	0.6%
Trade and other payables	85.0	85.2	99.4	65.6	-8.3%	26.7%	65.6	66.0	69.0	1.7%	14.8%
Provisions	12.3	14.2	1.3	2.8	-38.9%	2.6%	2.8	2.8	2.9	1.5%	0.6%
Derivatives financial instruments	0.1	-	-	-	-100.0%	-	-	-	-	-	-
Total equity and liabilities	271.4	289.4	327.4	419.2	15.6%	100.0%	441.4	462.3	483.1	4.8%	100.0%

Personnel information**Table 3.26 South African Local Government Association personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number			
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2019/20		Unit cost	2020/21		Unit cost	2021/22		Unit cost	2022/23		Unit cost			2023/24		Unit cost	
South African Local Government Association		Number	Cost		Number	Cost		Number	Cost		Number	Cost		Number	Cost	Number	Cost		Number
Salary level	518	609	458	346.2	0.8	407	458.7	1.1	407	470.1	1.2	407	495.5	1.2	407	522.7	1.3	4.5%	100.0%
1-6	61	62	64	8.4	0.1	62	11.2	0.2	62	11.8	0.2	62	12.5	0.2	62	13.2	0.2	5.7%	2.5%
7-10	99	109	94	36.3	0.4	88	42.5	0.5	88	45.1	0.5	88	47.8	0.5	88	50.6	0.6	6.0%	9.5%
11-12	107	120	88	64.2	0.7	86	86.0	1.0	86	91.2	1.1	86	95.5	1.1	86	101.1	1.2	5.6%	19.2%
13-16	247	314	209	226.5	1.1	167	305.5	1.8	167	307.6	1.8	167	324.6	1.9	167	341.6	2.0	3.8%	65.7%
17-22	4	4	3	10.8	3.6	4	13.5	3.4	4	14.3	3.6	4	15.2	3.8	4	16.1	4.0	6.0%	3.0%

1. Rand million.