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BUDGET 2015

ESTIMATES OF NATIONAL EXPENDITURE

VOTE 11

PUBLIC WORKS



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Estimates of National Expenditure

2015

National Treasury

Republic of South Africa

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The 2015 Estimates of National Expenditure e-publications are compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za.

Compared to the abridged version of the 2015 ENE, the 2015 ENE e-publications provide more detailed information, including on goods and services, transfers and subsidies, as well as on programme specific personnel expenditure. The abridged version of the ENE contains one additional table at the end of a chapter that shows expenditure on infrastructure, whereas the vote ENE e-publications' additional tables also contain summaries of expenditure on conditional allocations to provinces and municipalities; departmental public private partnerships; and donor funding. Budget information is also provided for the public entities that are not shown in detail in the abridged publication. In some e-publications more detailed information at the level of site service delivery is included.

Foreword

Some of the tough economic conditions occasioned by the 2008 to 2009 global financial crisis continue to plague most parts of the world: Economic growth remains sluggish, unemployment and inequality levels are elevated, while financial markets tend to reposition themselves substantially at the slightest sign of unsettling news. As an open economy, South Africa is highly susceptible to global economic developments, often disproportionately so. In the face of all of this, the 2015 Medium Term Expenditure Framework (MTEF) response provides for positive real growth in expenditure averaging 2.1 per cent per year. The annual budget reaches R1.6 trillion by 2017/18.

True to the commitment government made in the Medium Term Budget Policy Statement (MTBPS) in October 2014, the budget framework sets out departmental programmes and plans that fit within the broad expenditure envelope published last year. To keep our fiscal accounts firmly on a sustainable path, the MTBPS proposed a fiscal policy package that has trimmed overall spending by R25 billion, which is the combined amount for 2015/16 and 2016/17. Government spending does continue to surpass inflation after these adjustments in both years, but growth is marginally slower. In addition, for 2017/18, R45 billion is placed in an unallocated reserve to cushion our plans against unforeseeable eventualities. Further, to achieve our fiscal objectives, government has had to institute carefully selected tax measures too. These are implemented within the framework of a progressive tax system and have been informed by the work of the Davies Tax Committee. The tax proposals are set out in detail in chapter 4 of the Budget Review.

The process of realigning expenditure in response to the closing of the fiscal space is being actively managed, in the context of government's 2014-2019 medium term strategic framework. Some of our aspirations might take longer to realise. Within government's institutions, more urgent and essential existing programmes are being prioritised above other programmes that are reduced. The implementation of some newly proposed programmes will either be phased in over a longer period or, in some cases, possibly even delayed. Social sector spending and key infrastructure spending, as well as other key areas of spending, continue to grow in real terms.

In addition to the reprioritisation of government programmes, the policy frameworks and implementation methodology of programmes are being re-evaluated, with a focus on service delivery of programmes. In line with the 2013/14 National Treasury instruction on cost containment measures, financing programmes must entail a greater share of goods and services budgets being devoted towards core areas of service delivery. The focus of government programmes is being sharpened, both in terms of spatial distribution, and in terms of their nature and emphasis. Effectiveness and efficiency of expenditure is our guiding mantra.

The spending plans contained in the 2015 Budget do respond to our short term needs for economic growth. However, to achieve our ambition of faster growth, which we unquestionably need for pushing back the frontiers of unemployment, poverty and inequality, we must continue to strive towards shifting the composition of expenditure more towards investment, away from consumption. Institutional spending, as always, is being closely monitored, and the ongoing process of realignment continues. The details of the spending of national government departments and its entities are encompassed in the chapters of this publication.

All the expenditure and service delivery information contained in the chapters of this publication result from a wide ranging intergovernmental consultative process, leading to executive approval of reprioritised and realigned spending allocations. Many people have contributed to making this publication possible, particularly my colleagues in national departments and agencies. Their collaboration and understanding during the budget allocation and document drafting processes has been invaluable. Appreciation is also due to the dedicated team at National Treasury for the publication of this highly valuable resource.



Lungisa Fuzile
Director-General: National Treasury

Introduction

The Estimates of National Expenditure publications

The Estimates of national Expenditure (ENE) publications provide comprehensive information on how budget resources are generated, how institutions have spent their budgets in previous years, and how institutions plan to spend the resources allocated to them over the MTEF period. Key performance indicators are included for each national government vote and entity showing what the institutions aim to achieve by spending their budget allocations in a particular manner. This information provides Parliament and the public with the necessary tools to hold government accountable against the 14 outcomes set out in the 2014-2019 medium term strategic framework.

The 2015 ENE publications largely retain the scope of information presented in previous years' publications. For ease of comprehension, however, in the 2015 publications information is presented in a more succinct and concise manner in data tables and their accompanying explanatory narratives. The reader can thus more readily understand what each institution is planning to spend its budget on and what it aims to achieve. Each chapter in the abridged 2015 ENE publication relates to a specific budget vote. A separate, more detailed, e-publication is also available for each vote.

Compared to the abridged version of the 2015 ENE, the 2015 ENE e-publications provide more detailed information, including on goods and services, transfers and subsidies, as well as on programme specific personnel expenditure. The abridged version of the ENE contains one additional table at the end of a chapter that shows expenditure on infrastructure, whereas the vote ENE e-publications' additional tables also contain summaries of expenditure on conditional allocations to provinces and municipalities; departmental public private partnerships; and donor funding. Budget information is also provided for the public entities that are not shown in detail in the abridged publication. In some e-publications more detailed information at the level of site service delivery is included.

A separate 2015 ENE Overview e-publication is also available, which contains a description at the main budget non-interest spending level, summarising the ENE publication information across votes. The 2015 ENE Overview contains this narrative explanation and summary tables; a description of the budgeting approach; and also has a write-up on how to interpret the information that is contained in each section of the publications.

Public Works

**National Treasury
Republic of South Africa**



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Vote 11

Public Works

Budget summary

R million	2015/16				2016/17	2017/18
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	476.0	456.8	9.5	9.7	502.2	519.8
Intergovernmental Coordination	47.2	43.9	0.3	3.0	50.1	52.8
Expanded Public Works Programme	1 992.2	276.0	1 713.8	2.4	2 324.8	2 470.1
Property and Construction Industry	3 803.0	35.3	3 767.5	0.1	3 960.7	4 220.2
Policy and Research						
Prestige Policy	92.7	70.7	9.1	12.9	97.5	104.8
Total expenditure estimates	6 411.1	882.8	5 500.2	28.1	6 935.2	7 367.7
Executive authority	Minister of Public Works					
Accounting officer	Director General of Public Works					
Website address	www.publicworks.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za. These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, public entities, donor funding, public private partnerships, conditional allocations to provinces and municipalities and expenditure information at the level of service delivery, where appropriate.

Vote purpose

Provide policy formulation for, as well as coordination, regulation and oversight of, the public works sector in relation to the accommodation, housing, land and infrastructure needs of national departments. Enhance intergovernmental relations by coordinating concurrent public works functions. Lead and direct the implementation of the national expanded public works programme. Promote growth, job creation and transformation in the construction and property industries. Provide norms and standards for the prestige accommodation portfolio.

Mandate

As set out in the Government Immovable Asset Management Act (2007), the Department of Public Works is mandated to be the custodian and portfolio manager of national government's immovable assets. Following the operationalisation of the Property Management Trading Entity in 2015/16, the department's role will now be policy formulation, coordination, regulation and oversight relating to the provision of accommodation and expert built environment services to client departments at the national government level; as well as, through the Property Management and Trading Entity, the planning, acquiring, managing and disposing of immovable assets in the department's custody. The department is further mandated to coordinate and provide strategic leadership in job creation initiatives through the implementation of the expanded public works programme. Public works is constitutionally designated as a concurrent function exercised by both the national and provincial spheres of government.

Selected performance indicators

Table 11.1 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of expanded public works programme work opportunities created per year	Expanded Public Works Programme	Outcome 4: Decent employment through inclusive economic growth	843 459	941 593	1 012 664	1 075 189	1 127 186	1 343 154	1 406 736
Number of expanded public works programme work opportunities created by rural municipalities per year	Expanded Public Works Programme		626 161	707 973	700 000	600 000	700 000	730 000	750 000

Table 11.1 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of intergovernmental relations forums convened for oversight of the public works sector per year	Intergovernmental Coordination		12	12	12	12	12	12	12
Promulgation of a public works act	Property and Construction Industry Policy and Research	Outcome 12: An efficient, effective and development - oriented public service	-1	-1	-1	First draft of a new white paper on public works developed	Final draft of a new white paper on public works submitted to Cabinet for approval	Draft public works bill submitted to Cabinet for approval and to publish for public comment	Public works bill submitted to Parliament
Prestige norms and standards developed	Prestige Policy		-1	-1	-1	-1	Norms and standards for members of Parliament (category III) approved by Parliament	Norms and standards developed for Parliamentary Precinct and Union Buildings (category IV)	Monitoring and evaluation of the implementation of the prestige norms and standards (category I – IV)

1. No historical data as these are new indicators that the department will be implementing over the MTEF period.

Expenditure analysis

Over the medium term, the Department of Public Works will focus on the following priorities of the national development plan: creating jobs; building a capable and developmental state; and fighting corruption. This focus supports several of the outcomes of government's 2014-2019 medium term strategic framework: decent employment through inclusive economic growth (outcome 4); an efficient, competitive and responsive economic infrastructure network (outcome 6); and an efficient, effective and development oriented public service (outcome 12).

Job creation

The national development plan acknowledges that unemployment will remain a challenge in the medium to long term. As a mitigating intervention, the department will continue to give importance to coordinating the expanded public works programme. The department provides technical support to public bodies, and ensures that protocols are signed and that municipalities endorse policies, among other activities that contribute to coordinating the programme. The department's target is to create 3 877 076 work opportunities (1 544 275 full time equivalents) by the end of 2017/18. Cabinet approved an additional allocation of R50 million to the *Expanded Public Works Programme programme* in 2015/16 to compensate for increases in the management fees paid to the Independent Development Trust, which administers the non-state sector expanded public works programme on behalf of the department. R172.3 million of the Cabinet approved budget reductions of R541.1 million over the medium term will be effected on expanded public works programme grants, and the original target for work opportunities to be created in phase 3 of the programme has been revised downwards to 6 million by 2019.

Coordinating concurrent public works functions

The department aims to create a coherent government system that delivers integrated services. A new public works act, which is currently in the draft stage and is expected to be promulgated in 2017/18, will direct each sphere of government towards the developmental and service delivery objectives of government as a whole. The current lack of regulatory frameworks for concurrent functions limits the department's oversight role over provincial departments. The new legislation will enable provinces to ensure that they are coordinating and integrating the implementation of national policies and programmes at the provincial level.

The lack of a single set of standards in the department's prestige accommodation portfolio has resulted in duplicated, uncoordinated functions and responsibilities. The department will develop policy, and norms and standards for all categories of prestige clients, including the signing of service level agreements with strategic stakeholders such as the Presidency, Parliament and the Office of the Chief Justice. The department will train and develop personnel over the medium term to ensure that compliance with the prestige accommodation policy, and norms and standards is monitored.

Consolidating the department's core functions

An important part of the department's 2012 turnaround strategy is that the department will be responsible for policy, oversight, coordination, and monitoring and evaluation, while the Property Management Trading Entity will be responsible for implementing the department's accommodation and infrastructure mandate. This functional separation not only clarifies and emphasises the department's wider responsibilities to the public works sector, but addresses conflicts between the roles the department has played of policy maker, regulator and implementer. The Property Management Trading Entity will be operationalised in 2015/16. Over the medium term, the department's spending on transfers and subsidies (in the Property and Construction Industry Policy and Research programme) is set to increase by R3.3 billion or by 69 per cent, due to new transfers to the Property Management Trading Entity. Departmental spending on other economic classification items is expected to decrease over the period, notably on compensation of employees by 32.4 per cent, goods and services by 31.1 per cent, and payments for capital assets by 51.8 per cent, because departmental personnel and associated services are moving to the entity. Transfers to the *Property Management Trading Entity* will be reduced by R252.2 million over the medium term as part of the Cabinet approved budget reductions of R541.1 million.

Fighting fraud and corruption

By operationalising the governance, risk and compliance branch, the department aims to intensify the prevention of fraud and corruption. The branch will investigate allegations of fraud and corruption within the department and recommend corrective actions. The department has developed an anti-fraud and corruption strategy and a whistle blowing policy. Over the medium term, the department will also conduct fraud awareness workshops, promote ethical business practices, and promote mechanisms for reporting fraud and corruption. The branch's business processes have been reviewed so that it can speed up investigations and address the current backlog. The activities for fighting fraud and corruption in the governance, risk and compliance branch are funded in the *Administration programme*, which is allocated R1.4 billion over the medium term.

Expenditure trends

Table 11.2 Vote expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. Intergovernmental Coordination														
3. Expanded Public Works Programme														
4. Property and Construction Industry Policy and Research														
5. Prestige Policy														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Outcome/Annual budget Average (%)	Outcome/Adjusted appropriation Average (%)
R million	2011/12			2012/13			2013/14			2014/15			2011/12 - 2014/15	
Programme 1	751.0	777.5	837.1	894.0	1 047.8	856.2	1 148.2	1 158.2	1 099.1	1 175.3	1 190.6	1 190.6	100.4%	95.4%
Programme 3	1 575.2	1 575.2	1 163.0	1 659.0	1 728.8	1 704.1	1 948.0	1 948.0	1 931.7	1 951.3	1 951.3	1 951.3	94.6%	93.7%
Programme 4	5 414.4	5 398.4	4 974.6	5 357.5	5 031.3	4 564.7	3 021.6	3 016.8	2 956.4	2 954.5	2 939.3	2 849.3	91.6%	93.6%
Programme 5	78.6	78.6	86.7	83.3	83.3	79.0	52.3	52.3	35.6	40.1	40.1	40.1	94.9%	94.9%
Total	7 819.3	7 829.7	7 061.4	7 993.8	7 891.2	7 203.9	6 170.0	6 175.3	6 022.7	6 121.3	6 121.3	6 031.3	93.6%	93.9%
Economic classification														
Current payments	2 265.4	2 275.9	2 304.1	2 325.8	2 582.3	2 351.6	2 849.4	2 853.0	2 787.3	2 962.0	3 027.8	3 027.8	100.7%	97.5%
Compensation of employees	1 242.1	1 252.6	1 269.6	1 260.2	1 330.0	1 374.6	1 468.2	1 473.5	1 471.5	1 659.9	1 667.8	1 667.8	102.7%	101.0%
Goods and services	1 008.0	1 008.0	1 032.9	1 055.9	1 242.6	977.0	1 371.5	1 379.6	1 315.8	1 302.1	1 360.0	1 360.0	98.9%	93.9%
of which:														
Administrative fees	0.7	0.7	0.4	2.9	2.9	0.6	0.8	0.8	0.7	0.9	0.5	0.5	43.5%	47.3%
Advertising	41.9	41.9	19.7	22.3	21.8	8.4	22.8	22.8	11.9	17.4	17.4	17.4	55.1%	55.4%

Table 11.2 Vote expenditure trends by programme and economic classification

Economic classification	2011/12			2012/13			2013/14			2014/15			2011/12 - 2014/15	
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Outcome/Annual budget Average (%)	Outcome/Adjusted appropriation Average (%)
R million														
Assets less than the capitalisation threshold	9.0	9.0	8.1	4.8	4.9	2.7	4.4	4.4	4.8	11.5	11.5	11.5	91.2%	91.0%
Audit costs: External	33.7	33.7	41.0	35.8	35.8	48.4	40.3	40.3	58.6	42.6	42.6	42.6	125.1%	125.1%
Bursaries: Employees	4.9	4.9	0.0	2.6	2.6	0.0	2.4	2.4	1.6	2.6	2.6	2.6	33.9%	33.9%
Catering: Departmental activities	1.7	1.7	3.1	1.8	1.9	2.7	1.8	1.8	3.5	1.9	1.9	1.9	157.7%	155.5%
Communication	21.7	21.7	29.2	22.7	22.8	31.6	37.3	37.3	25.6	33.7	33.7	33.7	104.1%	104.0%
Computer services	8.2	8.2	48.5	46.5	46.5	43.0	47.3	47.3	24.8	53.8	53.8	53.8	109.1%	109.1%
Consultants and professional services: Business and advisory services	21.1	21.1	38.3	40.5	40.6	52.9	12.3	12.3	171.3	12.8	12.8	12.8	317.8%	317.5%
Consultants and professional services: Infrastructure and planning	37.4	37.4	9.9	62.6	62.6	11.1	68.7	67.1	18.2	56.1	56.1	56.1	42.4%	42.7%
Consultants and professional services: Legal costs	12.1	12.1	6.1	8.9	8.9	13.8	8.2	8.2	18.4	8.8	8.8	8.8	124.0%	124.0%
Contractors	67.0	67.0	102.9	19.2	19.2	47.2	31.7	31.7	100.7	72.4	72.4	72.4	169.8%	169.8%
Agency and support/outsourced services	137.7	137.7	76.6	140.3	312.7	137.3	391.9	391.9	199.2	284.5	279.9	279.9	72.6%	61.7%
Entertainment	0.6	0.6	1.1	0.7	0.8	0.8	0.7	0.7	0.7	0.7	0.7	0.7	123.1%	118.8%
Fleet services (including government motor transport)	0.2	0.2	20.0	15.8	16.0	20.8	17.7	17.7	17.6	16.4	16.4	16.4	149.3%	148.9%
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	4.2	-	-	-	-	-
Inventory: Fuel, oil and gas	22.8	22.8	7.6	9.7	9.7	9.1	9.0	9.0	7.6	9.0	9.0	9.0	65.9%	65.9%
Inventory: Learner and teacher support material	0.4	0.4	0.0	0.4	0.4	-	0.4	0.4	-	0.4	0.4	0.4	29.9%	29.9%
Inventory: Materials and supplies	1.0	1.0	1.3	1.0	1.0	1.1	1.1	1.1	0.9	1.4	1.4	1.4	103.7%	103.7%
Inventory: Other supplies	-	-	12.8	-	-	14.6	17.6	17.6	0.1	15.5	15.5	15.5	130.2%	130.2%
Consumable supplies	11.0	11.0	-	15.6	15.6	0.3	-	-	12.0	-	-	-	46.1%	46.1%
Consumables: Stationery, printing and office supplies	5.4	5.4	14.0	11.1	11.2	15.6	12.0	12.0	10.9	12.2	12.2	12.2	130.0%	129.7%
Operating leases	243.7	243.7	213.9	244.6	253.6	139.8	244.1	253.7	247.6	252.2	252.2	252.2	86.7%	85.1%
Property payments	258.4	258.4	255.0	243.1	243.1	257.6	278.9	278.9	254.3	273.9	336.8	336.8	104.7%	98.8%
Transport provided: Departmental activity	-	-	-	0.1	0.1	-	0.2	0.2	-	0.1	0.1	0.1	27.7%	27.7%
Travel and subsistence	48.8	48.8	86.6	73.0	76.2	86.4	89.8	89.8	95.0	87.0	87.0	87.0	118.9%	117.6%
Training and development	9.2	9.2	13.5	13.3	13.3	9.7	13.9	13.9	7.1	13.8	13.8	13.8	87.6%	87.6%
Operating payments	3.2	3.2	13.2	10.7	12.8	10.8	10.1	10.1	9.1	10.8	10.8	10.8	125.8%	118.9%
Venues and facilities	6.3	6.3	9.9	5.7	5.7	7.8	6.1	6.1	8.7	9.8	9.8	9.8	129.3%	129.5%
Rental and hiring	-	-	-	-	-	2.8	-	-	0.6	-	-	-	-	-
Interest and rent on land	15.3	15.3	1.6	9.8	9.8	0.0	9.6	-	-	-	-	-	4.6%	6.3%
Transfers and subsidies	4 010.3	4 010.3	3 656.2	4 085.8	4 201.0	4 092.4	2 542.3	2 543.9	2 596.6	2 563.4	2 563.9	2 563.9	97.8%	96.9%
Provinces and municipalities	2 950.4	2 950.5	2 593.0	3 028.1	3 091.0	2 970.0	1 224.2	1 225.8	1 221.4	1 201.5	1 201.5	1 201.5	95.0%	94.3%
Departmental agencies and accounts	733.1	734.7	732.5	751.5	753.0	751.6	803.7	803.7	802.4	802.8	802.5	802.5	99.9%	99.8%
Foreign governments and international organisations	18.5	16.9	13.0	19.4	18.9	15.4	20.5	20.5	17.6	21.7	22.5	22.5	85.4%	86.8%
Public corporations and private enterprises	150.0	150.0	150.0	-	50.8	50.8	50.0	50.0	100.0	50.0	50.0	50.0	140.3%	116.6%
Non-profit institutions	154.4	154.4	163.8	282.7	282.7	292.6	438.3	438.3	448.7	477.5	477.5	477.5	102.2%	102.2%
Households	3.9	3.9	4.0	4.0	4.6	11.9	5.6	5.6	6.5	9.9	9.9	9.9	138.1%	134.7%
Payments for capital assets	1 543.6	1 543.6	1 099.1	1 582.2	1 108.0	756.8	778.4	778.4	631.1	595.9	529.6	439.6	65.0%	73.9%
Buildings and other fixed structures	1 443.9	1 443.9	1 011.4	1 484.7	999.3	713.0	676.2	676.2	567.4	510.4	416.1	326.1	63.6%	74.0%
Machinery and equipment	94.2	94.2	81.2	91.8	83.0	43.3	91.2	90.9	47.5	79.2	107.2	107.2	78.3%	74.4%
Software and other intangible assets	5.4	5.4	6.6	5.7	25.7	0.5	11.0	11.2	16.2	6.3	6.3	6.3	104.2%	60.8%
Payments for financial assets	-	-	2.0	-	-	3.2	-	-	7.8	-	-	-	-	-
Total	7 819.3	7 829.7	7 061.4	7 993.8	7 891.2	7 203.9	6 170.0	6 175.3	6 022.7	6 121.3	6 121.3	6 031.3	93.6%	93.9%

Expenditure estimates

Table 11.3 Vote expenditure estimates by programme and economic classification

Programmes								
1. Administration								
2. Intergovernmental Coordination								
3. Expanded Public Works Programme								
4. Property and Construction Industry Policy and Research								
5. Prestige Policy								
Programme	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
R million	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Programme 1	1 190.6	15.3%	15.1%	476.0	502.2	519.8	-24.1%	10.1%
Programme 2	–	–	–	47.2	50.1	52.8	–	0.6%
Programme 3	1 951.3	7.4%	25.6%	1 992.2	2 324.8	2 470.1	8.2%	32.7%
Programme 4	2 849.3	-19.2%	58.3%	3 803.0	3 960.7	4 220.2	14.0%	55.5%
Programme 5	40.1	-20.1%	0.9%	92.7	97.5	104.8	37.7%	1.3%
Total	6 031.3	-8.3%	100.0%	6 411.1	6 935.2	7 367.7	6.9%	100.0%
Change to 2014 Budget estimate				(134.3)	(204.0)	(152.8)		
Economic classification								
Current payments	3 027.8	10.0%	39.8%	882.8	925.7	961.6	-31.8%	21.7%
Compensation of employees	1 667.8	10.0%	22.0%	475.0	499.6	516.1	-32.4%	11.8%
Goods and services	1 360.0	10.5%	17.8%	407.8	426.0	445.5	-31.1%	9.9%
of which:								
Administrative fees	0.5	-8.0%	0.0%	1.3	1.3	1.3	37.1%	0.0%
Advertising	17.4	-25.4%	0.2%	13.7	13.4	13.8	-7.5%	0.2%
Assets less than the capitalisation threshold	11.5	8.7%	0.1%	4.2	4.8	4.9	-24.6%	0.1%
Audit costs: External	42.6	8.2%	0.7%	22.3	23.5	24.7	-16.7%	0.4%
Bursaries: Employees	2.6	-18.8%	0.0%	2.1	2.2	2.3	-3.9%	0.0%
Catering: Departmental activities	1.9	4.6%	0.0%	1.7	1.9	2.0	1.2%	0.0%
Communication	33.7	15.8%	0.5%	15.4	15.8	16.3	-21.5%	0.3%
Computer services	53.8	87.3%	0.6%	29.2	30.2	37.0	-11.7%	0.6%
Consultants and professional services: Business and advisory services	12.8	-15.3%	1.0%	75.3	78.7	77.0	82.0%	0.9%
Consultants and professional services: Infrastructure and planning	56.1	14.5%	0.4%	9.1	9.9	11.0	-41.9%	0.3%
Consultants and professional services: Legal costs	8.8	-10.1%	0.2%	9.2	9.7	10.1	5.0%	0.1%
Contractors	72.4	2.6%	1.2%	35.1	38.3	53.9	-9.4%	0.7%
Agency and support/outourced services	279.9	26.7%	2.6%	78.4	80.0	67.0	-37.9%	1.9%
Entertainment	0.7	5.9%	0.0%	0.9	1.2	1.3	19.8%	0.0%
Fleet services (including government motor transport)	16.4	304.6%	0.3%	2.0	2.8	3.5	-40.2%	0.1%
Inventory: Fuel, oil and gas	9.0	-26.7%	0.1%	0.4	0.5	0.5	-62.1%	0.0%
Inventory: Learner and teacher support material	0.4	5.6%	0.0%	0.0	0.0	0.0	-76.1%	0.0%
Inventory: Materials and supplies	1.4	9.5%	0.0%	0.5	0.5	0.6	-25.0%	0.0%
Inventory: Medical supplies	0.0	3.2%	0.0%	–	–	–	-100.0%	0.0%
Inventory: Other supplies	15.5	–	0.2%	1.6	1.7	1.8	-51.2%	0.1%
Consumable supplies	–	-100.0%	0.0%	0.2	0.2	0.2	–	0.0%
Consumables: Stationery, printing and office supplies	12.2	31.5%	0.2%	8.1	8.9	9.3	-8.6%	0.1%
Operating leases	252.2	1.2%	3.2%	8.9	8.6	9.1	-67.0%	1.0%
Property payments	336.8	9.2%	4.2%	11.1	11.2	11.7	-67.3%	1.4%
Transport provided: Departmental activity	0.1	–	0.0%	0.1	0.1	0.1	-0.6%	0.0%
Travel and subsistence	87.0	21.3%	1.3%	48.9	51.3	54.6	-14.4%	0.9%
Training and development	13.8	14.2%	0.2%	10.1	10.6	11.1	-7.0%	0.2%
Operating payments	10.8	50.0%	0.2%	11.1	11.7	12.5	5.0%	0.2%
Venues and facilities	9.8	16.1%	0.1%	6.8	6.9	7.6	-8.4%	0.1%
Rental and hiring	–	–	0.0%	0.3	0.3	0.3	–	0.0%
Transfers and subsidies	2 563.9	-13.9%	49.0%	5 500.2	5 968.0	6 356.8	35.3%	76.2%
Provinces and municipalities	1 201.5	-25.9%	30.3%	1 178.9	1 425.7	1 525.8	8.3%	19.9%
Departmental agencies and accounts	802.5	3.0%	11.7%	3 703.1	3 907.1	4 164.0	73.1%	47.0%
Foreign governments and international organisations	22.5	10.1%	0.3%	23.3	24.5	25.7	4.5%	0.4%
Public corporations and private enterprises	50.0	-30.7%	1.3%	50.0	–	–	-100.0%	0.4%
Non-profit institutions	477.5	45.7%	5.3%	534.8	600.3	630.3	9.7%	8.4%
Households	9.9	36.5%	0.1%	10.2	10.5	11.0	3.7%	0.2%
Payments for capital assets	439.6	-34.2%	11.1%	28.1	41.5	49.3	-51.8%	2.1%
Buildings and other fixed structures	326.1	-39.1%	9.9%	–	–	–	-100.0%	1.2%
Machinery and equipment	107.2	4.4%	1.1%	28.1	41.5	49.3	-22.8%	0.8%
Software and other intangible assets	6.3	5.5%	0.1%	–	–	–	-100.0%	0.0%
Total	6 031.3	-8.3%	100.0%	6 411.1	6 935.2	7 367.7	6.9%	100.0%

Personnel information

Table 11.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																				
1. Administration																				
2. Intergovernmental Coordination																				
3. Expanded Public Works Programme																				
4. Property and Construction Industry Policy and Research																				
5. Prestige Policy																				
Number of posts estimated for 31 March 2015		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 2013/14			Revised estimate 2014/15			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)		
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	2015/16			2016/17			2017/18						
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	2014/15 - 2017/18
Public Works		345	199	5 427	1 471.5	0.3	5 934	1 667.8	0.3	968	475.0	0.5	952	499.6	0.5	905	516.1	0.6	-46.6%	100.0%
Salary level																				
1 – 6	40	158	2 881	379.4	0.1	3 187	437.6	0.1	191	35.0	0.2	177	34.1	0.2	155	31.3	0.2	-63.5%	42.4%	
7 – 10	117	18	1 885	608.3	0.3	2 047	690.1	0.3	438	155.2	0.4	429	158.2	0.4	407	161.5	0.4	-41.6%	37.9%	
11 – 12	135	15	502	331.3	0.7	528	366.6	0.7	230	169.7	0.7	231	179.4	0.8	228	187.9	0.8	-24.4%	13.9%	
13 – 16	53	8	159	152.5	1.0	172	173.5	1.0	109	115.1	1.1	115	127.9	1.1	115	135.5	1.2	-12.6%	5.8%	
Programme	345	199	5 427	1 471.5	0.3	5 934	1 667.8	0.3	968	475.0	0.5	952	499.6	0.5	905	516.1	0.6	-46.6%	100.0%	
Programme 1	–	199	525	217.7	0.4	548	231.8	0.4	606	263.1	0.4	580	268.2	0.5	534	272.8	0.5	-0.9%	25.9%	
Programme 2	36	–	30	14.8	0.5	36	20.8	0.6	47	31.5	0.7	48	33.3	0.7	47	34.9	0.7	9.3%	2.0%	
Programme 3	243	–	212	108.3	0.5	239	133.2	0.6	249	144.1	0.6	254	156.3	0.6	254	164.5	0.6	2.0%	11.4%	
Programme 4	19	–	4 613	1 109.9	0.2	5 064	1 260.1	0.2	21	14.2	0.7	21	15.3	0.7	22	16.1	0.7	-83.7%	58.5%	
Programme 5	47	–	47	20.8	0.4	47	21.9	0.5	45	22.1	0.5	49	26.5	0.5	48	27.8	0.6	0.7%	2.2%	

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

2. Rand million.

Departmental receipts

Table 11.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Receipt item/ total: Average (%)	Medium-term receipts estimate			Average growth rate (%)	Receipt item/ total: Average (%)
	2011/12	2012/13	2013/14	2014/15		2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Departmental receipts	75 195	53 795	55 470	13 238	13 238	-44.0%	100.0%	1 878	1 474	1 384	-52.9%	100.0%
Sales of goods and services produced by department	36 353	32 013	3 855	4 803	4 803	-49.1%	39.0%	–	–	–	-100.0%	26.7%
Sales by market establishments	411	445	490	414	414	0.2%	0.9%	–	–	–	-100.0%	2.3%
of which:												
Market establishment:	411	445	490	414	414	0.2%	0.9%	–	–	–	-100.0%	2.3%
Rental parking: Covered and open												
Administrative fees	2	215	–	181	181	349.0%	0.2%	–	–	–	-100.0%	1.0%
of which:												
Servitude rights	2	215	–	181	181	349.0%	0.2%	–	–	–	-100.0%	1.0%
Other sales	35 940	31 353	3 365	4 208	4 208	-51.1%	37.9%	–	–	–	-100.0%	23.4%
of which:												
Tender documents	35 940	31 353	3 365	2 402	2 402	-59.4%	37.0%	–	–	–	-100.0%	13.4%
Rental of capital assets	–	–	–	907	907	–	0.5%	–	–	–	-100.0%	5.0%
Services rendered:	–	–	–	899	899	–	0.5%	–	–	–	-100.0%	5.0%
Commission on insurance and garnishees												

Table 11.5 Departmental receipts by economic classification

Departmental receipts	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Receipt item/ total: Average (%)	Medium-term receipts estimate			Average growth rate (%)	Receipt item/ total: Average (%)
	2011/12	2012/13	2013/14					2014/15	2015/16	2016/17		
R thousand												
Sales of scrap, waste, arms and other used current goods	35	4	4	402	402	125.6%	0.2%	-	-	-	-100.0%	2.2%
of which:												
Sales: Scrap	-	-	-	383	383	-	0.2%	-	-	-	-100.0%	2.1%
Sales: Waste paper	35	4	4	19	19	-18.4%	-	-	-	-	-100.0%	0.1%
Fines, penalties and forfeits	12	3	4	-	-	-100.0%	-	-	-	-	-	-
Interest, dividends and rent on land	103	7 835	1 326	5 987	5 987	287.4%	7.7%	-	-	-	-100.0%	33.3%
Interest	103	7 835	1 326	5 987	5 987	287.4%	7.7%	-	-	-	-100.0%	33.3%
Sales of capital assets	3 154	-	77	-	-	-100.0%	1.6%	-	-	-	-	-
Transactions in financial assets and liabilities	35 538	13 940	50 204	2 046	2 046	-61.4%	51.5%	1 878	1 474	1 384	-12.2%	37.7%
Total	75 195	53 795	55 470	13 238	13 238	-44.0%	100.0%	1 878	1 474	1 384	-52.9%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 11.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)	
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17			2017/18
R thousand												
Ministry	25 276	22 279	19 512	32 101	8.3%	5.0%	32 943	34 729	37 142	5.0%	6.9%	
Management	32 380	74 359	88 812	97 719	44.5%	14.7%	109 003	109 769	110 391	4.1%	21.6%	
Corporate Services	295 738	263 828	248 355	267 338	-3.3%	53.9%	247 364	279 628	291 250	2.9%	55.0%	
Finance and Supply Chain Management	79 687	101 923	270 004	77 095	-1.1%	26.5%	86 686	78 057	81 042	1.7%	16.4%	
Total	433 081	462 389	626 683	474 253	3.1%	100.0%	475 996	502 183	519 825	3.1%	100.0%	
Change to 2014 Budget estimate							(9 893)	(22 764)	(24 176)			
Economic classification												
Current payments	383 611	439 174	596 009	439 457	4.6%	93.1%	456 761	467 046	478 964	2.9%	93.4%	
Compensation of employees	184 521	203 740	217 673	231 822	7.9%	42.0%	263 084	268 212	272 788	5.6%	52.5%	
Goods and services	198 880	235 418	378 336	207 635	1.4%	51.1%	193 677	198 834	206 176	-0.2%	40.9%	
of which:												
Administrative fees	433	635	632	495	4.6%	0.1%	1 228	1 192	1 256	36.4%	0.2%	
Advertising	8 244	1 479	2 218	8 944	2.8%	1.0%	9 160	8 645	8 735	-0.8%	1.8%	
Assets less than the capitalisation threshold	4 109	1 326	272	560	-48.5%	0.3%	484	519	569	0.5%	0.1%	
Audit costs: External	18 165	19 121	20 127	21 186	5.3%	3.9%	22 301	23 485	24 659	5.2%	4.6%	
Bursaries: Employees	30	17	1 570	2 000	305.5%	0.2%	2 092	2 203	2 313	5.0%	0.4%	
Catering: Departmental activities	1 190	1 315	1 317	1 077	-3.3%	0.2%	1 119	1 204	1 284	6.0%	0.2%	
Communication	14 278	16 607	8 695	12 295	-4.9%	2.6%	13 485	13 748	14 189	4.9%	2.7%	
Computer services	42 480	42 341	23 875	29 806	-11.1%	6.9%	28 559	29 439	36 227	6.7%	6.3%	
Consultants and professional services: Business and advisory services	14 622	10 262	48 484	6 712	-22.9%	4.0%	12 074	11 249	6 664	-0.2%	1.9%	
Consultants and professional services: Legal costs	6 063	13 822	18 297	8 768	13.1%	2.4%	9 172	9 659	10 142	5.0%	1.9%	
Contractors	14 914	3 841	20 238	2 034	-48.5%	2.1%	2 280	2 774	16 021	99.0%	1.2%	
Agency and support/outourced services	28 655	72 705	165 775	51 266	21.4%	15.9%	24 961	23 282	8 036	-46.1%	5.5%	
Entertainment	570	438	397	576	0.3%	0.1%	600	641	689	6.2%	0.1%	

Table 11.6 Administration expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)	
	2011/12	2012/13	2013/14		2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18			2014/15 - 2017/18
	R thousand											
<i>Fleet services (including government motor transport)</i>	1 920	1 583	1 758	2 132	3.6%	0.4%	1 221	1 918	2 557	6.2%	0.4%	
<i>Inventory: Food and food supplies</i>	3	–	–	3	–	–	–	–	–	-100.0%	–	
<i>Inventory: Fuel, oil and gas</i>	–	2	3	–	–	–	–	–	–	–	–	
<i>Inventory: Learner and teacher support material</i>	32	–	–	8	-37.0%	–	8	5	6	-9.1%	–	
<i>Inventory: Materials and supplies</i>	124	103	5	131	1.8%	–	137	145	152	5.1%	–	
<i>Inventory: Other supplies</i>	299	1 410	–	329	3.2%	0.1%	347	363	381	5.0%	0.1%	
<i>Consumable supplies</i>	–	–	45	–	–	–	50	60	65	–	–	
<i>Consumables: Stationery, printing and office supplies</i>	6 794	7 256	4 365	5 816	-5.0%	1.2%	5 704	6 380	6 655	4.6%	1.2%	
<i>Operating leases</i>	7 548	3 094	30 692	6 723	-3.8%	2.4%	8 303	8 041	8 484	8.1%	1.6%	
<i>Property payments</i>	143	3 280	2 370	10 139	313.9%	0.8%	11 105	11 167	11 726	5.0%	2.2%	
<i>Travel and subsistence</i>	18 359	25 306	16 642	17 438	-1.7%	3.9%	19 545	21 497	22 592	9.0%	4.1%	
<i>Training and development</i>	2 972	3 915	3 948	8 029	39.3%	0.9%	8 444	8 945	9 393	5.4%	1.8%	
<i>Operating payments</i>	3 420	2 662	3 518	7 837	31.8%	0.9%	8 223	8 660	9 337	6.0%	1.7%	
<i>Venues and facilities</i>	3 513	2 875	3 034	3 331	-1.8%	0.6%	3 075	3 613	4 044	6.7%	0.7%	
<i>Rental and hiring</i>	–	23	59	–	–	–	–	–	–	–	–	
<i>Interest and rent on land</i>	210	16	–	–	-100.0%	–	–	–	–	–	–	
Transfers and subsidies	567	5 988	856	9 511	156.0%	0.8%	9 508	9 810	10 315	2.7%	2.0%	
Provinces and municipalities	3	3	2	11	54.2%	–	6	6	6	-18.3%	–	
Households	564	5 985	854	9 500	156.3%	0.8%	9 502	9 804	10 309	2.8%	2.0%	
Payments for capital assets	48 903	17 227	22 030	25 285	-19.7%	5.7%	9 727	25 327	30 546	6.5%	4.6%	
Machinery and equipment	42 415	17 070	5 978	19 120	-23.3%	4.2%	9 727	25 327	30 546	16.9%	4.3%	
Software and other intangible assets	6 488	157	16 052	6 165	-1.7%	1.4%	–	–	–	-100.0%	0.3%	
Payments for financial assets	–	–	7 788	–	–	0.4%	–	–	–	–	–	
Total	433 081	462 389	626 683	474 253	3.1%	100.0%	475 996	502 183	519 825	3.1%	100.0%	
Proportion of total programme expenditure to vote expenditure	6.1%	6.4%	10.4%	7.7%	–	–	7.4%	7.2%	7.1%	–	–	
Details of transfers and subsidies												
Provinces and municipalities												
Municipalities												
Municipal bank accounts												
Current	3	3	2	11	54.2%	–	6	6	6	-18.3%	–	
Vehicle licences	3	3	2	11	54.2%	–	6	6	6	-18.3%	–	
Households												
Social benefits												
Current	563	5 985	854	5 500	113.8%	0.6%	5 402	5 704	6 004	3.0%	1.1%	
Employee social benefits	563	5 985	854	5 500	113.8%	0.6%	5 402	5 704	6 004	3.0%	1.1%	
Households												
Other transfers to households												
Current	1	–	–	4 000	1487.4%	0.2%	4 100	4 100	4 305	2.5%	0.8%	
Gifts and donations	1	–	–	–	-100.0%	–	–	–	–	–	–	
Bursaries for non-employees	–	–	–	4 000	–	0.2%	4 100	4 100	4 305	2.5%	0.8%	

Personnel information

Table 11.7 Administration personnel numbers and cost by salary level¹

Administration	Salary level	Number of posts estimated for 31 March 2015	Number and cost ² of personnel posts filled / planned for on funded establishment															Number	
			Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)			
			2013/14			2014/15			2015/16		2016/17		2017/18				2014/15 - 2017/18		
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost				Number	Cost
		199	525	217.7	0.4	548	231.8	0.4	606	263.1	0.4	580	268.2	0.5	534	272.8	0.5	-0.9%	100.0%
	1 – 6	158	109	18.2	0.2	130	22.8	0.2	149	27.7	0.2	134	26.2	0.2	109	22.4	0.2	-5.7%	23.0%
	7 – 10	18	272	87.9	0.3	274	91.6	0.3	312	110.5	0.4	301	110.5	0.4	280	111.0	0.4	0.7%	51.5%
	11 – 12	15	92	61.2	0.7	92	64.4	0.7	92	67.8	0.7	92	71.4	0.8	92	75.7	0.8	–	16.2%
	13 – 16	8	52	50.3	1.0	52	53.0	1.0	53	57.1	1.1	53	60.1	1.1	53	63.7	1.2	0.6%	9.3%

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

2. Rand million.

Programme 2: Intergovernmental Coordination

Programme purpose

Promote sound sectoral intergovernmental relations and strategic partnerships. Coordinate with provinces on: immovable asset registers; construction and property management; the implementation of the Government Immovable Asset Management Act (2007); and the reporting on performance information within the public works sector.

Objectives

- Ensure consistent, sound and integrated corporate governance within the department by:
 - implementing the service delivery improvement framework over the medium term
 - coordinating 12 intergovernmental forums per year between provinces and the department over the MTEF period.
- Ensure coordinated and integrated sector policies and programmes through the implementation of the new Public Works Act by 31 March 2019.

Subprogrammes

- *Monitoring, Evaluation and Reporting* promotes good governance by supporting provinces in strengthening their governance and coordination capabilities.
- *Intergovernmental Relations and Coordination* improves the coordination and alignment of public works sector policies and programmes by providing oversight, intervention and support programme services to provinces.

Expenditure trends and estimates

Table 11.8 Intergovernmental Coordination expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		
	2011/12	2012/13	2013/14		2014/15	2011/12 - 2014/15	Average (%)	2015/16	2016/17	2017/18	2014/15 - 2017/18	Average (%)
R thousand												
Monitoring, Evaluation and Reporting	11 258	11 326	11 274	16 750	14.2%	61.1%	32 895	35 231	37 456	30.8%	69.5%	
Intergovernmental Relations and Coordination	8 410	7 171	7 606	9 000	2.3%	38.9%	14 328	14 860	15 371	19.5%	30.5%	
Total	19 668	18 497	18 880	25 750	9.4%	100.0%	47 223	50 091	52 827	27.1%	100.0%	
Economic classification												
Current payments	19 581	18 452	18 787	25 750	9.6%	99.7%	43 923	46 791	49 527	24.4%	94.4%	
Compensation of employees	14 884	15 240	14 836	20 800	11.8%	79.4%	31 531	33 264	34 927	18.9%	68.5%	
Goods and services	4 692	3 207	3 951	4 950	1.8%	20.3%	12 392	13 527	14 600	43.4%	25.9%	
of which:												
Advertising	33	2	36	395	128.7%	0.6%	85	90	95	-37.8%	0.4%	
Assets less than the capitalisation threshold	8	2	1	5	-14.5%	–	35	45	50	115.4%	0.1%	
Catering: Departmental activities	146	56	49	204	11.8%	0.5%	135	145	150	-9.7%	0.4%	
Communication	184	220	200	254	11.3%	1.0%	450	500	505	25.7%	1.0%	
Computer services	72	100	240	245	50.4%	0.8%	250	350	370	14.7%	0.7%	
Consultants and professional services:	197	–	141	281	12.6%	0.7%	550	365	470	18.7%	0.9%	
Business and advisory services												
Contractors	93	194	–	194	27.8%	0.6%	3 526	4 650	5 420	203.4%	7.8%	
Agency and support/outsourced services	246	–	–	325	9.7%	0.7%	1 910	1 970	1 975	82.5%	3.5%	
Entertainment	44	31	28	28	-14.0%	0.2%	60	60	60	28.9%	0.1%	
Fleet services (including government motor transport)	1	–	4	7	91.3%	–	–	–	–	-100.0%	–	
Inventory: Learner and teacher support material	12	–	–	–	-100.0%	–	–	–	–	–	–	
Inventory: Materials and supplies	1	–	–	5	71.0%	–	6	7	7	11.9%	–	
Inventory: Other supplies	7	–	–	10	12.6%	–	20	20	20	26.0%	–	
Consumable supplies	–	–	–	–	–	–	125	125	125	–	0.2%	
Consumables: Stationery, printing and office supplies	394	525	296	506	8.7%	2.1%	600	600	600	5.8%	1.3%	
Operating leases	71	11	2	25	-29.4%	0.1%	300	300	300	128.9%	0.5%	

Table 11.8 Intergovernmental Coordination expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand											
Travel and subsistence	2 198	933	1 071	1 444	-13.1%	6.8%	3 025	3 025	3 163	29.9%	6.1%
Training and development	74	13	–	12	-45.5%	0.1%	15	20	25	27.7%	–
Operating payments	438	697	1 212	719	18.0%	3.7%	740	690	695	-1.1%	1.6%
Venues and facilities	473	400	656	291	-14.9%	2.2%	560	565	570	25.1%	1.1%
Rental and hiring	–	23	15	–	–	–	–	–	–	–	–
Interest and rent on land	5	5	–	–	-100.0%	–	–	–	–	–	–
Transfers and subsidies	–	–	–	–	–	–	300	300	300	–	0.5%
Households	–	–	–	–	–	–	300	300	300	–	0.5%
Payments for capital assets	87	45	93	–	-100.0%	0.3%	3 000	3 000	3 000	–	5.1%
Machinery and equipment	87	45	93	–	-100.0%	0.3%	3 000	3 000	3 000	–	5.1%
Total	19 668	18 497	18 880	25 750	9.4%	100.0%	47 223	50 091	52 827	27.1%	100.0%
Proportion of total programme expenditure to vote expenditure	0.3%	0.3%	0.3%	0.4%	–	–	0.7%	0.7%	0.7%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	–	–	–	–	–	–	300	300	300	–	0.5%
Employee social benefits	–	–	–	–	–	–	300	300	300	–	0.5%

Personnel information

Table 11.9 Intergovernmental Coordination personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015	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 (%)	Salary level/total: Average (%)			
			2013/14			2014/15			2015/16		2016/17		2017/18						
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			Number	Cost	Unit Cost
Intergovernmental Coordination	36	–	30	14.8	0.5	36	20.8	0.6	47	31.5	0.7	48	33.3	0.7	47	34.9	0.7	9.3%	100.0%
Salary level	36	–	30	14.8	0.5	36	20.8	0.6	47	31.5	0.7	48	33.3	0.7	47	34.9	0.7	9.3%	100.0%
1 – 6	2	–	2	0.3	0.2	2	0.4	0.2	2	0.4	0.2	3	0.6	0.2	3	0.6	0.2	14.5%	5.6%
7 – 10	14	–	14	4.6	0.3	14	4.9	0.3	15	5.4	0.4	15	5.6	0.4	14	5.6	0.4	–	32.6%
11 – 12	14	–	11	7.0	0.6	14	9.5	0.7	17	12.3	0.7	17	12.9	0.8	17	13.7	0.8	6.7%	36.5%
13 – 16	6	–	3	2.9	1.0	6	6.0	1.0	13	13.5	1.0	13	14.1	1.1	13	15.0	1.2	29.4%	25.3%

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

2. Rand million.

Programme 3: Expanded Public Works Programme

Programme purpose

Coordinate the implementation of the expanded public works programme, which aims to create work opportunities; and provide training for unskilled, marginalised and unemployed people in South Africa.

Objectives

- Create 1 127 186 work opportunities (450 462 full time equivalents) through the expanded public works programme by upscaling the programme and improving coordination and performance in all four participating sectors in 2015/16.
- Ensure that employees from designated groups are participating in the expanded public works programme by confirming that 55 per cent of the participants are women, 55 per cent are youth and 2 per cent are people with disabilities, in 2015/16.
- Advance the monitoring of the expanded public works programme in municipalities by increasing the number of public bodies reporting on the implementation of the expanded public works programme from 260 in 2014/15 to 275 in 2015/16.

Subprogrammes

- *Expanded Public Works Programme: Monitoring and Evaluation* reports and monitors the outputs of the expanded public works programme, and evaluates the impact of the work opportunities created and training provided on unskilled, marginalised and unemployed people.
- *Expanded Public Works Programme: Infrastructure* aims to ensure that publicly funded construction and maintenance infrastructure projects are implemented using labour intensive methods in order to create work opportunities.
- *Expanded Public Works Programme: Operations* facilitates the creation of work opportunities in the environment, culture, non-state and social sectors.
- *Expanded Public Works Programme: Partnership Support* coordinates and supports national, provincial and municipal programmes of the expanded public works programme; and provides an enabling environment for training, enterprise development and communication across the four sectors of the expanded public works programme.
- *Expanded Public Works Programme: Public Employment Coordinating Commission* consolidates progress reports on the implementation of public employment programmes, such as the expanded public works programme, and produces strategic reports for the interministerial committee on public employment programmes.

Expenditure trends and estimates

Table 11.10 Expanded Public Works Programme expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2014/15	Average growth rate (%) 2011/12 - 2014/15	Expenditure/ Total: Average (%) 2011/12 - 2014/15	Medium-term expenditure estimate			Average growth rate (%) 2014/15 - 2017/18	Expenditure/ Total: Average (%) 2014/15 - 2017/18
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
R thousand											
Expanded Public Works Programme: Monitoring and Evaluation	20 522	21 463	63 808	61 023	43.8%	2.5%	53 738	56 557	59 282	-1.0%	2.6%
Expanded Public Works Programme: Infrastructure	644 400	1 028 024	1 039 386	1 036 743	17.2%	55.5%	1 012 749	1 144 832	1 222 839	5.7%	50.5%
Expanded Public Works Programme: Operations	377 637	529 191	727 657	746 143	25.5%	35.3%	810 160	996 759	1 054 449	12.2%	41.3%
Expanded Public Works Programme: Partnership Support	120 456	125 373	100 839	107 386	-3.8%	6.7%	108 542	119 195	125 698	5.4%	5.3%
Expanded Public Works Programme: Public Employment Coordinating Commission	-	-	-	-	-	-	7 045	7 430	7 782	-	0.3%
Total	1 163 015	1 704 051	1 931 690	1 951 295	18.8%	100.0%	1 992 234	2 324 773	2 470 050	8.2%	100.0%
Change to 2014 Budget estimate							(15 124)	(71 421)	(47 940)		
Economic classification											
Current payments	216 285	244 354	270 257	269 391	7.6%	14.8%	276 046	296 206	311 188	4.9%	13.2%
Compensation of employees	91 905	100 901	108 310	133 233	13.2%	6.4%	144 077	156 297	164 517	7.3%	6.8%
Goods and services	124 287	143 453	161 947	136 158	3.1%	8.4%	131 969	139 909	146 671	2.5%	6.3%
of which:											
Administrative fees	-	8	60	5	-	-	57	60	63	132.7%	-
Advertising	4 471	4 232	7 090	4 238	-1.8%	0.3%	3 961	4 209	4 412	1.4%	0.2%
Assets less than the capitalisation threshold	223	268	271	54	-37.7%	-	150	161	169	46.3%	-
Audit costs: External	2 280	62	-	-	-100.0%	-	-	-	-	-	-
Catering: Departmental activities	626	329	515	138	-39.6%	-	311	329	345	35.7%	-
Communication	1 134	1 204	1 261	1 063	-2.1%	0.1%	1 059	1 125	1 178	3.5%	0.1%
Computer services	374	473	499	342	-2.9%	-	344	366	383	3.8%	-
Consultants and professional services: Business and advisory services	19 338	28 191	75 709	-	-100.0%	1.8%	60 272	63 719	66 799	-	2.2%
Consultants and professional services: Infrastructure and planning	3 066	7 614	9 427	48 917	151.7%	1.0%	8 886	9 442	9 899	-41.3%	0.9%
Contractors	421	255	1 248	-	-100.0%	-	707	751	787	-	-
Agency and support/outsourced services	45 706	64 252	32 998	52 026	4.4%	2.9%	31 172	33 124	34 725	-12.6%	1.7%
Entertainment	300	137	118	-	-100.0%	-	143	152	161	-	-
Fleet services (including government motor transport)	135	527	1 147	-	-100.0%	-	708	753	789	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	439	466	489	-	-
Inventory: Other supplies	-	-	-	-	-	-	192	204	214	-	-
Consumable supplies	-	297	791	-	-	-	44	46	49	-	-
Consumables: Stationery, printing and office supplies	2 082	3 286	1 313	856	-25.6%	0.1%	1 172	1 242	1 317	15.4%	0.1%
Operating leases	874	267	100	530	-15.4%	-	27	29	30	-61.6%	-
Travel and subsistence	27 673	21 895	24 887	23 083	-5.9%	1.4%	18 849	20 004	20 954	-3.2%	0.9%
Training and development	7 747	2 779	355	-	-100.0%	0.2%	328	349	363	-	-

Table 11.10 Expanded Public Works Programme expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation 2014/15	Average growth rate (%) 2011/12 - 2014/15	Expenditure/Total: Average (%) 2014/15	Medium-term expenditure estimate			Average growth rate (%) 2014/15 - 2017/18	Expenditure/Total: Average (%) 2014/15 - 2017/18
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
R thousand											
Operating payments	2 964	3 209	853	79	-70.1%	0.1%	1 030	1 126	1 185	146.6%	-
Venues and facilities	4 873	4 168	2 781	4 827	-0.3%	0.2%	1 825	1 941	2 035	-25.0%	0.1%
Rental and hiring	-	-	524	-	-	-	293	311	325	-	-
Interest and rent on land	93	-	-	-	-100.0%	-	-	-	-	-	-
Transfers and subsidies	944 137	1 454 586	1 659 895	1 679 125	21.2%	85.0%	1 713 828	2 026 079	2 156 250	8.7%	86.7%
Provinces and municipalities	789 732	1 171 779	1 221 441	1 201 494	15.0%	65.0%	1 178 860	1 425 662	1 525 812	8.3%	61.0%
Non-profit institutions	154 370	282 724	438 281	477 481	45.7%	20.0%	534 816	600 257	630 270	9.7%	25.7%
Households	35	83	173	150	62.4%	-	152	160	168	3.8%	-
Payments for capital assets	2 593	1 913	1 538	2 779	2.3%	0.1%	2 360	2 488	2 612	-2.0%	0.1%
Machinery and equipment	2 593	1 913	1 538	2 779	2.3%	0.1%	2 360	2 488	2 612	-2.0%	0.1%
Payments for financial assets	-	3 198	-	-	-	-	-	-	-	-	-
Total	1 163 015	1 704 051	1 931 690	1 951 295	18.8%	100.0%	1 992 234	2 324 773	2 470 050	8.2%	100.0%
Proportion of total programme expenditure to vote expenditure	16.5%	23.7%	32.1%	31.9%	-	-	31.1%	33.5%	33.5%	-	-
Details of transfers and subsidies											
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	363 913	661 535	611 274	594 575	17.8%	33.1%	587 685	663 991	716 427	6.4%	29.3%
Expanded public works programme integrated grant for municipalities	363 913	661 535	611 274	594 575	17.8%	33.1%	587 685	663 991	716 427	6.4%	29.3%
Households											
Social benefits											
Current	35	83	173	150	62.4%	-	152	160	168	3.8%	-
Employee social benefits	35	83	173	150	62.4%	-	152	160	168	3.8%	-
Non-profit institutions											
Current	154 370	282 724	438 281	477 481	45.7%	20.0%	534 816	600 257	630 270	9.7%	25.7%
Non-state sector	154 370	282 724	438 281	477 481	45.7%	20.0%	534 816	600 257	630 270	9.7%	25.7%
Provinces and municipalities											
Provinces											
Provincial Revenue Funds											
Current	425 819	510 244	610 167	606 919	12.5%	31.9%	591 175	761 671	809 385	10.1%	31.7%
Expanded public works programme integrated grant for provinces	225 461	292 843	354 214	348 947	15.7%	18.1%	350 612	402 009	423 802	6.7%	17.5%
Social sector expanded public works programme incentive grant for provinces.	200 358	217 401	255 953	257 972	8.8%	13.8%	240 563	359 662	385 583	14.3%	14.2%

Personnel information

Table 11.11 Expanded Public Works Programme personnel numbers and cost by salary level¹

Expanded Public Works Programme	Salary level	Number of posts estimated for 31 March 2015	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 (%) 2014/15 - 2017/18	Salary level/total: Average (%)	
					2013/14		Unit Cost	2014/15		Unit Cost	2015/16		Unit Cost	2016/17		Unit Cost			2017/18
					Number	Cost		Number	Cost		Number	Cost		Number	Cost		Number	Cost	Number
	243	-	212	108.3	0.5	239	133.2	0.6	249	144.1	0.6	254	156.3	0.6	254	164.5	0.6	2.0%	100.0%
1 - 6	34	-	34	5.3	0.2	34	5.6	0.2	36	6.3	0.2	36	6.6	0.2	38	7.4	0.2	3.8%	14.5%
7 - 10	68	-	64	19.5	0.3	68	22.4	0.3	76	26.5	0.3	76	27.6	0.4	76	29.5	0.4	3.8%	29.7%
11 - 12	104	-	86	57.8	0.7	104	73.3	0.7	104	77.5	0.7	105	82.4	0.8	103	85.6	0.8	-0.3%	41.8%
13 - 16	37	-	28	25.7	0.9	33	31.9	1.0	33	33.8	1.0	37	39.7	1.1	37	42.1	1.1	3.9%	14.1%

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

² Rand million.

Programme 4: Property and Construction Industry Policy and Research

Programme purpose

Promote the growth and transformation of the construction and property industries. Promote a standardised approach and best practice in construction and immovable asset management in the public sector.

Objectives

- Promote uniformity and best practice in construction and immovable asset management in the public sector through the development and promulgation of a public works act by March 2018.
- Regulate the construction and property industries by reviewing and amending the State Land Disposal Act (1961), by March 2017.

Subprogrammes

- *Construction Policy Development Programme* creates an enabling environment for transforming the construction industry by developing appropriate legislation and implementing monitoring mechanisms for the sector. This subprogramme aims to facilitate the transformation and regulation of the construction industry for economic growth and development.
- *Property Policy Development Programme* provides leadership and guidance on the transformation of the property industry. It also promotes uniformity and best practice on immovable asset management in the public sector through policy development, the setting of best practice standards for compiling and maintaining immovable asset registers, and the administration of rights over state and private land through guidelines. This subprogramme aims to ensure effective and efficient strategic leadership in immovable asset management and in the delivery of infrastructure programmes through the development of guidelines on immovable asset performance assessments and immovable asset condition assessments.
- *Sector Research and Analysis* conducts industry research on the construction and property sector to inform the development and review of legislation and policy.
- *Construction Industry Development Board* transfers funds annually to the Construction Industry Development Board.
- *Council for the Built Environment* transfers funds annually to the Council for the Built Environment.
- *Independent Development Trust* transfers funds annually to the Independent Development Trust. The last transfer will be in 2015/16.
- *Construction Education and Training Authority* aims to influence training and skills development across the construction industry.
- *Property Management Trading Entity* transfers funds annually to the Property Management Trading Entity.
- *Assistance to Organisations for the Preservation of National Memorials* provides funding to the Commonwealth War Graves Commission, and to the United Nations for maintaining national memorials.

Expenditure trends and estimates

Table 11.12 Property and Construction Industry Policy and Research expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand											
Construction Policy Development Programme	21 488	17 953	19 083	22 766	1.9%	0.5%	24 292	26 163	27 050	5.9%	0.6%
Property Policy Development Programme	12 865	8 905	13 675	10 821	-5.6%	0.3%	11 350	12 456	13 534	7.7%	0.3%
Construction Industry Development Board	65 959	67 614	72 361	77 212	5.4%	1.6%	65 626	62 059	89 984	5.2%	1.9%
Council for the Built Environment	28 659	28 146	37 959	41 572	13.2%	0.8%	41 994	43 413	48 568	5.3%	1.1%
Independent Development Trust	150 000	50 800	100 000	50 000	-30.7%	2.0%	50 000	-	-	-100.0%	0.6%
Construction Education and Training Authority	278	1 260	1 468	1 915	90.3%	-	1 775	1 893	2 013	1.7%	-
Property Management Trading Entity	5 066 817	4 749 858	3 061 643	3 317 155	-13.2%	94.3%	3 584 652	3 790 172	4 013 347	6.6%	94.7%
Assistance to Organisations for the Preservation of National Memorials	12 956	15 436	17 555	22 548	20.3%	0.4%	23 273	24 506	25 731	4.5%	0.6%
Total	5 359 022	4 939 972	3 323 744	3 543 989	-12.9%	100.0%	3 802 962	3 960 662	4 220 227	6.0%	100.0%
Change to 2014 Budget estimate							(109 238)	(109 842)	(80 670)		

Table 11.12 Property and Construction Industry Policy and Research expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome				Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		
	2011/12	2012/13	2013/14	2014/15		2011/12 - 2014/15	Average (%)	2015/16	2016/17	2017/18	2014/15 - 2017/18	Average (%)	
R thousand													
Current payments	1 616 602	1 580 475	1 798 397	2 196 305		10.8%	35 330	38 300	40 250		-73.6%	14.9%	
Compensation of employees	957 145	1 031 562	1 109 856	1 260 079		9.6%	14 248	15 338	16 096		-76.6%	8.4%	
Goods and services	658 286	548 913	688 541	936 226		12.5%	21 082	22 962	24 154		-70.5%	6.5%	
of which:													
Administrative fees	7	–	–	13		22.9%	6	7	7		-18.6%	–	
Advertising	6 880	2 734	2 502	3 786		-18.1%	456	481	505		-48.9%	–	
Assets less than the capitalisation threshold	6	550	3 039	8 566		1026.0%	32	34	35		-84.0%	0.1%	
Audit costs: External	20 519	29 231	38 467	21 454		1.5%	–	–	–		-100.0%	0.1%	
Bursaries: Employees	–	–	2	609		–	–	–	–		-100.0%	–	
Catering: Departmental activities	1 111	942	1 647	474		-24.7%	–	157	166	174		-28.4%	–
Communication	13 341	13 282	15 287	19 966		14.4%	201	213	224		-77.6%	0.1%	
Computer services	5 605	72	150	23 382		61.0%	29	31	32		-88.9%	0.2%	
Consultants and professional services: Business and advisory services	4 191	14 480	46 955	5 743		11.1%	2 337	3 262	3 066		-18.9%	0.1%	
Consultants and professional services: Infrastructure and planning	6 867	3 445	8 797	7 155		1.4%	170	502	1 096		-46.5%	0.1%	
Consultants and professional services: Legal costs	–	–	81	–		–	–	–	–		–	–	
Contractors	48 575	9	–	2 388		-63.4%	143	150	157		-59.6%	–	
Agency and support/outourced services	1 596	–	–	174 486		378.2%	12 569	13 317	13 765		-57.1%	1.4%	
Entertainment	148	163	151	103		-11.4%	26	197	207		26.2%	–	
Fleet services (including government motor transport)	17 913	18 733	14 696	14 193		-7.5%	–	–	–		-100.0%	0.1%	
Inventory: Clothing material and accessories	–	–	4 236	–		–	–	–	–		–	–	
Inventory: Food and food supplies	4	–	–	12		44.2%	–	–	–		-100.0%	–	
Inventory: Fuel, oil and gas	7 620	9 103	7 568	9 004		5.7%	–	–	–		-100.0%	0.1%	
Inventory: Learner and teacher support material	–	–	–	433		–	–	–	–		-100.0%	–	
Inventory: Materials and supplies	1 194	1 008	840	1 159		-1.0%	285	300	315		-35.2%	–	
Inventory: Medical supplies	–	5	–	11		–	–	–	–		-100.0%	–	
Inventory: Other supplies	11 996	13 228	94	14 974		7.7%	5	6	6		-92.6%	0.1%	
Consumable supplies	–	–	11 164	–		–	–	–	–		–	–	
Consumables: Stationery, printing and office supplies	4 622	4 245	4 780	4 750		0.9%	252	255	268		-61.6%	–	
Operating leases	204 940	136 306	216 766	229 867		3.9%	178	172	180		-90.8%	1.5%	
Property payments	254 882	254 305	251 890	342 917		10.4%	–	–	–		-100.0%	2.2%	
Transport provided: Departmental activity	–	–	–	119		–	120	111	117		-0.6%	–	
Travel and subsistence	36 883	37 536	51 339	42 722		5.0%	2 166	2 284	2 398		-61.7%	0.3%	
Training and development	2 693	2 945	2 827	5 004		22.9%	278	293	308		-60.5%	–	
Operating payments	5 675	3 481	3 039	1 634		-34.0%	413	554	582		-29.1%	–	
Venues and facilities	1 018	320	2 213	1 302		8.5%	1 259	627	712		-18.2%	–	
Rental and hiring	–	2 790	11	–		–	–	–	–		–	–	
Interest and rent on land	1 171	–	–	–		-100.0%	–	–	–		–	–	
Transfers and subsidies	2 704 108	2 623 998	927 550	866 579		-31.6%	3 767 520	3 922 243	4 179 853		69.0%	82.0%	
Provinces and municipalities	1 803 230	1 798 173	2	15		-98.0%	–	–	–		-100.0%	–	
Departmental agencies and accounts	725 085	743 869	794 214	793 816		3.1%	3 694 047	3 897 537	4 153 912		73.6%	80.8%	
Foreign governments and international organisations	12 956	15 436	17 555	22 548		20.3%	23 273	24 506	25 731		4.5%	0.6%	
Public corporations and private enterprises	150 000	50 800	100 000	50 000		-30.7%	50 000	–	–		-100.0%	0.6%	
Non-profit institutions	9 431	9 903	10 398	–		-100.0%	–	–	–		–	–	
Households	3 406	5 817	5 381	200		-61.1%	200	200	210		1.6%	–	
Payments for capital assets	1 036 287	735 499	597 797	481 105		-22.6%	112	119	124		-93.6%	3.1%	
Buildings and other fixed structures	1 011 408	713 003	567 365	416 065		-25.6%	–	–	–		-100.0%	2.7%	
Machinery and equipment	24 798	22 152	30 300	64 862		37.8%	112	119	124		-87.6%	0.4%	
Software and other intangible assets	81	344	132	178		30.0%	–	–	–		-100.0%	–	
Payments for financial assets	2 025	–	–	–		-100.0%	–	–	–		–	–	
Total	5 359 022	4 939 972	3 323 744	3 543 989		-12.9%	3 802 962	3 960 662	4 220 227		6.0%	100.0%	
Proportion of total programme expenditure to vote expenditure	75.9%	68.6%	55.2%	57.9%		–	59.3%	57.1%	57.3%		–	–	
Details of transfers and subsidies													
Provinces and municipalities													
Municipalities													
Municipal bank accounts													
Current	–	3	2	15		–	–	–	–		-100.0%	–	
Municipal bank account	–	3	2	15		–	–	–	–		-100.0%	–	
Households													
Social benefits													
Current	3 386	5 797	5 381	200		-61.1%	200	200	210		1.6%	–	
Employee social benefits	3 386	5 797	5 381	200		-61.1%	200	200	210		1.6%	–	
Households													
Other transfers to households													
Current	20	20	–	–		-100.0%	–	–	–		–	–	
Bursaries for non-employees	20	20	–	–		-100.0%	–	–	–		–	–	

Table 11.12 Property and Construction Industry Policy and Research expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies		Audited outcome			Adjusted appropriation 2014/15	Average growth rate (%) 2011/12 - 2014/15	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%) 2014/15 - 2017/18	Expenditure/Total: Average (%)
		2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
R thousand												
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current												
		725 085	743 869	794 214	793 816	3.1%	17.8%	3 694 047	3 897 537	4 153 912	73.6%	80.8%
Construction Industry Development Board		65 959	67 614	72 361	77 212	5.4%	1.6%	65 626	62 059	89 984	5.2%	1.9%
Council for the Built Environment		28 659	28 146	37 959	41 572	13.2%	0.8%	41 994	43 413	48 568	5.3%	1.1%
Construction Education and Training Authority		278	1 260	1 468	1 915	90.3%	-	1 775	1 893	2 013	1.7%	-
Property Management Trading Entity		630 189	646 849	682 426	673 117	2.2%	15.3%	3 584 652	3 790 172	4 013 347	81.3%	77.7%
Non-profit institutions												
Current												
		9 431	9 903	10 398	-	-100.0%	0.2%	-	-	-	-	-
Agrément Board		9 431	9 903	10 398	-	-100.0%	0.2%	-	-	-	-	-
Public corporations and private enterprises												
Public corporations												
Other transfers to public corporations												
Current												
		150 000	50 800	100 000	50 000	-30.7%	2.0%	50 000	-	-	-100.0%	0.6%
Independent Development Trust		150 000	50 800	100 000	50 000	-30.7%	2.0%	50 000	-	-	-100.0%	0.6%
Provinces and municipalities												
Provinces												
Provincial Revenue Funds												
Current												
		1 803 230	1 798 170	-	-	-100.0%	21.0%	-	-	-	-	-
Devolution of property rates funds grant		1 803 230	1 798 170	-	-	-100.0%	21.0%	-	-	-	-	-
Foreign governments and international organisations												
Current												
		12 956	15 436	17 555	22 548	20.3%	0.4%	23 273	24 506	25 731	4.5%	0.6%
Commonwealth War Graves Commission		12 956	15 436	17 555	22 548	20.3%	0.4%	23 273	24 506	25 731	4.5%	0.6%

Personnel information

Table 11.13 Property and Construction Industry Policy and Research personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ² of personnel posts filled / planned for on funded establishment												Number					
		Actual 2013/14			Revised estimate 2014/15			Medium-term expenditure estimate 2015/16			Medium-term expenditure estimate 2016/17			Medium-term expenditure estimate 2017/18			Average growth rate (%) 2014/15 - 2017/18	Salary level/total: Average (%)	
Number of funded posts	Number of posts additional to the establishment	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
		Property and Construction Industry Policy and Research																	
Salary level	19	-	4 613	1 109.9	0.2	5 064	1 260.1	0.2	21	14.2	0.7	21	15.3	0.7	22	16.1	0.7	-83.7%	100.0%
1 - 6	-	-	2 732	354.9	0.1	3 017	408.1	0.1	1	0.1	0.1	-	-	-	1	0.2	0.2	-93.1%	58.9%
7 - 10	5	-	1 505	486.2	0.3	1 661	560.8	0.3	5	1.9	0.4	6	2.4	0.4	7	3.0	0.4	-83.8%	32.7%
11 - 12	9	-	305	200.0	0.7	310	213.7	0.7	10	6.9	0.7	10	7.3	0.7	9	7.0	0.8	-69.3%	6.6%
13 - 16	5	-	71	68.8	1.0	76	77.5	1.0	5	5.3	1.1	5	5.6	1.1	5	6.0	1.2	-59.6%	1.8%

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

2. Rand million.

Programme 5: Prestige Policy

Programme purpose

Provide norms and standards for the prestige accommodation portfolio and meet the protocol responsibilities for state functions.

Objectives

- Ensure the effective and efficient management of the prestige portfolio by setting monitoring and review policies, as well as norms and standards for the provision of prestige accommodation, over the medium term.
- Meet the protocol responsibilities of the state by providing logistical services for 45 state functions over the medium term.

Subprogrammes

- *Prestige Accommodation and State Functions* funds allocations for activities relating to the residences of parliamentarians, ministers, deputy ministers, the deputy president and the president.

- *Parliamentary Villages Management Board* provides for the transportation and related costs of parliamentarians and related officials. The purpose of this subprogramme is to ensure the efficient and effective provision of transport to officials residing in parliamentary villages.

Expenditure trends and estimates

Table 11.14 Prestige Policy expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2011/12	2012/13	2013/14		2011/12 - 2014/15	2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2017/18
R thousand											
Prestige Accommodation and State											
Functions	79 250	71 245	113 459	117 343	14.0%	92.2%	83 582	87 897	94 716	-6.9%	91.1%
Parliamentary Villages Management Board	7 401	7 771	8 198	8 690	5.5%	7.8%	9 090	9 572	10 051	5.0%	8.9%
Total	86 651	79 016	121 657	126 033	13.3%	100.0%	92 672	97 469	104 767	-6.0%	100.0%
Economic classification											
Current payments	67 972	69 132	103 802	96 872	12.5%	81.7%	70 721	77 323	81 713	-5.5%	77.6%
Compensation of employees	21 124	23 109	20 822	21 863	1.2%	21.0%	22 055	26 528	27 808	8.3%	23.3%
Goods and services	46 760	46 023	82 980	75 009	17.1%	60.7%	48 666	50 795	53 905	-10.4%	54.3%
of which:											
Administrative fees	-	-	-	4	-	-	5	6	7	20.5%	-
Advertising	117	-	57	8	-59.1%	-	10	12	15	23.3%	-
Assets less than the capitalisation threshold	3 758	553	1 185	2 300	-15.1%	1.9%	3 500	4 000	4 109	21.3%	3.3%
Catering: Departmental activities	50	12	8	8	-45.7%	-	10	12	15	23.3%	-
Communication	299	315	150	160	-18.8%	0.2%	180	200	250	16.0%	0.2%
Consultants and professional services: Business and advisory services	-	-	36	40	-	-	50	60	-	-100.0%	-
Contractors	38 919	42 936	79 251	67 741	20.3%	55.4%	28 466	29 975	31 474	-22.5%	37.5%
Agency and support/outsourced services	350	341	419	500	12.6%	0.4%	7 750	8 321	8 500	157.1%	6.0%
Entertainment	22	27	26	30	10.9%	-	50	100	150	71.0%	0.1%
Fleet services (including government motor transport)	-	-	25	30	-	-	50	100	150	71.0%	0.1%
Inventory: Food and food supplies	1	-	-	-	-100.0%	-	-	-	-	-	-
Inventory: Materials and supplies	5	-	56	66	136.3%	-	80	90	100	14.9%	0.1%
Inventory: Other supplies	475	6	-	150	-31.9%	0.2%	1 064	1 119	1 175	98.6%	0.8%
Consumable supplies	-	-	1	-	-	-	-	-	-	-	-
Consumables: Stationery, printing and office supplies	124	242	190	250	26.3%	0.2%	350	400	450	21.6%	0.3%
Operating leases	425	112	25	40	-54.5%	0.1%	45	50	60	14.5%	-
Property payments	-	1	-	-	-	-	-	-	-	-	-
Travel and subsistence	1 472	705	1 082	2 300	16.0%	1.3%	5 306	4 500	5 500	33.7%	4.2%
Training and development	6	-	-	742	398.2%	0.2%	1 000	1 000	1 000	10.5%	0.9%
Operating payments	677	773	469	560	-6.1%	0.6%	650	700	750	10.2%	0.6%
Venues and facilities	60	-	-	80	10.1%	-	100	150	200	35.7%	0.1%
Interest and rent on land	88	-	-	-	-100.0%	-	-	-	-	-	-
Transfers and subsidies	7 410	7 781	8 253	8 690	5.5%	7.8%	9 090	9 572	10 051	5.0%	8.9%
Departmental agencies and accounts	7 401	7 771	8 198	8 690	5.5%	7.8%	9 090	9 572	10 051	5.0%	8.9%
Households	9	10	55	-	-100.0%	-	-	-	-	-	-
Payments for capital assets	11 269	2 103	9 602	20 471	22.0%	10.5%	12 861	10 574	13 003	-14.0%	13.5%
Machinery and equipment	11 269	2 103	9 602	20 471	22.0%	10.5%	12 861	10 574	13 003	-14.0%	13.5%
Total	86 651	79 016	121 657	126 033	13.3%	100.0%	92 672	97 469	104 767	-6.0%	100.0%
Proportion of total programme expenditure to vote expenditure	1.2%	1.1%	2.0%	2.1%	-	-	1.4%	1.4%	1.4%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	9	10	55	-	-100.0%	-	-	-	-	-	-
Employee social benefits	9	10	55	-	-100.0%	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	7 401	7 771	8 198	8 690	5.5%	7.8%	9 090	9 572	10 051	5.0%	8.9%
Parliamentary Villages Management Board	7 401	7 771	8 198	8 690	5.5%	7.8%	9 090	9 572	10 051	5.0%	8.9%

Personnel information

Table 11.15 Prestige Policy personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015			Number and cost ² of personnel posts filled / planned for on funded establishment															Number	
Prestige Policy	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)			
			2013/14			2014/15			2015/16		2016/17		2017/18				2014/15 - 2017/18		
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost				Number	Cost
Salary level	47	–	47	20.8	0.4	47	21.9	0.5	45	22.1	0.5	49	26.5	0.5	48	27.8	0.6	0.7%	100.0%
1 – 6	4	–	4	0.6	0.2	4	0.7	0.2	3	0.6	0.2	4	0.7	0.2	4	0.7	0.2	–	7.9%
7 – 10	30	–	30	10.0	0.3	30	10.4	0.3	30	11.0	0.4	31	12.0	0.4	30	12.4	0.4	–	64.0%
11 – 12	8	–	8	5.4	0.7	8	5.7	0.7	7	5.2	0.7	7	5.5	0.8	7	5.8	0.8	-4.4%	15.3%
13 – 16	5	–	5	4.8	1.0	5	5.1	1.0	5	5.3	1.1	7	8.3	1.2	7	8.8	1.3	11.9%	12.7%

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

2. Rand million.

Public entities and other agencies

Property Management Trading Entity

Mandate

The Property Management Trading Entity was established following the decision in 2006 that accommodation related costs be devolved from the Department of Public Works to client departments. The budget devolution was aimed at ensuring the long term sustainability of the department and its immovable assets, and ensuring compliance with the Public Finance Management Act (1999), specifically the requirement that the full cost of a service be reflected on each of the departments' budgets. On a cost recovery basis, the entity finances the purchase, construction, refurbishment and maintenance of nationally owned government properties; and manages the leases of privately owned properties accommodating national departments.

The entity also pays for municipal services on behalf of national departments on a commission basis. Following the operationalisation of the entity in 2015, the entity will assume the implementation of functions which were previously performed by the Department of Public Works. These functions include the provision of office accommodation to client departments at the national government level; and the planning, acquiring, managing and disposing of immovable assets in the department's custody.

Selected performance indicators

Table 11.16 Property Management Trading Entity performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14		2014/15	2015/16	2016/17
Expenditure on the development of the Salvokop site (for construction of a government precinct) contained within predetermined budgetary allocations per year	Real Estate Investment Services	Outcome 12: An efficient, effective and development-oriented public service	– ¹	– ¹	– ¹	– ¹	R100m	R106m	R50m ²
Number of user asset management plans developed and updated per year	Real Estate Investment Services		– ¹	– ¹	– ¹	– ¹	45	45	45
Number of custodian asset management plans developed and updated per year	Real Estate Investment Services		– ¹	– ¹	– ¹	– ¹	1	1	1
Number of planned projects completed per year	Construction Project Management	Outcome 6: An efficient, competitive and responsive economic infrastructure network	– ¹	– ¹	– ¹	– ¹	96	43	19
Number of account statements on property rates settled with municipalities on behalf of departments per year	Real Estate Management	Outcome 9: A responsive, accountable, effective and efficient developmental local government system	– ¹	– ¹	– ¹	– ¹	13 000	14 000	15 000
Expenditure on lease accommodation contained within predetermined budgetary allocations per year	Real Estate Management		– ¹	– ¹	– ¹	– ¹	R4.1bn	R4.4bn	R4.7bn
Number of verified land parcels and immovable structures on deeds registry valued by municipalities	Real Estate Registry Services		– ¹	– ¹	– ¹	– ¹	6 963	6 963	6 963
Percentage of day-to-day maintenance requests carried out within agreed time frames per year	Facilities Management Services	Outcome 10: Protect and enhance our environmental assets and natural resources	– ¹	– ¹	– ¹	– ¹	70%	80%	90%

1. No historical data as these are new indicators.

2. More funds are provided in the first two years of the project to allow for site development and clearance, thereafter less is spent.

Expenditure analysis

The national development plan aims to develop the skills and infrastructure the economy will require by 2030. This is further articulated in government's 2014-2019 medium term strategic framework. South Africa can realise this aim by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society. The Property Management Trading Entity will contribute to the implementation of these priorities in relation to infrastructure development, the integrated rural economy, the fight against corruption, and an efficient, effective and development oriented public service.

The entity's focus over the medium term will be on becoming operational by assuming the implementation functions of providing office accommodation to client departments at national government level, as well as the planning, acquiring, managing and disposing of immovable assets under the custody of the Department of Public Works. Further focus areas include rebuilding the entity's technical and professional capacity to support greater efficiency in national infrastructure investment, reducing costs to the state, and becoming self-sustainable.

As part of the implementation of the department's turnaround strategy, the focus has been reconceived and rearranged in such a manner that the department will be responsible for policy development, oversight, coordination, and monitoring and evaluation, while the entity will be responsible for implementing the department's accommodation and infrastructure mandate. The rationale for this is that an entity that is wholly devoted to implementing the accommodation and infrastructure imperatives of the department, and functions on the basis of business principles, stands a better chance of achieving value for money for government's infrastructure programme, as well as delivering expected outputs with greater effectiveness and efficiency.

The entity's revenue is generated mainly from management fees earned through administrative services provided on behalf of client departments, as well as through transfers from the Department of Public Works. The administrative services provided include the payment of municipal charges on behalf of client departments at a management fee of 5 per cent, and the collection of rental income on both government owned buildings rented to client departments and privately owned buildings rented on behalf of government departments from private landlords. Between 2011/12 and 2014/15, revenue increased by 4.3 per cent due to increases in accommodation charges and cost escalations from leases. Revenue is expected to increase from R10.7 billion in 2014/15 to R12.7 billion in 2017/18 at an average annual rate of 5.8 per cent due to additional transfers of R9.2 billion from the department for the operationalisation of the entity.

The entity expects to deliver at least 158 projects over the medium term. These projects are in different stages, ranging from planning, design and construction to finalisation, and include projects funded by the entity as well as those funded by client departments from their capital infrastructure budgets. Key projects that the entity will deliver over the MTEF period and beyond include the upgrading of the Agrivaal building; the upgrading and rebuilding of the Minnaar Street workshop; maintenance of various prestige facilities, including 19 lifts in Parliament; repairs to the Masimanyane police complex; and the development of the Salvokop precinct for the construction of several buildings to be used as headquarters for a number of departments, including Statistics South Africa.

Cabinet approved budget reductions of R252.2 million will be effected over the medium term, mainly due to persistent underspending on infrastructure projects. These reductions were originally to be effected in the department, but as the implementation functions have moved to the entity, the reductions are to be effected within the entity. Of the total reductions, R168.1 million over the MTEF period will be on infrastructure as the department has consistently underspent in this area. A reduction of R50.7 million over the medium term will be effected on compensation of employees, specifically on vacant posts for support staff. A reduction of R31.6 million over the MTEF period will be effected on non-core goods and services, as well as a reduction of R1.8 million on machinery and equipment.

Previously, the entity did not have a budget for compensation of employees as the personnel costs were the responsibility of the department. However, as a result of the operationalisation, the department will, starting from 2015/16, transfer personnel and its associated costs to the entity in building the entity's technical and professional capacity to achieve its objectives. Also because of the operationalisation, expenditure on goods and services is expected to increase by 3.2 per cent, from R7.8 billion in 2014/15 to R8.6 billion in 2017/18.

70.1 per cent of total expenditure over the medium term is expected to be on goods and services, especially in the real estate management services programme, which accounts for 51.1 per cent of the entity's total spending.

Programmes/objectives/activities

Table 11.17 Property Management Trading Entity expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate 2014/15	Average growth rate (%) 2011/12 - 2014/15	Expenditure/Total: Average (%) 2011/12 - 2014/15	Medium-term expenditure estimate			Average growth rate (%) 2014/15 - 2017/18	Expenditure/Total: Average (%) 2014/15 - 2017/18
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
Administration	15 331	4 357	2 871	709 432	259.0%	1.9%	1 009 137	1 058 668	1 108 073	16.0%	8.3%
Real Estate Investment Services	-	-	-	26 333	-	0.1%	107 021	112 007	126 080	68.5%	0.8%
Construction Management Services	3 018 443	2 405 423	767 581	157 896	-62.6%	15.9%	465 962	485 693	523 864	49.1%	3.4%
Real Estate Management Services	4 014 811	4 128 294	4 824 694	5 178 012	8.9%	48.2%	5 720 352	6 152 426	6 633 046	8.6%	51.1%
Real Estate Registry Services	412 454	-	1 837	725 828	20.7%	2.9%	1 662 469	1 664 749	1 670 325	32.0%	12.0%
Facilities Management Services	3 344 117	3 287 163	2 531 241	2 714 489	-6.7%	31.0%	2 803 656	2 812 980	2 919 291	2.5%	24.4%
Total	10 805 156	9 825 237	8 128 224	9 511 990	-4.2%	100.0%	11 768 597	12 286 523	12 980 679	10.9%	100.0%

Statements of historical financial performance and position

Table 11.18 Property Management Trading Entity statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/Budget Average (%) 2011/12 - 2014/15
	Budget	2011/12	Budget	2012/13	Budget	2013/14			
Revenue									
Non-tax revenue	4 028 472	9 437 057	4 389 833	9 131 688	6 582 335	10 305 458	11 209 728	10 719 471	151.1%
Sale of goods and services other than capital assets	4 023 472	9 374 573	4 384 833	9 079 707	6 563 634	9 552 135	11 187 388	10 669 117	147.8%
of which:									
Sales by market establishment	3 029 565	6 106 132	3 295 430	5 661 708	3 548 847	3 479 472	7 180 821	6 662 550	128.5%
Other sales	993 907	3 268 441	1 089 403	3 417 999	3 014 787	6 072 663	4 006 567	4 006 567	184.1%
Other non-tax revenue	5 000	62 484	5 000	51 981	18 701	753 323	22 340	50 354	1 798.8%
Transfers received	630 189	630 189	646 849	646 849	682 426	682 426	673 372	673 117	100.0%
Total revenue	4 658 661	10 067 246	5 036 682	9 778 537	7 264 761	10 987 884	11 883 100	11 392 588	146.4%
Expenses									
Current expenses	4 006 955	10 108 879	4 219 806	9 330 912	6 476 197	7 423 424	6 375 199	8 551 828	168.0%
Compensation of employees	-	12 893	-	17 869	-	621 468	-	-	-
Goods and services	3 989 314	10 081 130	4 200 701	9 298 942	6 456 275	6 784 680	6 358 619	7 816 112	161.8%
Depreciation	-	-	-	-	-	1 837	-	720 000	-
Interest, dividends and rent on land	17 641	14 856	19 105	14 101	19 922	15 439	16 580	15 716	82.1%
Transfers and subsidies	651 706	696 277	-	494 324	788 564	704 800	975 009	960 162	118.2%
Total expenses	4 658 661	10 805 156	4 936 682	9 825 236	7 264 761	8 128 224	7 350 208	9 511 990	158.1%
Surplus/(Deficit)	-	(737 910)	100 000	(46 699)	-	2 859 660	4 532 892	1 880 598	-
Statement of financial position									
Carrying value of assets	-	-	-	-	-	10 325 294	6 050 005	39 278 168	819.9%
of which:									
Acquisition of assets	-	-	-	-	-	2 600 751	4 532 892	3 495 864	134.5%
Investments	-	890 196	-	820 553	-	899 851	1 096 240	863 500	316.9%
Receivables and prepayments	1 358 494	1 925 469	1 200 000	2 791 801	-	1 742 093	1 978 600	1 600 000	177.6%
Cash and cash equivalents	7 000	1 399	350 092	829	-	353	1 000	224 507	63.4%
Total assets	1 365 494	2 817 064	1 550 092	3 613 183	-	12 967 591	9 125 845	41 966 175	509.6%
Accumulated surplus/(deficit)	-	(1 122 253)	(204 671)	(1 920 633)	-	8 471 437	5 788 216	38 237 675	782.1%
Borrowings	-	1 254 988	1 254 763	1 402 323	-	433 108	1 000 000	-	137.1%
Finance lease	-	890 196	-	822 359	-	860 988	936 240	863 500	367.1%
Trade and other payables	218 006	1 422 356	500 000	1 285 476	-	662 900	1 000 000	400 000	219.5%
Provisions	4 030	35 474	-	1 743 354	-	2 299 872	23 600	2 200 000	22 724.2%
Derivatives financial instruments	1 143 458	336 303	-	280 304	-	239 286	377 789	265 000	73.7%
Total equity and liabilities	1 365 494	2 817 064	1 550 092	3 613 183	-	12 967 591	9 125 845	41 966 175	509.6%

Statements of estimates of financial performance and position

Table 11.19 Property Management Trading Entity statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/Total: Average (%)
Revised estimate	2011/12 - 2014/15			2015/16	2016/17	2017/18		
R thousand	2014/15							
Revenue								
Non-tax revenue	10 719 471	4.3%	93.8%	11 129 021	11 899 773	12 699 806	5.8%	80.4%
Sale of goods and services other than capital assets	10 669 117	4.4%	91.6%	11 079 191	11 850 093	12 649 916	5.8%	80.0%
<i>of which:</i>								
Sales by market establishment	6 662 550	2.9%	52.2%	7 138 968	7 641 665	8 174 875	7.1%	51.2%
Other sales	4 006 567	7.0%	39.5%	3 940 223	4 208 428	4 475 041	3.8%	28.9%
Other non-tax revenue	50 354	-6.9%	2.1%	49 830	49 680	49 890	-0.3%	0.3%
Transfers received	673 117	2.2%	6.2%	3 584 652	3 790 172	4 013 347	81.3%	19.6%
Total revenue	11 392 588	4.2%	100.0%	14 713 673	15 689 945	16 713 153	13.6%	100.0%
Expenses								
Current expenses	8 551 828	-5.4%	92.4%	10 712 419	11 124 727	11 702 703	11.0%	90.4
Compensation of employees	–	-100.0%	2.0%	1 288 773	1 369 234	1 474 350	–	8.4%
Goods and services	7 816 112	-8.1%	88.4%	7 786 717	8 117 256	8 588 706	3.2%	70.1%
Depreciation	720 000	–	1.9%	1 620 000	1 620 000	1 620 000	31.0%	11.8%
Interest, dividends and rent on land	15 716	1.9%	0.2%	16 929	18 237	19 647	7.7%	0.2%
Transfers and subsidies	960 162	11.3%	7.6%	1 056 178	1 161 796	1 277 976	10.0%	9.6%
Total expenses	9 511 990	-4.2%	100.0%	11 768 597	12 286 523	12 980 679	10.9%	100.0%
Surplus/(Deficit)	1 880 598	-236.6%		2 945 076	3 403 422	3 732 474	25.7%	
Statement of financial position								
Carrying value of assets	39 278 168	–	43.3%	87 658 168	86 038 168	84 418 168	29.1%	95.6%
<i>of which:</i>								
Acquisition of assets	3 495 864	–	7.1%	4 932 916	5 415 670	5 770 304	18.2%	6.6%
Investments	863 500	-1.0%	15.8%	864 000	864 500	865 000	0.1%	1.2%
Receivables and prepayments	1 600 000	-6.0%	40.7%	1 500 000	1 400 000	1 300 000	-6.7%	2.1%
Cash and cash equivalents	224 507	443.4%	0.2%	984 596	1 032 193	1 066 804	68.1%	1.0%
Total assets	41 966 175	146.1%	100.0%	91 006 764	89 334 861	87 649 972	27.8%	100.0%
Accumulated surplus/(deficit)	38 237 675	-424.2%	15.9%	87 427 764	85 855 361	84 269 972	30.1%	94.9%
Finance lease	863 500	-1.0%	15.8%	864 000	864 500	865 000	0.1%	1.2%
Trade and other payables	400 000	-34.5%	23.0%	400 000	400 000	400 000	–	0.6%
Provisions	2 200 000	295.8%	18.1%	2 000 000	1 800 000	1 600 000	-10.1%	2.8%
Derivatives financial instruments	265 000	-7.6%	5.5%	315 000	415 000	515 000	24.8%	0.5%
Total equity and liabilities	41 966 175	146.1%	100.0%	91 006 764	89 334 861	87 649 972	44.9%	100.0%

Personnel information

Table 11.20 Property Management Trading Entity personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		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 (%)	Salary level/total: Average (%)				
		2013/14		Unit Cost	2014/15		Unit Cost	2015/16		2016/17		2017/18				2014/15 - 2017/18			
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Property Management Trading Entity		–	1 704	621.5	0.4	–	–	–	4 872	1 288.8	0.3	4 872	1 369.2	0.3	4 872	1 474.4	0.3	–	–
Salary level		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
1 – 6		–	–	–	–	–	–	3 139	348.9	0.1	3 139	370.7	0.1	3 139	399.1	0.1	–	–	
7 – 10		–	–	–	–	–	–	1 224	418.6	0.3	1 224	444.8	0.4	1 224	478.9	0.4	–	–	
11 – 12		–	1 704	621.5	0.4	–	–	429	419.1	1.0	429	445.3	1.0	429	479.5	1.1	–	–	
13 – 16		–	–	–	–	–	–	80	102.1	1.3	80	108.5	1.4	80	116.9	1.5	–	–	

1. Rand million.

Construction Industry Development Board

Mandate

The Construction Industry Development Board is a schedule 3A public entity established in terms of the Construction Industry Development Board Act (2000). The board is mandated to: provide strategic leadership to construction industry stakeholders to stimulate sustainable growth; oversee the transformation of the construction sector by encouraging and facilitating the participation of the emerging sector in the industry;

establish and promote best practice among public and private sector role players in the construction delivery process; ensure the uniform application of policy across all spheres of government; set and uphold ethical standards across the industry; ensure improved procurement and delivery management and more equitable procurement practices; and develop systematic methods for monitoring and regulating the performance of the industry and its stakeholders, including the registration of projects and contractors.

Selected performance indicators

Table 11.21 Construction Industry Development Board performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of regulation amendments to documents scoping best practice for project assessments on schemes submitted to the Department of Public Works per year	Improve the performance of the sector and value to clients	Outcome 12: An efficient, effective and development - oriented public service	-1	-1	-1	1	1	1	1
Number of annual analysis reports on supply chain management training to municipalities per year	Provide contractor and client support through provincial offices	Outcome 5: A skilled and capable workforce to support an inclusive growth path	-1	-1	-1	2	2	2	2
Percentage of contractor development programmes registered on the construction register system to use the electronic monitoring and evaluation system	Provide contractor and client support through provincial offices	Outcome 6: An efficient, competitive and responsive economic infrastructure network	-1	-1	-1	90%	100%	-2	-2
Number of quarterly monitoring reports on the state of the development of the industry, including black ownership, and black contractors' grade upgrades published per year	Improve the performance of the sector and value to clients	Outcome 12: An efficient, effective and development -oriented public service	-1	-1	-1	4	4	4	4
Number of quarterly reports published on the small, medium and micro enterprises business condition surveys per year	Improve the performance of the sector and value to clients		-1	-1	-1	4	4	4	4

1. No historical data as these are new indicators.

2. The project will be completed by 2015/16.

Expenditure analysis

The Construction Industry Development Board contributes to the priorities of the national development plan through the implementation of initiatives that relate to infrastructure development and the fight against corruption. This is in line with outcome 12 of government's 2014-2019 medium term strategic framework (an efficient, effective and development oriented public service).

The board's focus over the medium term will be on strengthening its regulatory mandate to reduce construction risks, fraud and corruption; enhance compliance with its prescripts and regulations by improving monitoring; position itself as a knowledge hub in the construction industry; roll out its best practice contractor recognition and project assessment schemes; enhance the contractor development programme; and improve its service offering at provincial offices. The board will submit 1 recommendation report to the Department of Public Works per year over the medium term, and the report will document regulatory amendments regarding best practice for project assessments on schemes. By the end of 2015/16, the board will have registered 100 per cent of its contractor development programmes on the construction register system to enable contractors to use the electronic monitoring and evaluation system.

The board expects, over the medium term, to utilise its resources to build, strengthen and maintain relationships with stakeholders through effective communication and various forums, such as its national stakeholders forum and the provincial contractors development forum; publish more guidelines on best practice in the construction industry; and continue to review and amend its contractor registration criteria as part of the initiative for contractor development and transformation.

As part of its spending on contractor development initiatives between 2011/12 and 2013/14, the board continued to achieve its legislative mandate of ensuring a registration turnaround time of 21 working days for contractors in construction related grades 2 to 9. It has published various best practice guides in the construction industry and ensured the relaxation of registration requirements as part of the objective to transform the industry.

Furthermore, regulatory amendments have been undertaken by the board to ensure transformation of the construction industry, and to use the industry as a catalyst for socioeconomic redress.

Based on the accumulated surplus of the board, Cabinet approved budget reductions of R39.4 million over the medium term will be effected. The reductions will not affect the performance of the board as it has accumulated enough cash reserves to achieve its objectives. The board receives the bulk of its revenue from government transfers, although it generates some revenue on its own through contractor registration.

Expenditure on compensation of employees increased significantly, by 8.9 per cent, from R61.1 million in 2011/12 to R79 million in 2014/15, mainly because of salary increases, as well as the filling of posts that were vacant due to natural attrition, including the position of a chief executive officer in 2014/15. Spending on compensation of employees is expected to normalise at R94.9 million in 2017/18 to provide for improved conditions of service, a stronger regulatory mandate, and an enhanced service offering in all provinces.

Programmes/objectives/activities

Table 11.22 Construction Industry Development Board expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate 2014/15	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2014/15 - 2017/18	Expenditure/Total: Average (%) 2014/15 - 2017/18
	2011/12	2012/13	2013/14		2011/12 - 2014/15	2014/15	2015/16	2016/17	2017/18		
Administration	34 129	39 833	41 589	41 840	7.0%	32.5%	43 765	46 392	48 634	5.1%	32.6%
Improve the construction registers service through business process excellence	18 437	20 783	21 687	22 685	7.2%	17.3%	23 727	25 081	26 335	5.1%	17.6%
Provide contractor and client support through provincial offices	24 859	26 109	29 736	29 973	6.4%	22.9%	31 472	33 046	35 029	5.3%	23.3%
Build, strengthen and maintain relationships with stakeholders	11 525	11 645	11 227	12 874	3.8%	9.8%	13 518	14 194	14 904	5.0%	10.0%
Improve the performance of sector, and value to clients	12 137	8 583	9 468	9 904	-6.6%	8.3%	10 359	10 949	11 497	5.1%	7.7%
Improve compliance with and maintenance of the prescripts and combat fraud and corruption in the construction industry and monitor the performance of the industry	11 306	11 296	10 769	11 264	-0.1%	9.3%	11 783	12 455	13 078	5.1%	8.8%
Total	112 393	118 249	124 476	128 540	4.6%	100.0%	134 624	142 117	149 477	5.2%	100.0%

Statements of historical financial performance and position

Table 11.23 Construction Industry Development Board statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/Budget Average (%)
	2011/12	2012/13	2012/13	2013/14	2013/14	2014/15	2014/15	2011/12 - 2014/15	
Revenue									
Non-tax revenue	43 914	52 502	47 442	47 550	50 526	65 092	51 328	51 328	112.0%
Sale of goods and services other than capital assets	41 252	47 737	44 552	42 568	47 448	59 562	48 065	48 065	109.2%
<i>of which:</i>									
<i>Sales by market establishment</i>	41 252	47 737	44 552	42 568	47 448	59 562	48 065	48 065	109.2%
Other non-tax revenue	2 662	4 765	2 890	4 982	3 078	5 530	3 263	3 263	155.9%
Transfers received	65 959	65 959	66 882	67 614	72 361	72 361	77 212	77 212	100.3%
Total revenue	109 873	118 461	114 324	115 164	122 887	137 453	128 540	128 540	105.0%
Expenses									
Current expenses	109 873	112 393	114 324	118 249	122 887	124 476	128 540	128 540	101.7%
Compensation of employees	51 553	61 065	55 677	69 111	77 102	73 258	88 493	78 950	103.5%
Goods and services	51 925	48 350	55 843	45 801	45 785	47 095	36 330	49 590	100.5%
Depreciation	6 395	2 943	2 803	3 335	-	4 123	3 717	-	80.5%
Interest, dividends and rent on land	-	35	-	2	-	-	-	-	-
Total expenses	109 873	112 393	114 324	118 249	122 887	124 476	128 540	128 540	101.7%
Surplus/(Deficit)	-	6 068	-	(3 085)	-	12 977	-	-	-
Statement of financial position									
Carrying value of assets	8 392	22 519	13 566	22 659	9 504	23 405	21 500	21 064	169.3%
<i>of which:</i>									
<i>Acquisition of assets</i>	622	10 997	4 459	3 910	980	3 132	3 717	552	190.1%
Receivables and prepayments	2 571	1 506	986	1 919	529	1 527	1 300	1 300	116.1%
Cash and cash equivalents	41 772	80 163	98 097	77 527	103 604	98 501	74 302	74 302	104.0%
Non-current assets held for sale	-	-	-	-	6 371	-	-	-	-
Total assets	52 735	104 188	112 649	102 106	120 008	123 433	97 102	96 666	111.5%

Table 11.23 Construction Industry Development Board statements of historical financial performance and position

Statement of financial position									
	Budget		Audited outcome		Budget		Audited outcome		Outcome/ Budget Average (%)
	2011/12	2011/12	2012/13	2012/13	2013/14	2013/14	2014/15	2014/15	
R thousand									
Accumulated surplus/(deficit)	4 000	58 685	52 616	55 601	54 261	68 577	51 666	54 979	146.3%
Finance lease	-	-	-	-	-	2 855	5 599	1 850	84.0%
Deferred income	-	-	26 337	-	26 337	-	-	-	-
Trade and other payables	48 735	45 413	33 696	44 697	39 410	49 618	39 837	39 837	111.1%
Provisions	-	-	-	1 808	-	2 383	-	-	-
Derivatives financial instruments	-	90	-	-	-	-	-	-	-
Total equity and liabilities	52 735	104 188	112 649	102 106	120 008	123 433	97 102	96 666	111.5%

Statements of estimates of financial performance and position

Table 11.24 Construction Industry Development Board statements of estimates of financial performance and position

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)	
				2014/15	2011/12 - 2014/15	2015/16			2016/17
R thousand									
Revenue									
Non-tax revenue	51 328	-0.8%	43.2%	62 472	63 938	59 493	5.0%	44.8%	
Sale of goods and services other than capital assets	48 065	0.2%	39.5%	57 904	59 760	55 553	4.9%	41.8%	
of which:									
Sales by market establishment	48 065	0.2%	39.5%	57 904	59 760	55 553	4.9%	41.8%	
Other non-tax revenue	3 263	-11.9%	3.7%	4 568	4 178	3 940	6.5%	3.0%	
Transfers received	77 212	5.4%	56.8%	65 626	62 059	89 984	5.2%	55.2%	
Total revenue	128 540	2.8%	100.0%	128 098	125 997	149 477	5.2%	100.0%	
Expenses									
Current expenses	128 540	4.6%	100.0%	134 624	142 117	149 477	5.2%	100.0%	
Compensation of employees	78 950	8.9%	58.3%	83 839	89 037	94 886	6.3%	62.5%	
Goods and services	49 590	0.8%	39.5%	50 785	53 080	54 591	3.3%	37.5%	
Total expenses	128 540	4.6%	100.0%	134 624	142 117	149 477	5.2%	100.0%	
Surplus/(Deficit)	-	-100.0%	-	(6 526)	(16 120)	-	-	-	
Statement of financial position									
Carrying value of assets	21 064	-2.2%	21.1%	18 958	17 063	15 356	-10.0%	18.2%	
of which:									
Acquisition of assets	552	-63.1%	4.4%	580	609	639	5.0%	0.6%	
Receivables and prepayments	1 300	-4.8%	1.5%	1 365	1 433	1 505	5.0%	1.4%	
Cash and cash equivalents	74 302	-2.5%	77.4%	78 017	81 918	86 014	5.0%	80.3%	
Total assets	96 666	-2.5%	100.0%	98 340	100 414	102 875	2.1%	100.0%	
Accumulated surplus/(deficit)	54 979	-2.2%	55.8%	54 637	62 346	69 983	8.4%	60.6%	
Finance lease	1 850	-	1.1%	5 550	3 700	1 850	-	3.3%	
Trade and other payables	39 837	-4.3%	42.2%	35 853	32 268	29 042	-10.0%	34.5%	
Provisions	-	-	0.9%	2 300	2 100	2 000	-	1.6%	
Total equity and liabilities	96 666	-2.5%	100.0%	98 340	100 414	102 875	-1.6%	100.0%	

Personnel information

Table 11.25 Construction Industry Development Board personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		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 (%)	Salary level/total: Average (%)				
		2013/14		Unit	2014/15		Unit	2015/16			2016/17			2017/18					2014/15 - 2017/18			
		Number	Cost	Unit	Number	Cost	Unit	Number	Cost	Unit	Number	Cost	Unit	Number	Cost	Unit	Number	Cost	Unit			
Construction Industry Development Board																						
Salary level	190	204	174	73.3	0.4	190	79.0	0.4	190	83.8	0.4	190	89.0	0.5	190	94.9	0.5	190	94.9	0.5	6.3%	100.0%
1 - 6	10	10	10	1.0	0.1	10	1.0	0.1	10	1.1	0.1	10	1.2	0.1	10	1.2	0.1	10	1.2	0.1	6.3%	5.3%
7 - 10	135	149	126	35.6	0.3	135	38.5	0.3	135	40.9	0.3	135	43.5	0.3	135	46.3	0.3	135	46.3	0.3	6.3%	71.1%
11 - 12	26	26	20	14.5	0.7	26	16.6	0.6	26	17.7	0.7	26	18.8	0.7	26	20.0	0.8	26	20.0	0.8	6.3%	13.7%
13 - 16	19	19	18	22.1	1.2	19	22.7	1.2	19	24.1	1.3	19	25.6	1.3	19	27.3	1.4	19	27.3	1.4	6.3%	10.0%

1. Rand million.

Council for the Built Environment

Mandate

The Council for the Built Environment is a statutory entity established by the Council for the Built Environment Act (2000), which mandates the council to: promote and protect the interests of the public in the built

environment; promote and maintain a sustainable built and natural environment; promote ongoing human resources development in the built environment; promote sound governance of the built environment professions; facilitate participation by the built environment professions, such as architecture, engineering, landscape architecture, project management and construction, property valuation, and quantity surveying, in the integrated development of national goals; ensure the uniform application of norms and guidelines set by councils for professions throughout the built environment; promote appropriate standards of health, safety and environmental protection within the built environment; promote high training standards; and serve as a forum where issues relating to the built environment can be discussed.

Selected performance indicators

Table 11.26 Council for the Built Environment performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of learners reached through the rollout of the mathematics and science programme per year	Skills development in the built environment	Outcome 5: A skilled and capable workforce to support an inclusive growth path	-1	-1	150	150	150	150	150
Number of workplace candidates placed at work per year	Skills development in the built environment		-2	-2	-2	50	50	50	50
Number of interns placed at work per year	Skills development in the built environment		-2	-2	-2	100	50	50	50
Number of research projects and advisory reports on strengthening technical capacity in the built environment per year	Research and information in the built environment		-3	-3	-3	-3	1	1	1

1. This is a new project that the entity started implementing in 2013/14.

2. This is a new project that the entity started implementing in 2014/15.

3. This is a new project that the entity will start implementing over the MTEF period.

Expenditure analysis

The national development plan's vision is to develop the skills and infrastructure that the economy requires to grow, and through this development create jobs and bring about transformation. In support of this vision, the council for the Built Environment's focus over the medium term will prioritise strengthening the technical capacity of the public sector for infrastructure delivery, particularly through research and the dissemination of information; undertaking skills development, particularly by contributing to improvements in the throughput rate of mathematics and science in the basic education phase, as well as enhancing the provision of workplace training for candidates and interns in the built environment; and developing appropriate strategies and interventions to increase the retention of built environment professionals and make the industry more attractive.

The bulk of expenditure over the medium term will be incurred in the administration programme, which will ensure that the council is capacitated and aligned with government's development priorities as they pertain to built environment issues. The programme is allocated R74.4 million over the medium term, which is 51.1 per cent of the council's total budget. Due to the priority of capacitating the research department, expenditure on research and information in the built environment programme is set to grow significantly, by 14.7 per cent over the MTEF period, from R11 million in 2014/15 to R16.6 million in 2017/18. Upgrading internal IT infrastructure, which will assist the research department to provide informed research advice on priority aspects of the built environment, will further drive expenditure over the medium term. Other spending priorities are flagship programmes in skills development that the council runs, including the rollout of mathematics and science mobile laboratories to grade 10, 11 and 12 learners, and the pilot of the integrated workplace training model for candidates and interns in the built environment.

The council initiated the mathematics and science programme in 2013/14. This programme initially targeted disadvantaged learners in grade 12 to enable them to improve their mathematics and science performance as these are key entry subjects into built environment qualifications, while also exposing them to careers in the built environment. In line with the council's transformation agenda, learners benefiting from the programme will include learners from grade 1 to 12 over the MTEF period. The workplace training was initiated in 2014/15 with 150 candidates and interns, and in 2015/16 the council will pilot the implementation of the integrated workplace training model, which has the potential to be the core model for a nationwide skills pipeline for infrastructure development and delivery. To achieve these objectives, the skills development in the built

environment programme, in which expenditure grew by 75.5 per cent in 2014/15, is allocated R23.9 million over the MTEF period.

There was underspending on skills development in the built environment programme in 2013/14, due to delays in the procurement of service providers in the mathematics and science project as the learners were already in their final phase of schooling. The misalignment between the financial and calendar years led to the project's failure to deliver, but with the procurement of the service providers now in place, 200 learners have been recruited into the project.

The council receives the bulk of its revenue from transfers from the Department of Public Works, and this accounted for an average of 94.3 per cent of total revenue between 2011/12 and 2014/15. Other sources of revenue include levies collected from registered professionals through professional councils, and interest earned on bank deposits. 95.6 per cent of revenue over the medium term will be in the form of transfers from the department and revenue is expected to grow at an average annual rate of 5.3 per cent over the MTEF period.

Based on the accumulated surplus of the council, Cabinet approved budget reductions of R5.9 million which will be effected over the medium term. As a result, the council will reprioritise spending and focus on its key projects, and exercise discipline in implementing the cost containment measures issued by National Treasury. It will also use its cash reserves to deliver on key indicators in its annual performance plan.

Expenditure on compensation of employees increased by R2.5 million in 2013/14 and R2.9 million in 2014/15 as the council anticipated filling senior management posts and other vacant positions. Between 2011/12 and 2014/15, spending on compensation of employees increased at an average annual rate of 10.6 per cent, which is attributable to the filling of vacant posts, and is expected to increase by 9.1 per cent over the MTEF period, from R19.1 million in 2014/15 to R24.9 million in 2017/18.

Programmes/objectives/activities

Table 11.27 Council for the Built Environment expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
Administration	15 278	15 539	16 747	19 015	7.6%	49.8%	25 196	28 815	20 368	2.3%	51.1%
Skills development in the built environment	4 139	3 492	4 917	8 604	27.6%	15.1%	9 593	6 190	8 104	-2.0%	17.8%
Research and information in the built environment	7 913	6 548	8 875	10 985	11.6%	25.3%	6 097	7 000	16 597	14.7%	21.8%
Public interest	2 737	2 600	3 259	4 880	21.3%	9.8%	3 061	3 448	5 933	6.7%	9.4%
Total	30 067	28 179	33 798	43 484	13.1%	100.0%	43 947	45 453	51 002	5.5%	100.0%

Statements of historical financial performance and position

Table 11.28 Council for the Built Environment statements of historical financial performance and position

Statement of financial performance									Outcome/ Budget Average (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R thousand	2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Revenue									
Non-tax revenue	2 706	2 035	1 755	2 106	1 857	1 858	1 953	1 953	96.1%
Sale of goods and services other than capital assets	1 650	1 657	1 635	1 784	1 717	1 840	1 803	1 803	104.1%
<i>of which:</i>									
Sales by market establishment	1 650	1 657	1 635	1 784	1 717	1 840	1 803	1 803	104.1%
Other non-tax revenue	1 056	378	120	322	140	18	150	150	59.2%
Transfers received	27 059	27 433	27 438	28 146	37 959	38 159	41 572	41 572	101.0%
Total revenue	29 765	29 468	29 193	30 252	39 816	40 017	43 525	43 525	100.7%
Expenses									
Current expenses	29 689	30 067	29 193	28 179	39 816	33 798	43 184	43 484	95.5%
Compensation of employees	14 664	14 140	15 984	13 707	17 406	16 228	19 138	19 138	94.1%
Goods and services	14 610	15 643	12 859	14 141	22 083	17 070	24 046	24 346	96.7%
Depreciation	415	284	350	331	327	500	-	-	102.1%
Total expenses	29 689	30 067	29 193	28 179	39 816	33 798	43 184	43 484	95.5%
Surplus/(Deficit)	76	(599)	-	2 073	-	6 219	341	41	-

Table 11.28 Council for the Built Environment statements of historical financial performance and position

Statement of financial position									Outcome/ Budget Average (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R thousand	2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Carrying value of assets	1 034	1 571	1 459	2 027	1 609	3 385	1 583	3 374	182.2%
of which:									
Acquisition of assets	65	625	716	891	205	1 864	360	360	277.9%
Receivables and prepayments	450	168	573	199	438	385	301	149	51.1%
Cash and cash equivalents	4 300	6 439	3 727	6 474	2 253	11 916	3 703	3 703	204.0%
Total assets	5 784	8 178	5 759	8 700	4 300	15 686	5 587	7 226	185.7%
Accumulated surplus/(deficit)	1 309	3 256	3 755	5 329	3 109	11 548	4 659	4 659	193.2%
Trade and other payables	4 475	4 688	1 824	3 137	800	3 973	650	2 390	183.1%
Provisions	-	234	-	234	253	165	278	177	152.6%
Total equity and liabilities	5 784	8 178	5 579	8 700	4 162	15 686	5 587	7 226	188.5%

Statements of estimates of financial performance and position**Table 11.29 Council for the Built Environment statements of estimates of financial performance and position**

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Expen- diture/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expen- diture/ Total: Average (%)
R thousand	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Revenue								
Non-tax revenue	1 953	-1.4%	5.7%	1 953	2 040	2 140	3.1%	4.4%
Sale of goods and services other than capital assets	1 803	2.9%	5.1%	1 803	1 870	1 964	2.9%	4.1%
of which:								
Sales by market establishment	1 803	2.9%	5.1%	1 803	1 870	1 964	2.9%	4.1%
Other non-tax revenue	150	-26.5%	0.7%	150	170	177	5.6%	0.4%
Transfers received	41 572	14.9%	94.3%	41 994	43 413	48 568	5.3%	95.6%
Total revenue	43 525	13.9%	100.0%	43 947	45 453	50 708	5.2%	100.0%
Expenses								
Current expenses	43 484	13.1%	100.0%	43 947	45 453	51 002	5.5%	100.0%
Compensation of employees	19 138	10.6%	46.9%	19 778	23 139	24 876	9.1%	47.2%
Goods and services	24 346	15.9%	52.2%	24 169	22 314	26 127	2.4%	52.8%
Total expenses	43 484	13.1%	100.0%	43 947	45 453	51 002	5.5%	100.0%
Surplus/(Deficit)	41	-140.9%		-	-	(294)	-292.8%	-
Statement of financial position								
Carrying value of assets	3 374	29.0%	27.7%	3 629	3 679	3 807	4.1%	48.0%
of which:								
Acquisition of assets	360	-16.8%	8.7%	980	580	650	21.8%	8.5%
Receivables and prepayments	149	-3.9%	2.2%	148	146	150	0.2%	2.0%
Cash and cash equivalents	3 703	-16.8%	70.1%	3 500	3 901	4 030	2.9%	50.1%
Total assets	7 226	-4.0%	100.0%	7 277	7 726	7 987	3.4%	100.0%
Accumulated surplus/(deficit)	4 659	12.7%	59.8%	3 629	3 679	3 807	-6.5%	52.4%
Trade and other payables	2 390	-20.1%	37.9%	3 459	3 845	3 968	18.4%	45.0%
Provisions	177	-8.9%	2.3%	189	202	212	6.1%	2.6%
Total equity and liabilities	7 226	-4.0%	100.0%	7 277	7 726	7 987	18.0%	100.0%

Personnel information**Table 11.30 Council for the Built Environment personnel numbers and cost by salary level¹**

Number of posts estimated for 31 March 2015		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 (%)	Salary level/total: Average (%)				
		2013/14		Unit Cost	2014/15		Unit Cost	2015/16		Unit Cost	2016/17		Unit Cost			2017/18		Unit Cost	
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	2014/15 - 2017/18		
Council for the Built Environment	32	32	26	16.2	0.6	31	19.1	0.6	32	19.8	0.6	32	23.1	0.7	32	24.9	0.8	9.1%	100.0%
Salary level																			
1-6	2	2	1	0.1	0.1	2	0.3	0.1	2	0.3	0.1	2	0.3	0.2	2	0.3	0.2	7.3%	6.3%
7-10	16	16	14	5.1	0.4	15	6.4	0.4	16	6.9	0.4	16	7.4	0.5	16	7.9	0.5	7.5%	49.6%
11-12	3	3	3	3	1	3	3	1	3	3	1	3	3	1	3	3	1	2.1%	9.5%
13-16	11	11	8	8.4	1.0	11	9.8	0.9	11	9.9	0.9	11	12.6	1.1	11	13.7	1.2	12.0%	34.7%

¹. Rand million.

Independent Development Trust

Mandate

The Independent Development Trust is listed as a schedule 2 public entity in terms of the Public Finance Management Act (1999). It was established in 1990 as a grant making institution for the development of disadvantaged communities in South Africa, particularly in rural areas. In 1998, the revision of the entity's mandate turned it into a programme implementation agency, which incorporated development planning as well as implementing and coordinating government's development programmes. The trust is currently liaising with the Minister of Public Works in order to review its mandate and refocus its role on community empowerment, using social infrastructure programmes as a basis for accessing communities and building on assets within communities. With a renewed focus on community development, the entity's value continues to be the developmental impact of its service delivery model.

Selected performance indicators

Table 11.31 Independent Development Trust performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Value of programme spend per year	Programme management	Outcome 8: Sustainable human settlements and improved quality of household life	R4.2bn	R5.7bn	R6.6bn	R7bn	R7.7bn	R8.5bn	R9bn
Number of job opportunities created per year	Programme management	Outcome 4: Decent employment through inclusive economic growth	76 420	76 981	75 887	78 000	90 000	100 000	106 000

Expenditure analysis

The national development plan's vision for infrastructure development provides an overarching framework for the realisation of the medium to long term priorities of the Independent Development Trust. This is in line with outcome 8 of government's 2014-2019 medium term strategic framework (sustainable human settlements and improved quality of household life). In support of this vision, the trust's focus over the MTEF period will be on transformation strategies that target the empowerment of communities, specifically infrastructure projects, to address backlogs in social infrastructure.

Spending priorities over the medium term will be the delivery of infrastructure projects for client departments, resulting in an increase in the value of programme expenditure from R7 billion in 2014/15 to R9 billion by 2017/18, with the number of job opportunities created set to increase from 78 000 in 2014/15 to 106 000 by 2017/18. Consistent with the trust's focus, the bulk of its medium term spending is expected to be on social infrastructure projects.

In 2015/16, the schools building programme is expected to be the largest driver of programme management expenditure. The value of projects under its management over the medium term is expected to be 51.6 per cent of the R7.7 billion total; health care facilities receive a 15.4 per cent share; criminal justice system facilities 9.8 per cent; poverty relief 8.7 per cent; welfare support and facilities 7.1 per cent; and the remaining 7.4 per cent is allocated to programmes for sport, arts and culture, water and sanitation, food security, and environmental interventions. Programme expenditure is expected to grow by 8.7 per cent over the medium term.

The trust receives the bulk of its revenue through the collection of management fees from programmes it implements on behalf of client departments. Infrastructure programmes constitute the largest portion of these by volume and value, with a small percentage relating to social development programmes. The increase in programme management expenditure from R4.2 billion in 2011/12 to R7 billion in 2014/15 resulted in an increase in management fees billed to client departments. Revenue over the medium term is expected to increase to R617.8 million, due to an increase in the management fee rate levied by the trust, from 2.2 per cent of the total programme value in 2011/12 to 6.5 per cent in 2017/18.

In addition, the trust will implement a new management fee structure to ensure that it becomes self-sustainable in the long term. The revenue generated from management fees charged to client departments will be used to finance the trust's operating expenditure, which includes the cost of management personnel, support staff, office rentals, travel costs, and all other operating costs incurred in the delivery of programmes. The trust will receive its last transfer of R50 million from the National Revenue Fund in 2015/16, and thereafter it will entirely be

dependent on management fees generated to fund its operational expenditure. The trust will continue to transform and restructure its business operations to ensure self-sustainability in the long run.

In 2012/13, the trust implemented a cost containment strategy that aimed to ensure improved levels of efficiency and effectiveness. As a result, normal operating costs were reduced from R374.7 million in 2012/13 to R363.2 million in 2013/14, while revenue from management fees increased by 112.7 per cent from R189 million to R402 million over the same period. Costs will continue to be monitored and controlled in the current financial year, whereas management fees are expected to exceed R365 million over the medium term.

Total expenditure is expected to grow at 8.7 per cent on average over the MTEF period, while compensation of employees will grow at 14.6 per cent as a result of the capacity building programme, which forms part of the trust's transformation agenda. However, spending on personnel as a percentage of total programme expenditure is expected to decline from 5.5 per cent in 2011/12 to 4 per cent in 2017/18.

Programmes/objectives/activities

Table 11.32 Independent Development Trust expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate 2014/15	Average growth rate (%) 2011/12 - 2014/15	Expenditure/ Total: Average (%) 2011/12 - 2014/15	Medium-term expenditure estimate			Average growth rate (%) 2014/15 - 2017/18	Expenditure/ Total: Average (%) 2014/15 - 2017/18
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
Administration	129 044	113 120	155 746	153 005	5.8%	33.4%	162 269	180 084	163 470	2.2%	33.5%
Programme management	301 103	261 559	250 861	284 152	-1.9%	66.6%	301 357	334 441	398 564	11.9%	66.5%
Total	430 147	374 679	406 607	437 157	0.5%	100.0%	463 626	514 525	562 034	8.7%	100.0%

Statements of historical financial performance and position

Table 11.33 Independent Development Trust statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Revised estimate		Outcome/ Budget Average (%) 2011/12 - 2014/15
	Budget	2011/12	Budget	2012/13	Budget	2013/14	Budget estimate	2014/15	
Revenue									
Non-tax revenue	107 000	171 395	568 943	212 882	363 827	417 882	320 000	374 009	86.5%
Sale of goods and services other than capital assets	92 000	139 486	559 743	201 744	363 827	410 769	315 000	351 000	82.9%
of which:									
Administrative fees	92 000	139 486	559 743	201 744	363 827	410 769	315 000	351 000	82.9%
Other non-tax revenue	15 000	31 909	9 200	11 138	-	7 113	5 000	23 009	250.6%
Transfers received	150 000	150 000	-	50 800	50 000	100 000	50 000	50 000	140.3%
Total revenue	257 000	321 395	568 943	263 682	413 827	517 882	370 000	424 009	94.9%
Expenses									
Current expenses	432 833	430 147	568 943	374 678	478 452	406 607	495 895	437 157	83.4%
Compensation of employees	211 000	236 896	225 569	220 760	234 855	232 920	313 034	210 144	91.5%
Goods and services	217 043	187 006	336 658	145 559	236 343	168 419	175 607	218 575	74.5%
Depreciation	4 790	5 896	6 716	7 253	7 254	3 638	7 254	8 438	97.0%
Interest, dividends and rent on land	-	349	-	1 107	-	1 630	-	-	-
Total expenses	432 833	430 147	568 943	374 678	478 452	406 607	495 895	437 157	83.4%
Surplus/(Deficit)	(175 833)	(108 752)	-	(110 996)	(64 625)	111 275	(125 895)	(13 148)	-
Statement of financial position									
Carrying value of assets	219 006	39 774	39 629	37 062	35 014	35 974	31 203	36 792	46.1%
of which:									
Acquisition of assets	6 000	4 750	6 500	3 553	7 000	4 189	7 742	7 000	71.6%
Investments	62	277 519	90 210	169 728	-	172 021	-	155 245	858.0%
Inventory	-	-	-	13 881	-	-	-	-	-
Receivables and prepayments	20 000	52 078	72 540	83 155	60 638	214 277	61 875	178 892	245.7%
Cash and cash equivalents	5 000	44 840	-	3 472	-	15 230	96 644	5 000	67.4%
Total assets	244 068	414 211	202 379	307 298	95 652	437 502	189 722	375 929	209.7%
Accumulated surplus/(deficit)	202 068	333 092	437 718	224 066	(65 855)	336 252	59 578	304 044	189.0%
Capital and reserves	-	-	(341 081)	-	-	-	-	-	-
Borrowings	-	-	-	-	108 710	-	50 643	-	-
Finance lease	-	531	-	1 080	-	2 440	-	2 248	-
Trade and other payables	26 000	33 929	69 444	37 944	17 569	98 810	42 459	34 637	132.1%
Provisions	16 000	42 208	36 298	44 208	35 228	-	37 042	35 000	97.5%
Managed funds (e.g. poverty alleviation fund)	-	4 451	-	-	-	-	-	-	-
Total equity and liabilities	244 068	414 211	202 379	307 298	95 652	437 502	189 722	375 929	209.7%

Statements of estimates of financial performance and position

Table 11.34 Independent Development Trust statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
R thousand	Revised estimate	2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18		
Revenue								
Non-tax revenue	374 009	29.7%	75.7%	430 250	546 525	617 800	18.2%	94.4%
Sale of goods and services other than capital assets	351 000	36.0%	70.5%	430 250	546 525	617 800	20.7%	93.1%
of which:								
Administrative fees	351 000	36.0%	70.5%	430 250	546 525	617 800	20.7%	93.1%
Other non-tax revenue	23 009	-10.3%	5.2%	-	-	-	-100.0%	1.4%
Transfers received	50 000	-30.7%	24.3%	50 000	-	-	-100.0%	5.6%
Total revenue	424 009	9.7%	100.0%	480 250	546 525	617 800	13.4%	100.0%
Expenses								
Current expenses	437 157	0.5%	100.0%	463 626	514 525	562 034	8.7%	100.0%
Compensation of employees	210 144	-3.9%	54.8%	267 303	327 377	316 594	14.6%	56.4%
Goods and services	218 575	5.3%	43.4%	189 069	179 459	237 440	2.8%	42.0%
Depreciation	8 438	12.7%	1.5%	7 254	7 689	8 000	-1.8%	1.6%
Total expenses	437 157	0.5%	100.0%	463 626	514 525	562 034	8.7%	100.0%
Surplus/(Deficit)	(13 148)	-50.6%		16 624	32 000	55 766	-261.9%	
Statement of financial position								
Carrying value of assets	36 792	-2.6%	9.9%	36 538	35 849	34 849	-1.8%	8.3%
of which:								
Acquisition of assets	7 000	13.8%	1.3%	7 000	7 000	7 000	-	1.6%
Investments	155 245	-17.6%	50.7%	195 748	228 437	285 203	22.5%	48.5%
Receivables and prepayments	178 892	50.9%	34.0%	189 642	176 474	186 721	1.4%	42.0%
Cash and cash equivalents	5 000	-51.9%	4.2%	5 000	5 000	5 000	-	1.1%
Total assets	375 929	-3.2%	100.0%	426 928	445 760	511 773	10.8%	100.0%
Accumulated surplus/(deficit)	304 044	-3.0%	77.8%	344 293	376 293	432 059	12.4%	82.6%
Finance lease	2 248	61.8%	0.4%	2 000	1 500	1 500	-12.6%	0.4%
Trade and other payables	34 637	0.7%	13.1%	43 635	27 967	33 214	-1.4%	8.0%
Provisions	35 000	-6.1%	8.5%	37 000	40 000	45 000	8.7%	8.9%
Total equity and liabilities	375 929	-3.2%	100.0%	426 928	445 760	511 773	7.2%	100.0%

Personnel information

Table 11.35 Independent Development Trust personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		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 (%)	Salary level/total: Average (%)			
		2013/14		Unit	2014/15		Unit	2015/16			Unit	2016/17			Unit	2017/18			Unit		
		Number	Cost	Cost	Number	Cost	Cost	Number	Cost	Cost	Number	Cost	Cost	Number	Cost	Cost	Number	Cost	Cost		
Independent Development Trust																					
Salary level	360	430	375	232.9	0.6	360	210.1	0.6	396	267.3	0.7	452	327.4	0.7	404	316.6	0.8	14.6%	100.0%		
1 – 6	26	32	27	4.4	0.2	26	4.0	0.2	29	6.7	0.2	32	5.7	0.2	32	6.1	0.2	15.5%	7.4%		
7 – 10	190	220	198	89.5	0.5	190	80.8	0.4	209	115.7	0.6	226	135.3	0.6	178	98.6	0.6	6.9%	49.9%		
11 – 12	43	53	45	26.7	0.6	43	24.1	0.6	47	28.0	0.6	61	38.4	0.6	61	40.9	0.7	19.3%	13.1%		
13 – 16	95	119	99	98.5	1.0	95	88.9	0.9	105	103.5	1.0	127	133.8	1.1	127	155.9	1.2	20.6%	28.1%		
17 – 22	6	6	6	13.9	2.3	6	12.5	2.1	6	13.3	2.2	6	14.2	2.4	6	15.1	2.5	6.5%	1.5%		

1. Rand million.

Additional tables

Table 11.A Summary of conditional allocations to provinces and municipalities¹

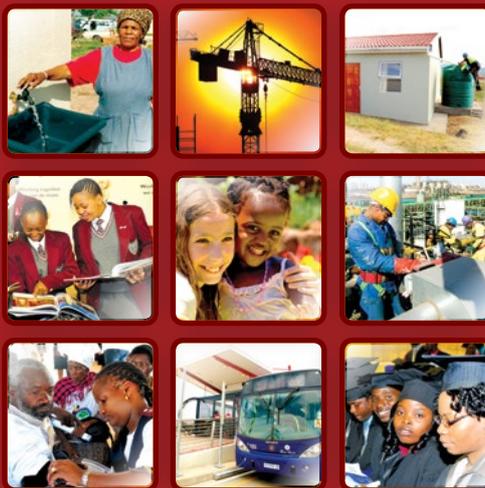
R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Conditional allocations to provinces							
Expanded Public Works Programme							
Expanded public works programme integrated grant for provinces	225 461	292 843	354 214	348 947	350 612	402 009	423 802
Social sector expanded public works programme incentive grant for provinces	200 358	217 401	255 953	257 972	240 563	359 662	385 583
Property and Construction Industry Policy and Research							
Devolution of property rates funds grant	1 803 230	1 798 170	–	–	–	–	–
Total	2 229 049	2 308 414	610 167	606 919	591 175	761 671	809 385
Conditional allocations to municipalities							
Expanded Public Works Programme							
Expanded public works programme integrated grant for municipalities	363 913	661 535	611 274	594 575	587 685	663 991	716 427
Total	363 913	661 535	611 274	594 575	587 685	663 991	716 427

1. Detail provided in the Division of Revenue Act (2015).

Table 11.B Summary of expenditure on infrastructure

Project name R thousand	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2014/15	Medium-term expenditure estimate	
				2011/12	2012/13	2013/14		2015/16	2017/18
Departmental infrastructure									
Inner city regeneration (Pretoria): Agrivaal building	Rehabilitation	Construction	615 717	8 788	69 441	-	-	-	-
Departmental: Various centres	Upgrading and construction of departmental accommodation sites (77 projects)	Various	3 012 034	285 294	228 106	250 041	207 100	-	-
Dolomite: Various centres	Management of dolomite risk areas (31 projects)	Various	935 738	32 167	32 355	24 717	73 000	-	-
Accessibility: Various centres	Upgrading of disabled facilities (165 projects)	Various	80 978	11 386	4 992	7 098	11 369	-	-
Border control operational coordination committee: Various centres	Redevelopment of border post centres (114 projects)	Various	3 739 691	274 626	233 892	191 684	142 000	-	-
Prestige: Various centres	Upgrading and construction of prestige accommodation sites (46 projects)	Various	1 350 420	365 876	118 820	57 626	70 000	-	-
Inner city regeneration: Various centres	Development of national government precincts (32 projects)	Various	536 444	33 271	25 397	36 199	6 900	-	-
Infrastructure transfers to other spheres, agencies and departments									
Departmental: Various centres	Upgrading and construction of departmental accommodation sites (77 projects)	Various	3 012 034	-	-	-	-	111 194	168 808
Dolomite: Various centres	Management of dolomite risk areas (31 projects)	Various	935 738	-	-	-	-	141 000	148 473
Accessibility: Various centres	Upgrading of disabled facilities (165 projects)	Various	80 978	-	-	-	-	9 005	9 482
Border control operational coordination committee: Various centres	Redevelopment of border post centres (114 projects)	Various	3 739 691	-	-	-	-	261 137	261 159
Prestige: Various centres	Upgrading and construction of prestige accommodation sites (46 projects)	Various	1 350 420	-	-	-	-	150 000	139 540
Inner city regeneration: Various centres	Development of national government precincts (32 projects)	Various	536 444	-	-	-	-	101 000	106 353
Total			19 926 327	1 011 408	713 003	567 365	510 369	773 336	833 815
									883 318

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BUDGET 2015

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