

Vote 7

National Treasury

Budget summary

R million	2019/20					2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	Total	Total
MTEF allocation							
Administration	555.7	533.4	4.1	18.2	–	599.4	636.8
Economic Policy, Tax, Financial Regulation and Research	149.7	128.1	20.8	0.9	–	159.6	169.0
Public Finance and Budget Management	320.0	263.3	54.3	2.4	–	325.3	344.2
Asset and Liability Management	108.4	107.7	–	0.7	–	116.1	122.0
Financial Accounting and Supply Chain Management Systems	1 093.6	970.0	109.7	13.9	–	1 159.2	1 222.6
International Financial Relations	5 751.5	65.6	1 027.3	0.7	4 657.9	6 059.3	6 396.6
Civil and Military Pensions, Contributions to Funds and Other Benefits	5 574.5	72.7	5 501.8	–	–	5 590.2	5 895.3
Technical Support and Development Finance	2 737.6	365.3	2 372.3	–	–	2 965.4	3 176.2
Revenue Administration	9 529.0	–	9 529.0	–	–	10 110.0	10 673.1
Financial Intelligence and State Security	4 951.1	–	4 951.1	–	–	5 223.2	5 510.5
Subtotal	30 771.1	2 506.1	23 570.3	36.8	4 657.9	32 307.7	34 146.3
Direct charge against the National Revenue Fund							
Provincial equitable share	505 553.8	–	505 553.8	–	–	542 908.6	578 645.2
Debt-service costs	202 207.8	202 207.8	–	–	–	224 066.1	247 408.4
General fuel levy sharing with metropolitan municipalities	13 166.8	–	13 166.8	–	–	14 026.9	15 182.5
National Revenue Fund payments	135.3	–	–	–	135.3	–	–
Total expenditure estimates	751 834.8	204 713.9	542 290.9	36.8	4 793.2	813 309.3	875 382.4

Executive authority: Minister of Finance
 Accounting officer: Director-General of the National Treasury
 Website address: www.treasury.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, entities, donor funding, public-private partnerships, conditional grants to provinces and municipalities, and expenditure information at the level of service delivery, where appropriate.

Vote purpose

Support economic growth and development, good governance, social progress and rising living standards through the accountable, economical, efficient, equitable and sustainable management of public finances, maintenance of macroeconomic and financial sector stability, and effective financial regulation of the economy.

Mandate

National Treasury's legislative mandate is based on section 216(1) of the Constitution, which calls for the establishment of a national treasury to ensure transparency, accountability and sound financial controls in the management of South Africa's public finances. This role is further elaborated in the Public Finance Management Act (1999). The department is mandated to:

- promote national government's fiscal policy and the coordination of macroeconomic policy
- ensure the stability and soundness of the financial system and financial services
- coordinate intergovernmental financial and fiscal relations
- manage the budget preparation process
- enforce transparency and effective management in respect of revenue and expenditure, assets and liabilities, public entities, and constitutional institutions.

Selected performance indicators

Table 7.1 Performance indicators by programme and related outcome

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Net loan debt as a percentage of GDP	Asset and Liability Management	Outcome 4: Decent employment through inclusive growth	44.2% (R1.8tr)	45.6% (R2tr)	48% (R2.3tr)	50.3% (R2.5tr)	52.3% (R2.8tr)	54.2% (R3.1tr)	55.6% (R3.5tr)
Value of government gross annual borrowing	Asset and Liability Management		R200.4bn	R240.9bn	R237bn	R224.1bn	R335.3bn	R327.7bn	R331.8bn
Cost to service debt as a percentage of GDP	Asset and Liability Management		3.1% (R128.8bn)	3.3% (R146.5bn)	3.4% (R162.6bn)	3.6% (R180.1bn)	3.7% (R202.2bn)	3.9% (R224.1bn)	4.0% (R247.4bn)
Number of municipal officials trained in financial management competencies per year	Financial Accounting and Supply Chain Management Systems	Outcome 12: An efficient, effective and development-oriented public service	1 380	1 080	1 458	1 000	1 000	1 000	1 000
Number of transversal term contracts implemented per year ¹	Financial Accounting and Supply Chain Management Systems		14	28	17	22	25	28	15
Number of tenders advertised on an electronic tendering platform for contracts per year ²	Financial Accounting and Supply Chain Management Systems		– ³	– ³	17	10 000 ⁴	10 000	10 000	10 000
Number of investment plans completed per year ⁵	Technical Support and Development Finance		– ³	4	4	4	2	2	2
Number of catalytic projects approved per year	Technical Support and Development Finance	Outcome 8: Sustainable human settlements and improved quality of household life	352	459	27	20	20	20	20
Number of programmes in integration zones identified for planning per year ⁶	Technical Support and Development Finance		30	12	12	12	12	12	14
Number of programmes in integration zones under implementation per year ⁶	Technical Support and Development Finance		13	8	10	10	10	10	10
Total number of new jobs contracted in the Jobs Fund across the term of project	Technical Support and Development Finance	Outcome 4: Decent employment through inclusive growth	142 445	136 069	149 043	150 000	160 000	160 000	160 000
Total number of placements contracted on the Jobs Fund across the term of project ⁷	Technical Support and Development Finance		77 317	90 087	70 744	105 000	80 000	80 000	80 000

1. Indicator revised to include newly implemented transversal term contracts.

2. Old indicator selected for publication in the 2019 Estimates of National Expenditure.

3. No historical data available.

4. Increase is due to the performance indicator being revised to include all tenders, not only transversal tenders.

5. Indicator revised to measure all investment plans, not only precinct plans.

6. Indicator reworded to reflect a group of projects managed in a coordinated way.

7. Fluctuation due to project withdrawals after approval by the investment committee but prior to contracting.

Expenditure analysis

Chapter 3 of the National Development Plan sets out a vision for South Africa to build an inclusive economy that advances social equality. This vision is expressed in terms of outcome 4 (decent employment through inclusive growth), outcome 8 (sustainable human settlements and improved quality of household life),

outcome 9 (responsive, accountable, effective and efficient developmental local government) and outcome 12 (an efficient, effective and development-oriented public service) of government's 2014-2019 medium-term strategic framework, which are closely aligned with the work of National Treasury. The department's continual focus, therefore, remains on: reviewing tax policy and strengthening regulation in the financial sector, managing future spending growth and fiscal risk, managing government's assets and liabilities, making government procurement more efficient, strengthening government financial management, facilitating regional and international cooperation, supporting sustainable employment, and supporting infrastructure development and economically integrated cities and communities.

The department's total budget over the medium term is R2.4 trillion, with transfers to provincial governments for the provincial equitable share accounting for 66.6 per cent per cent (R1.6 trillion) of total expenditure. These transfers increase at an average annual rate of 7.2 per cent, from R505.6 billion in 2019/20 to R578.6 billion in 2021/22, due to increases approved by Cabinet in the provincial equitable share amounting to R2.5 billion over the MTEF period. The increases in the provincial equitable share over the MTEF period are aimed at improving the capacity of provincial treasuries to manage municipal interventions and roll out provincial infrastructure, increasing capacity in the health sector for the medical interns training programme, and sector internships, and for facilitating provincial governments' social protection and community development function. The department's second largest spending area is servicing government's debt. In this regard, Cabinet has approved increases amounting to R29.8 billion over the medium term to cater for higher debt service costs. The department anticipates spending R673.7 billion over the MTEF period to service government's debt. Distributing the general fuel levy to metropolitan municipalities is the third largest cost driver, amounting to R42.4 billion over the MTEF period.

Reviewing tax policy and strengthening regulation in the financial sector

Over the medium term, the department aims to finalise proposals for tax policy amendments to meet government's revenue requirements and eliminate tax loopholes to improve fairness in the tax system. Recent amendments have included the introduction of the health promotion levy, which discourages the consumption of sugary beverages; and the publication of the draft Carbon Tax Bill for public comment and its introduction in Parliament. Spending on these activities amounts to a projected R100 million over the medium term in the *Tax Policy* subprogramme in the *Economic Policy, Tax, Financial Regulation and Research* programme.

The Financial Sector Regulation Amendment Bill and Financial Matters Amendment Bill were published for public comment in 2018/19. These bills provide for the licencing of state banks, the orderly curatorship and resolution of banks in distress, and the establishment of a deposit insurance scheme at the Reserve Bank. These bills will be supported through parliamentary processes in 2018/19 and 2019/20. To streamline regulations applicable to financial institutions, a new law for the proportionate regulation of the market conduct of all institutions in the financial sector will also be developed over the medium term. Spending on these activities amounts to a projected R79.7 million over the MTEF period in the *Financial Sector Policy* subprogramme in the *Economic Policy, Tax, Financial Regulation and Research* programme.

Managing future spending growth and fiscal risk

Over the MTEF period, the department plans to ensure that all government departments remain within spending limits approved by Cabinet. The department will also continue to provide financial analyses of government programmes and advise on policy and service delivery trends. Spending on these activities amounts to a projected R989.5 million over the medium term in the *Public Finance and Budget Management* programme.

Managing government's assets and liabilities

To address the significant increase in government's contingent liabilities, over the MTEF period, the department plans to develop a framework for reducing the number of government guarantees issued to public entities and improving the risk exposure from such guarantees. The department also plans to continue financing government's gross borrowing requirements in domestic and international capital markets, and maintaining prudent cash management to ensure that government is able to meet its financial obligations. Spending on these activities amounts to a projected R346.4 million over the medium term in the *Asset and Liability Management*

programme.

Making government procurement more efficient

Over the medium term, the Office of the Chief Procurement Officer will continue to monitor government procurement and identify malpractices that result in procurement irregularities. The process to finalise the draft Public Procurement Bill will also be enhanced in 2019/20. Once effected, the legislation will introduce a series of governance reforms to the contemporary public procurement process and improve access to opportunities for small, medium and micro enterprises (SMMEs). Implementation of the strategic procurement framework will be extended to local government and state-owned companies over the MTEF period; and the e-education procurement and delivery management standard to guide stakeholders through procurement and delivery management processes is currently being developed, to be completed in 2019/20. Spending on activities related to government procurement processes amounts to a projected R668.3 million over the medium term in the *Programme Management for Financial Accounting and Supply Chain Management Systems* and *Office of the Chief Procurement Officer* subprogrammes in the *Financial Accounting and Supply Chain Management Systems* programme.

Strengthening government financial management

The integrated financial management system is designed to enhance the productivity and effectiveness of government departments by improving access to information, raising the quality of data, eliminating the duplication of systems and resources, and curtailing manual processes. As at 2018/19, phases 1 and 2A were completed, with phase 2B expected to be completed by 2021/22. During phase 2B of the programme, National Treasury's corporate service units and the Department of Public Service and Administration will align their business processes with the solutions developed in the previous phases; and participate in business process configuration, user acceptance testing and data purification exercises. Spending on activities related to the integrated financial management system amounts to a projected R769.8 million over the MTEF period in the *Financial Systems* subprogramme in the *Financial Accounting and Supply Chain Management Systems* programme.

The department promotes and supports financial management reform and builds capacity in municipalities to improve the implementation of the Municipal Finance Management Act (2003) through the *local government financial management grant*. Funds disbursed through the grant over the medium term assist in: strengthening municipal budgets and improving the capacity of municipal budget and treasury offices, internal audit units and audit committees; providing for the appointment of more than 1 200 financial management interns and their training; investing in financial management systems; implementing reforms that include the development of financial recovery plans; implementing consequence management processes; and attending to matters arising from audit outcomes. Over the medium term, funding from the grant is also expected to support the implementation of current reforms in financial management, and new reforms for addressing shortcomings identified in the financial management capability maturity model. The grant is allocated R1.7 billion over the MTEF period in the *Local Government Financial Management Support* subprogramme in the *Technical Support and Development Finance* programme.

Facilitating international and regional cooperation

The New Development Bank was established in 2014 to strengthen cooperation among the Brazil-Russia-India-China-South Africa (BRICS) group of countries and complement the efforts of multilateral and regional financial institutions for global development. As at 2018/19, South Africa made capital contributions to the bank amounting to R14.1 billion. Over the medium term, the department expects to make further capital contributions amounting to R13.5 billion. These funds are budgeted for in the *International Development Funding Institutions* subprogramme in the *International Financial Relations* programme. Thus far, the New Development Bank has approved US\$680 million to fund South Africa's development initiatives in the energy, transport and logistics sectors. In addition, approximately US\$1.5 billion per year is available for funding the country's infrastructure build programme over the medium term.

To facilitate regional cooperation, compensation to member countries of the Common Monetary Area for the

use of the rand as currency in Namibia, Lesotho and Swaziland amounts to a projected R2.7 billion over the medium term in the *African Integration and Support* subprogramme in the *International Financial Relations* programme.

Supporting sustainable employment

The Jobs Fund was launched in 2011 with a total operating budget of R9 billion to create 150 000 permanent jobs by 2023. As at 30 September 2018, the fund's 124 implementing projects reported that 116 498 new permanent jobs were created, and an additional 51 178 unemployed individuals had been placed in permanent employment. In addition, 245 743 people have benefitted from work readiness and technical training interventions. R6.7 billion of the fund's total budget has been allocated to date in a portfolio of 127 approved employment generating initiatives, and an additional R9.5 billion to date has been committed from project partners in the form of matched funding. The department anticipates spending R2.7 billion over the medium term in the *Employment Creation Facilitation* subprogramme in the *Technical Support and Development Finance* programme on activities related to the creation of sustainable employment.

Supporting infrastructure development, and economically integrated cities and communities

The *integrated city development grant* provides a financial incentive for metropolitan municipalities to plan for, prepare and implement their infrastructure investment programmes in a focused way. Funding from the grant supports programme preparation and supplements cities' capital budgets to leverage loan financing and other investments from the private sector. Transfers to the grant amount to a projected R989.2 million over the medium term in the *Urban Development and Support* subprogramme in the *Technical Support and Development Finance* programme.

The *neighbourhood development partnership grant* supports metropolitan municipalities and intermediate city municipalities in planning and developing multifunctional urban precincts. Over the MTEF period, the grant is expected to support an estimated 18 urban hub precinct plans that seek to prioritise 60 catalytic infrastructure projects. Transfers to the grant amount to a projected R2.1 billion over the MTEF period in the *Urban Development and Support* subprogramme in the *Technical Support and Development Finance* programme.

In respect of the infrastructure delivery improvement programme, implementation of the co-funding model has assisted provinces in setting up infrastructure units to support provincial departments and local government. Accordingly, over the medium term, an estimated 300 provincial officials are expected to be trained on the programme's infrastructure delivery management system at a projected cost of R101.3 million in the *Infrastructure Development Support* subprogramme in the *Technical Support and Development Finance* programme.

The *infrastructure skills development grant* supports municipalities by recruiting and training unemployed graduates in the built environment towards their achieving professional registration with the relevant statutory councils. The grant has thus far funded the training of 648 graduates from various municipalities, with 241 graduates having completed the training, of which 200 have been permanently appointed. R474 million is allocated over the medium term in the *Infrastructure Development Support* subprogramme in the *Technical Support and Development Finance* programme to further support this training initiative.

Expenditure trends

Table 7.2 Vote expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. Economic Policy, Tax, Financial Regulation and Research														
3. Public Finance and Budget Management														
4. Asset and Liability Management														
5. Financial Accounting and Supply Chain Management Systems														
6. International Financial Relations														
7. Civil and Military Pensions, Contributions to Funds and Other Benefits														
8. Technical Support and Development Finance														
9. Revenue Administration														
10. Financial Intelligence and State Security														
Programme														
R million	Annual budget			Annual budget			Annual budget			Annual budget			Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	2015/16	Adjusted appropriation	Audited outcome	2016/17	Adjusted appropriation	Audited outcome	2017/18	Adjusted appropriation	Audited outcome	2018/19	Adjusted appropriation	Revised estimate		
Programme 1	366.7	363.6	375.6	412.7	467.4	436.3	414.3	439.1	437.9	484.7	473.8	473.5	102.7%	98.8%
Programme 2	133.9	135.4	131.3	146.1	150.2	151.2	139.6	164.0	151.9	141.0	152.8	152.8	104.7%	97.5%
Programme 3	257.0	266.1	262.6	287.0	294.5	281.8	286.1	303.0	288.6	290.1	298.0	298.2	101.0%	97.4%
Programme 4	3 116.9	3 264.9	3 264.3	107.2	113.1	110.1	102.4	10 100.3	10 089.8	110.4	101.6	101.5	394.7%	99.9%
Programme 5	751.4	807.1	774.5	849.9	1 216.8	1 209.9	1 087.9	1 079.1	885.8	1 196.6	1 194.1	941.0	98.1%	88.7%
Programme 6	1 247.4	3 254.9	3 546.1	5 039.1	4 978.0	4 955.8	5 836.8	5 831.4	5 469.8	5 402.1	5 542.8	5 828.2	113.0%	101.0%
Programme 7	3 962.9	3 962.9	3 967.7	4 173.2	4 462.6	4 400.2	4 835.0	4 835.0	4 618.1	5 163.8	5 163.8	5 057.3	99.5%	97.9%
Programme 8	3 143.9	2 774.6	2 472.2	2 634.7	2 612.7	2 478.4	2 873.3	2 558.5	2 526.4	2 798.8	3 012.5	2 926.8	90.9%	94.9%
Programme 9	9 434.4	9 334.4	9 334.4	10 009.2	9 363.7	9 363.7	10 218.2	10 168.2	10 218.2	9 007.2	9 007.2	9 007.2	98.1%	100.1%
Programme 10	4 542.8	4 562.1	4 562.1	4 812.5	4 812.5	4 812.5	5 005.6	5 005.6	5 105.6	4 763.5	4 763.5	4 763.5	100.6%	100.5%
Subtotal	26 957.3	28 726.1	28 690.8	28 471.4	28 471.4	28 199.8	30 799.2	40 484.3	39 792.1	29 358.4	29 710.2	29 550.0	109.2%	99.1%
Direct charge against the National Revenue Fund	519 893.8	525 742.6	526 636.1	569 787.4	570 833.0	570 197.1	615 856.8	616 714.0	616 347.8	663 014.1	664 004.0	665 795.9	100.4%	100.1%
Provincial equitable share	382 673.5	386 500.0	386 500.0	410 698.6	410 698.6	410 698.6	441 331.1	441 331.1	441 331.1	470 286.5	470 286.5	470 286.5	100.2%	100.0%
Debt-service costs	126 440.4	127 902.0	128 795.6	147 720.0	147 689.2	146 496.7	162 353.1	163 347.9	162 644.6	180 124.0	181 099.0	182 879.3	100.7%	100.1%
General fuel levy sharing with metropolitan municipalities	10 658.9	10 658.9	10 658.9	11 223.8	11 223.8	11 223.8	11 785.0	11 785.0	11 785.0	12 468.6	12 468.6	12 468.6	100.0%	100.0%
National Revenue Fund payments	121.0	681.7	681.7	145.0	1 221.4	1 778.0	387.6	250.0	587.1	135.1	149.9	161.5	406.8%	139.3%
Total	546 851.1	554 468.7	555 327.0	598 258.8	599 304.5	598 396.9	646 656.0	657 198.4	656 139.9	692 372.5	693 714.3	695 345.9	100.8%	100.0%
Change to 2018 Budget estimate										1 341.8				
Economic classification														
Current payments	128 399.9	129 835.9	130 632.9	149 824.3	150 192.2	148 454.1	164 701.8	165 703.0	164 574.6	182 649.8	184 010.8	185 537.8	100.6%	99.9%
Compensation of employees	725.5	733.4	732.7	817.6	815.7	786.4	799.3	823.3	803.7	807.8	807.8	807.8	99.4%	98.4%
Goods and services	1 234.0	1 200.4	1 104.6	1 286.8	1 687.2	1 171.0	1 549.4	1 531.8	1 126.3	1 718.1	2 104.0	1 850.8	90.7%	80.5%
Interest and rent on land	126 440.4	127 902.0	128 795.6	147 720.0	147 689.2	146 496.7	162 353.1	163 347.9	162 644.6	180 124.0	181 099.0	182 879.3	100.7%	100.1%
Transfers and subsidies	414 943.1	418 317.6	418 133.0	444 099.4	443 832.7	443 701.1	476 681.9	476 352.2	476 565.4	505 164.5	505 157.9	505 141.0	100.1%	100.0%
Provinces and municipalities	394 767.6	398 594.2	398 570.7	423 409.0	423 409.0	423 376.8	454 714.4	454 714.4	454 708.9	484 296.6	484 296.6	484 296.6	100.2%	100.0%
Departmental agencies and accounts	15 420.4	15 042.1	14 816.6	15 741.5	15 096.0	15 074.1	16 281.0	15 951.0	16 251.0	14 796.7	14 624.1	14 538.3	97.5%	99.9%
Foreign governments and international organisations	854.1	777.9	831.3	838.0	925.5	907.6	917.5	913.3	1 042.1	975.5	1 137.9	1 313.3	114.2%	109.0%
Households	3 900.9	3 903.5	3 914.3	4 111.0	4 402.2	4 342.5	4 769.0	4 773.5	4 563.4	5 095.8	5 099.3	4 992.8	99.6%	98.0%
Payments for capital assets	16.4	26.1	33.2	38.0	56.9	462.5	15.7	24.1	27.0	45.8	42.6	42.6	487.9%	377.6%
Buildings and other fixed structures	-	0.4	-	-	0.2	-	-	-	-	-	-	-	-	-
Machinery and equipment	16.4	25.7	33.2	37.9	56.7	46.4	15.7	19.4	27.0	34.6	31.8	31.8	132.4%	103.6%
Software and other intangible assets	-	-	-	0.0	0.0	416.1	-	4.7	0.0	11.3	10.8	10.8	3 775.8%	2 751.1%
Payments for financial assets	3 491.7	6 289.0	6 527.9	4 297.2	5 222.6	5 779.2	5 256.7	15 119.1	14 972.8	4 512.3	4 502.9	4 624.6	181.7%	102.5%
Total	546 851.1	554 468.7	555 327.0	598 258.8	599 304.5	598 396.9	646 656.0	657 198.4	656 139.9	692 372.5	693 714.3	695 345.9	100.8%	100.0%

Expenditure estimates

Table 7.3 Vote expenditure estimates by programme and economic classification

Programmes								
1. Administration								
2. Economic Policy, Tax, Financial Regulation and Research								
3. Public Finance and Budget Management								
4. Asset and Liability Management								
5. Financial Accounting and Supply Chain Management Systems								
6. International Financial Relations								
7. Civil and Military Pensions, Contributions to Funds and Other Benefits								
8. Technical Support and Development Finance								
9. Revenue Administration								
10. Financial Intelligence and State Security								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2018/19	2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	
Programme 1	473.5	9.2%	0.1%	555.7	599.4	636.8	10.4%	0.1%
Programme 2	152.8	4.1%	0.0%	149.7	159.6	169.0	3.4%	0.0%
Programme 3	298.2	3.9%	0.0%	320.0	325.3	344.2	4.9%	0.0%
Programme 4	101.5	-68.6%	0.5%	108.4	116.1	122.0	6.3%	0.0%
Programme 5	941.0	5.2%	0.2%	1 093.6	1 159.2	1 222.6	9.1%	0.1%
Programme 6	5 828.2	21.4%	0.8%	5 751.5	6 059.3	6 396.6	3.2%	0.8%
Programme 7	5 057.3	8.5%	0.7%	5 574.5	5 590.2	5 895.3	5.2%	0.7%
Programme 8	2 926.8	1.8%	0.4%	2 737.6	2 965.4	3 176.2	2.8%	0.4%
Programme 9	9 007.2	-1.2%	1.5%	9 529.0	10 110.0	10 673.1	5.8%	1.3%
Programme 10	4 763.5	1.5%	0.8%	4 951.1	5 223.2	5 510.5	5.0%	0.7%
Subtotal	29 550.0	0.9%	5.0%	30 771.1	32 307.7	34 146.3	4.9%	4.0%
Direct charge against the National Revenue Fund	665 795.9	8.2%	95.0%	721 050.3	779 913.3	838 148.0	8.0%	96.0%
Provincial equitable share	470 286.5	6.8%	68.2%	505 553.8	542 908.6	578 645.2	7.2%	66.9%
Debt-service costs	182 879.3	12.7%	24.8%	202 207.8	224 066.1	247 408.4	10.7%	27.3%
General fuel levy sharing with metropolitan municipalities	12 468.6	5.4%	1.8%	13 166.8	14 026.9	15 182.5	6.8%	1.7%
National Revenue Fund payments	161.5	-38.1%	0.1%	135.3	–	–	-100.0%	0.0%
Total	695 345.9	7.8%	100.0%	751 834.8	813 309.3	875 382.4	8.0%	100.0%
Change to 2018 Budget estimate				5 390.8	10 110.0	15 939.2		
Economic classification								
Current payments	185 537.8	12.6%	25.1%	204 700.5	225 637.1	247 133.0	10.6%	27.6%
Compensation of employees	807.8	3.3%	0.1%	869.3	934.5	995.3	7.2%	0.1%
Goods and services	1 850.8	15.5%	0.2%	1 636.8	1 724.7	1 817.4	-0.6%	0.2%
Interest and rent on land	182 879.3	12.7%	24.8%	202 207.8	224 066.1	247 408.4	10.7%	27.3%
Transfers and subsidies	505 141.0	6.5%	73.6%	542 290.9	581 642.1	619 943.2	7.1%	71.7%
Provinces and municipalities	484 296.6	6.7%	70.3%	520 334.0	558 637.4	595 642.8	7.1%	68.9%
Departmental agencies and accounts	14 538.3	-1.1%	2.4%	15 424.0	16 403.7	17 338.7	6.0%	2.0%
Foreign governments and international organisations	1 313.3	19.1%	0.2%	1 030.1	1 086.8	1 146.6	-4.4%	0.1%
Households	4 992.8	8.6%	0.7%	5 502.7	5 514.2	5 815.1	5.2%	0.7%
Payments for capital assets	42.6	17.7%	0.0%	36.8	28.2	34.2	-7.1%	0.0%
Machinery and equipment	31.8	7.5%	0.0%	29.3	25.8	31.8	-0.1%	0.0%
Software and other intangible assets	10.8	–	0.0%	7.5	2.5	2.4	-39.4%	0.0%
Payments for financial assets	4 624.6	-9.7%	1.3%	4 793.2	4 913.7	5 183.9	3.9%	0.6%
Total	695 345.9	7.8%	100.0%	751 834.8	813 309.3	875 382.4	8.0%	100.0%

Expenditure trends and estimates for significant spending items

Table 7.4 Expenditure trends and estimates for significant spending items

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/ Total vote (%)
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22		
South African Revenue Service	9 334 439	9 363 676	10 218 198	9 007 217	-1.2%	30.0%	9 529 031	10 110 017	10 673 090	5.8%	31.0%
Post-retirement medical scheme	2 107 413	2 133 462	2 458 759	2 850 303	10.6%	7.6%	2 893 297	3 064 719	3 233 279	4.3%	9.5%
Secret Services	4 322 574	4 556 115	4 835 448	4 484 817	1.2%	14.4%	4 656 729	4 912 674	5 182 871	4.9%	15.2%
Government Technical Advisory Centre	693 000	625 602	524 964	605 000	-4.4%	1.9%	712 073	823 769	894 834	13.9%	2.4%
BRICS	2 298 000	3 515 000	4 087 500	3 991 000	20.2%	11.0%	4 250 000	4 483 360	4 729 945	5.8%	13.8%
Total	18 755 426	20 193 855	22 124 869	20 938 337	3.7%	65.0%	22 041 130	23 394 539	24 714 019	5.7%	71.9%

Goods and services expenditure trends and estimates

Table 7.5 Vote goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22		
Administrative fees	3 510	3 264	5 900	6 453	22.5%	0.3%	3 483	3 884	4 101	-14.0%	0.2%
Advertising	6 344	705	832	2 417	-27.5%	0.2%	1 977	2 037	2 087	-4.8%	0.1%
Minor assets	523	330	448	4 806	109.5%	0.1%	3 754	1 927	2 622	-18.3%	0.2%
Audit costs: External	11 819	11 586	16 394	15 163	8.7%	1.0%	15 444	16 845	16 706	3.3%	0.9%
Bursaries: Employees	4 802	5 648	5 700	6 997	13.4%	0.4%	9 429	9 534	9 914	12.3%	0.5%
Catering: Departmental activities	1 098	1 271	1 100	2 113	24.4%	0.1%	2 119	2 208	2 258	2.2%	0.1%
Communication	7 976	5 869	7 758	8 449	1.9%	0.5%	9 866	10 539	11 247	10.0%	0.6%
Computer services	368 743	402 010	380 744	610 725	18.3%	32.0%	532 344	570 821	600 380	-0.6%	31.8%
Consultants: Business and advisory services	516 740	534 128	487 047	793 368	15.4%	42.3%	782 305	813 054	859 885	2.7%	44.6%
Infrastructure and planning services	-	-	64	400 000	-	7.3%	-	-	-	-100.0%	5.5%
Legal services	12 126	14 944	15 285	19 304	16.8%	1.1%	16 568	16 845	17 718	-2.8%	1.0%
Contractors	2 414	2 374	14 466	15 613	86.3%	0.6%	12 443	13 188	14 144	-3.2%	0.8%
Agency and support/outsourced services	11 052	11 908	7 032	7 137	-13.6%	0.7%	6 930	7 611	8 013	3.9%	0.4%
Entertainment	121	88	84	517	62.3%	-	536	537	551	2.1%	-
Fleet services (including government motor transport)	1 350	1 478	3 134	3 127	32.3%	0.2%	2 904	2 960	2 982	-1.6%	0.2%
Inventory: Clothing material and accessories	13	8	123	-	-100.0%	-	-	-	-	-	-
Consumable supplies	2 183	2 365	2 217	3 168	13.2%	0.2%	3 657	3 864	3 930	7.4%	0.2%
Consumables: Stationery, printing and office supplies	10 724	7 685	13 182	14 074	9.5%	0.8%	9 166	9 669	10 166	-10.3%	0.6%
Operating leases	52 928	71 130	66 034	81 065	15.3%	4.9%	91 400	105 996	105 248	9.1%	5.3%
Rental and hiring	10	-	-	-	-100.0%	-	-	-	-	-	-
Property payments	23 057	25 260	23 963	25 686	3.7%	1.8%	34 848	38 276	40 499	16.4%	1.9%
Transport provided: Departmental activity	1 185	-	-	-	-100.0%	-	-	-	-	-	-
Travel and subsistence	44 313	48 051	59 985	61 249	11.4%	3.9%	62 841	65 905	69 248	4.2%	3.6%
Training and development	4 908	5 855	3 352	7 425	14.8%	0.4%	7 695	8 925	9 246	7.6%	0.5%
Operating payments	10 301	9 335	4 164	5 807	-17.4%	0.5%	11 528	12 177	13 384	32.1%	0.6%
Venues and facilities	6 310	5 691	7 312	9 359	14.0%	0.5%	15 523	7 849	13 108	11.9%	0.6%
Total	1 104 550	1 170 983	1 126 320	2 104 022	24.0%	100.0%	1 636 760	1 724 651	1 817 437	-4.8%	100.0%

Transfers and subsidies expenditure trends and estimates

Table 7.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
Households											
Social benefits											
Current	3 912 827	4 341 422	4 560 534	5 097 558	9.2%	1.0%	5 500 713	5 512 199	5 812 975	4.5%	1.0%
Employee social benefits	3 812	3 778	5 773	5 313	11.7%	-	1 768	1 668	1 760	-30.8%	-
Contribution to provident funds for associated institutions	339	314	248	330	-0.9%	-	360	380	401	6.7%	-
Parliamentary awards	19	17	18	24	8.1%	-	25	26	27	4.0%	-
Other benefits	82 512	92 820	87 805	94 584	4.7%	-	104 093	109 819	115 859	7.0%	-
Injury on duty	514 865	563 450	598 974	652 309	8.2%	0.1%	688 838	726 724	766 694	5.5%	0.1%
Post-retirement medical scheme	2 107 413	2 133 462	2 458 759	2 850 303	10.6%	0.5%	2 893 297	3 064 719	3 233 279	4.3%	0.5%
Special pensions	439 801	447 781	459 964	468 200	2.1%	0.1%	468 000	480 000	506 400	2.6%	0.1%
Political Office Bearers Pension Fund	-	-	-	68 272	-	-	323 224	50 001	50 356	-9.6%	-
Pension benefits: President of South Africa	7 275	7 732	7 407	11 732	17.3%	-	12 894	14 277	15 062	8.7%	-
Military pensions: Ex-servicemen and servicewomen	2 879	2 285	1 753	1 600	-17.8%	-	2 801	2 599	2 742	19.7%	-
South African citizen force	166 202	175 485	190 998	193 647	5.2%	-	205 293	217 131	229 073	5.8%	-
Civil protection	19	19	19	19	-	-	19	20	21	3.4%	-
Other benefits: Ex-servicemen and servicewomen	10 491	12 279	11 516	11 021	1.7%	-	18 318	19 910	21 005	24.0%	-
Non-statutory forces	575 000	899 600	737 300	737 300	8.6%	0.2%	778 589	821 411	866 589	5.5%	0.1%
Post-retirement medical scheme - Parliamentary staff	2 200	2 400	-	2 904	9.7%	-	3 194	3 514	3 707	8.5%	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	13 552 569	13 610 586	14 781 389	12 982 300	-1.4%	3.0%	13 291 630	14 095 465	14 896 475	4.7%	2.4%
Finance and Accounting Services	1 850	2 085	2 038	2 100	4.3%	-	2 140	2 258	2 382	4.3%	-
Sector Education and Training Authority	9	9	9	20	30.5%	-	21	-	-	-100.0%	-
Communication	17 341	16 872	19 275	19 883	4.7%	-	20 759	21 823	23 023	5.0%	-
Cooperative Banks Development Agency	41 156	44 839	50 647	51 782	8.0%	-	54 319	57 309	60 461	5.3%	-
Financial and Fiscal Commission	11 274	12 517	13 463	14 054	7.6%	-	14 340	15 124	15 955	4.3%	-
Accounting Standards Board	29 999	28 978	39 624	40 874	10.9%	-	43 163	45 537	48 042	5.5%	-
Independent Regulatory Board for Auditors	41 856	79 075	196 278	47 738	4.5%	-	50 411	53 184	56 109	5.5%	-
Auditor-General of South Africa	776 062	713 608	605 040	676 073	-4.5%	0.2%	757 978	874 361	948 210	11.9%	0.1%
Government Technical Advisory Centre	8 390 995	8 320 321	9 041 607	7 757 918	-2.6%	1.8%	7 814 599	8 242 778	8 696 131	3.9%	1.4%
South African Revenue Service: Operations	-	-	35 030	41 527	-	-	40 308	42 525	44 864	2.6%	-
South African Revenue Service: Office of the Tax Ombud	226 664	239 641	254 941	262 581	5.0%	0.1%	277 285	292 537	308 627	5.5%	0.1%
Financial Intelligence Centre: Operations	4 015 363	4 152 641	4 523 437	4 067 750	0.4%	0.9%	4 216 307	4 448 029	4 692 671	4.9%	0.8%
Secret Services: Operations	1 264 026	1 463 560	1 469 564	1 641 759	9.1%	0.3%	2 132 414	2 308 210	2 442 183	14.2%	0.4%
Capital											
Government Technical Advisory Centre	547	-	742	785	12.8%	-	829	875	923	5.5%	-
South African Revenue Service: Machinery and equipment	943 444	1 043 355	1 141 561	1 207 772	8.6%	0.2%	1 674 124	1 824 714	1 932 095	17.0%	0.3%
Financial Intelligence Centre: Machinery and equipment	12 824	16 731	15 250	16 135	8.0%	-	17 039	17 976	18 965	5.5%	-
Secret Services: Machinery and equipment	307 211	403 474	312 011	417 067	10.7%	0.1%	440 422	464 645	490 200	5.5%	0.1%
Households											
Other transfers to households											
Current	1 484	1 093	2 869	1 782	6.3%	-	1 943	2 050	2 126	6.1%	-
Bursaries for non-employees	1 394	1 080	1 373	1 782	8.5%	-	1 943	2 050	2 126	6.1%	-
Employee social benefits	90	13	1 496	-	-100.0%	-	-	-	-	-	-
Provinces and municipalities											
Municipal bank accounts											
Current	11 235 865	11 819 565	12 427 803	13 114 612	5.3%	2.6%	13 849 031	14 746 521	15 941 718	6.7%	2.6%
Local government financial management grant	452 491	465 264	502 006	504 566	3.7%	0.1%	532 822	561 713	592 607	5.5%	0.1%
Infrastructure skills development grant	124 465	130 471	140 774	141 492	4.4%	-	149 416	157 930	166 616	5.6%	-
General fuel levy sharing with metropolitan municipalities	10 658 909	11 223 830	11 785 023	12 468 554	5.4%	2.5%	13 166 793	14 026 878	15 182 495	6.8%	2.4%

Table 7.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Capital	834 875	858 665	949 958	895 476	2.4%	0.2%	931 223	982 255	1 055 925	5.6%	0.2%
Integrated city development grant	251 300	266 805	292 119	293 609	5.3%	0.1%	310 051	327 319	351 868	6.2%	0.1%
Neighbourhood development partnership grant	583 575	591 860	657 839	601 867	1.0%	0.1%	621 172	654 936	704 057	5.4%	0.1%
Foreign governments and international organisations											
Current	740 644	816 927	915 339	1 001 785	10.6%	0.2%	886 401	935 153	986 587	-0.5%	0.2%
Common Monetary Area compensation	712 496	792 269	891 721	973 790	11.0%	0.2%	849 938	896 685	946 003	-1.0%	0.2%
Collaborative Africa Budget Reform Initiative	1 834	2 431	2 400	2 420	9.7%	-	1 808	1 907	2 012	-6.0%	-
Commonwealth Fund for Technical Cooperation	5 533	5 815	6 117	5 816	1.7%	-	6 783	7 156	7 550	9.1%	-
International Finance Facility for Immunisation	15 498	13 180	11 712	14 500	-2.2%	-	14 212	14 994	15 819	2.9%	-
African Institute for Economic Development and Planning	1 242	1 007	957	1 351	2.8%	-	1 427	1 505	1 588	5.5%	-
Regional Technical Assistance Centre for Southern Africa	959	988	1 177	1 213	8.1%	-	1 281	1 351	1 425	5.5%	-
Infrastructure Consortium for Africa	1 000	-	-	-	-100.0%	-	-	-	-	-	-
African Risk Capacity	-	-	-	-	-	-	8 106	8 552	9 022	-	-
United Kingdom tax	2 082	1 237	1 255	2 695	9.0%	-	2 846	3 003	3 168	5.5%	-
Capital	90 660	90 680	126 782	136 120	14.5%	-	143 743	151 650	159 991	5.5%	-
African Development Fund	-	-	73 192	82 530	-	-	37 389	39 446	41 616	-20.4%	-
World Bank Group	90 660	90 680	53 590	53 590	-16.1%	-	106 354	112 204	118 375	30.2%	-
Public corporations and private enterprises											
Other transfers to public corporations											
Capital	-	-	-	-	-	-	1 000 000	2 000 000	4 000 000	-	0.3%
Development Bank of Southern Africa	-	-	-	-	-	-	1 000 000	2 000 000	4 000 000	-	0.3%
Provinces and municipalities											
Provincial revenue funds											
Current	386 500 009	410 698 585	441 331 122	470 286 510	6.8%	92.7%	505 553 753	542 908 577	578 645 170	7.2%	93.0%
Provincial equitable share	386 500 009	410 698 585	441 331 122	470 286 510	6.8%	92.7%	505 553 753	542 908 577	578 645 170	7.2%	93.0%
Total	418 132 959	443 701 083	476 565 360	505 157 902	6.5%	100.0%	543 290 851	583 642 080	623 943 150	7.3%	100.0%

Personnel information

Table 7.7 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Economic Policy, Tax, Financial Regulation and Research																			
3. Public Finance and Budget Management																			
4. Asset and Liability Management																			
5. Financial Accounting and Supply Chain Management Systems																			
6. International Financial Relations																			
7. Civil and Military Pensions, Contributions to Funds and Other Benefits																			
8. Technical Support and Development Finance																			
9. Revenue Administration																			
10. Financial Intelligence and State Security																			
	Number of posts estimated for 31 March 2019		Number and cost ² of personnel posts filled/planned for on funded establishment												Number				
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
National Treasury			1 128	803.7	0.7	1 045	807.8	0.8	1 048	869.3	0.8	1 044	934.5	0.9	1 041	995.3	1.0	-0.1%	100.0%
Salary level	1 011	116																	
1 – 6	110	56	114	19.5	0.2	109	20.0	0.2	108	21.2	0.2	106	22.4	0.2	112	25.6	0.2	0.9%	10.4%
7 – 10	356	47	411	203.5	0.5	392	218.6	0.6	394	236.2	0.6	392	254.2	0.6	388	271.7	0.7	-0.3%	37.5%
11 – 12	285	3	298	249.9	0.8	260	228.1	0.9	264	248.8	0.9	261	264.0	1.0	258	279.6	1.1	-0.3%	25.0%
13 – 16	258	10	305	326.5	1.1	284	341.0	1.2	282	363.1	1.3	285	394.0	1.4	283	418.4	1.5	-0.1%	27.1%
Other	2		-	4.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Programme	1 011	116	1 128	803.7	0.7	1 045	807.8	0.8	1 048	869.3	0.8	1 044	934.5	0.9	1 041	995.3	1.0	-0.1%	100.0%
Programme 1	312	72	352	203.0	0.6	321	195.6	0.6	331	219.3	0.7	326	236.1	0.7	333	257.2	0.8	1.2%	31.4%
Programme 2	80	2	90	77.0	0.9	81	78.8	1.0	79	82.1	1.0	82	88.5	1.1	85	94.3	1.1	1.6%	7.8%
Programme 3	252	5	271	211.7	0.8	252	214.6	0.9	239	219.2	0.9	236	234.9	1.0	230	248.1	1.1	-3.0%	22.9%
Programme 4	92	4	97	75.2	0.8	98	78.7	0.8	99	84.6	0.9	99	91.2	0.9	98	96.5	1.0	-	9.4%
Programme 5	243	30	283	206.1	0.7	258	206.7	0.8	261	223.7	0.9	262	240.5	0.9	256	253.4	1.0	-0.3%	24.8%
Programme 6	32	3	35	30.7	0.9	35	33.5	1.0	39	40.4	1.0	39	43.4	1.1	39	45.9	1.2	3.7%	3.6%

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

2. Rand million.

Departmental receipts

Table 7.8 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2018/19	2019/20	2020/21		
Departmental receipts	5 602 331	4 951 206	4 430 772	3 640 640	4 040 640	-10.3%	25.1%	4 161 122	4 377 950	4 803 759	5.9%	40.1%
Sales of goods and services produced by department	38 619	11 813	116 637	119 323	119 323	45.6%	0.4%	14 363	14 242	15 012	-49.9%	0.4%
Sales by market establishments	103	100	99	120	120	5.2%	-	127	110	116	-1.1%	-
of which:												
Rental parking: Covered and open	103	100	99	120	120	5.2%	-	127	110	116	-1.1%	-
Administrative fees	5	1	1	-	-	-100.0%	-	11	12	13	-	-
of which:												
Required information: Duplicate certificate	5	1	1	-	-	-100.0%	-	11	12	13	-	-
Other sales	38 511	11 712	116 537	119 203	119 203	45.7%	0.4%	14 225	14 120	14 883	-50.0%	0.4%
of which:												
Commission: Insurance	-	94	94	100	100	-	-	106	90	95	-1.7%	-
Directors fees	-	228	228	220	220	-	-	232	145	153	-11.4%	-
Replacement of security cards	-	10	10	15	15	-	-	16	10	11	-9.8%	-
Fees for government guarantee insurance	38 511	11 260	116 085	118 853	118 853	45.6%	0.4%	13 855	13 855	14 603	-50.3%	0.4%
Sales of assets less than R5 000	-	120	120	15	15	-	-	16	20	21	11.9%	-
Sales of scrap, waste, arms and other used current goods	20	14	11	56	56	40.9%	-	24	27	28	-20.6%	-
of which:												
Wastepaper	20	-	-	41	41	27.0%	-	8	7	7	-44.5%	-
Departmental publications	-	14	11	15	15	-	-	16	20	21	11.9%	-
Interest, dividends and rent on land	4 640 219	4 032 638	3 325 439	3 260 761	3 660 761	-7.6%	20.6%	3 871 805	4 087 901	4 498 048	7.1%	37.2%
Interest	4 377 214	3 881 438	3 082 460	3 100 500	3 500 500	-7.2%	19.5%	3 700 500	3 900 000	4 300 000	7.1%	35.5%
Dividends	263 005	151 200	242 979	160 261	160 261	-15.2%	1.1%	171 305	187 901	198 048	7.3%	1.7%
of which:												
South African Special Risk Insurance Association	263 005	151 200	242 979	160 261	160 261	-15.2%	1.1%	171 305	187 901	198 048	7.3%	1.7%
Sales of capital assets	17	136	683	-	-	-100.0%	-	-	-	-	-	-
Transactions in financial assets and liabilities	923 456	906 605	988 002	260 500	260 500	-34.4%	4.1%	274 930	275 780	290 671	3.7%	2.5%
National Revenue Fund receipts	14 377 522	14 240 651	16 600 255	10 367 392	11 685 236	-6.7%	74.9%	4 488 000	4 250 000	5 579 000	-21.8%	59.9%
of which:												
Revaluation of profits on foreign currency transactions	8 869 128	10 710 440	13 115 597	9 346 228	10 238 138	4.9%	56.5%	4 488 000	4 250 000	5 579 000	-18.3%	56.6%
Premiums on loan transactions	2 873 818	2 594 049	1 132 995	900 888	1 000 000	-29.7%	10.0%	-	-	-	-100.0%	2.3%
Refund of Hermes fees	56 579	-	-	-	-	-100.0%	0.1%	-	-	-	-	-
Other (mainly penalties on retail bonds and profit on script lending)	13 094	19 172	3 288	7	2 500	-42.4%	0.1%	-	-	-	-100.0%	-
Premiums on debt portfolio restructuring (switches)	2 564 903	916 990	2 348 375	120 269	444 598	-44.2%	8.3%	-	-	-	-100.0%	1.0%
Total	19 979 853	19 191 857	21 031 027	14 008 032	15 725 876	-7.7%	100.0%	8 649 122	8 627 950	10 382 759	-12.9%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 7.9 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R million											
Ministry	3.6	3.6	3.8	4.9	10.2%	0.9%	4.4	4.7	5.0	0.8%	0.8%
Departmental Management	47.1	50.5	70.1	49.1	1.4%	12.6%	63.3	68.3	71.8	13.5%	11.1%
Corporate Services	116.5	154.9	117.5	145.8	7.8%	31.0%	155.3	162.4	172.1	5.7%	28.1%
Enterprise-wide Risk Management	27.5	26.3	28.3	31.8	4.9%	6.6%	32.6	35.2	37.1	5.3%	6.0%
Financial Administration	38.7	37.9	41.5	43.7	4.1%	9.4%	84.5	91.4	104.1	33.6%	14.3%
Legal Services	18.7	22.9	22.0	22.6	6.6%	5.0%	22.9	24.3	25.6	4.2%	4.2%
Internal Audit	20.7	21.8	24.1	30.9	14.3%	5.7%	30.2	32.4	34.4	3.7%	5.6%
Communications	10.2	8.6	12.5	11.2	3.3%	2.5%	11.3	11.9	12.6	3.8%	2.1%
Office Accommodation	92.6	109.9	118.1	134.0	13.1%	26.4%	151.1	168.6	174.2	9.1%	27.7%
Total	375.6	436.3	437.9	473.8	8.1%	100.0%	555.7	599.4	636.8	10.4%	100.0%
Change to 2018				(10.9)			-	8.7	11.3		
Budget estimate											
Economic classification											
Current payments	347.8	392.6	421.1	439.5	8.1%	92.9%	533.4	579.2	615.0	11.9%	95.6%
Compensation of employees	182.4	195.4	203.0	195.9	2.4%	45.1%	219.3	236.1	257.2	9.5%	40.1%
Goods and services ¹	165.4	197.2	218.1	243.6	13.8%	47.8%	314.1	343.1	357.8	13.7%	55.6%
of which:											
Computer services	18.6	34.9	27.9	32.8	20.8%	6.6%	43.3	45.4	49.3	14.5%	7.5%
Consultants: Business and advisory services	7.0	4.5	7.8	11.4	17.7%	1.8%	51.8	56.1	59.9	73.8%	7.9%
Legal services	11.9	14.8	14.3	14.3	6.2%	3.2%	15.1	15.8	16.7	5.2%	2.7%
Operating leases	51.1	66.0	63.7	78.6	15.4%	15.1%	88.6	103.0	102.1	9.1%	16.4%
Property payments	23.1	25.3	24.0	25.7	3.7%	5.7%	34.8	38.3	40.5	16.4%	6.1%
Travel and subsistence	14.5	14.1	28.6	18.4	8.3%	4.4%	19.8	21.4	22.2	6.5%	3.6%
Transfers and subsidies¹	4.3	4.8	7.3	7.1	18.9%	1.4%	4.1	4.3	4.5	-14.2%	0.9%
Departmental agencies and accounts	1.9	2.1	2.0	2.1	4.5%	0.5%	2.2	2.3	2.4	4.0%	0.4%
Households	2.4	2.7	5.3	5.0	28.0%	0.9%	1.9	2.1	2.1	-24.9%	0.5%
Payments for capital assets	23.4	38.9	9.3	27.2	5.2%	5.7%	18.2	15.9	17.3	-14.0%	3.5%
Machinery and equipment	23.4	38.9	9.3	17.2	-9.8%	5.1%	15.6	15.9	17.3	0.3%	2.9%
Software and other intangible assets	-	-	0.0	10.1	-	0.6%	2.6	-	-	-100.0%	0.6%
Payments for financial assets	0.1	0.1	0.1	-	-100.0%	-	-	-	-	-	-
Total	375.6	436.3	437.9	473.8	8.1%	100.0%	555.7	599.4	636.8	10.4%	100.0%
Proportion of total programme expenditure to vote expenditure	1.3%	1.5%	1.1%	1.6%	-	-	1.8%	1.9%	1.9%	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Programme 2: Economic Policy, Tax, Financial Regulation and Research

Programme purpose

Provide specialist policy research, analysis and advisory services in the areas of macroeconomics, microeconomics, the financial sector, taxation and regulatory reform.

Objectives

- Improve South Africa's macroeconomic and microeconomic framework by conducting ongoing analytical work and research, and developing policy advisory services.
- Build and maintain economic research capacity to inform economic policy in South Africa by providing academic and research institutions with funding annually.
- Promote an effective, equitable and efficient tax policy framework and tax administrative system by developing and updating tax policies, and supporting legislation for the annual budget process.

Subprogrammes

- *Programme Management for Economic Policy, Tax, Financial Regulation and Research* provides overall programme management and policy advice to government relating to the promotion of economic growth, employment, and microeconomic and macroeconomic stability.

- *Research* promotes economic research institutions through funding economic research in the public interest, as well as more dedicated research on behalf of the department. This includes promoting the research capacity of local academic researchers in areas such as economic growth, job creation, macroeconomic stability, poverty alleviation, retirement reform and financial sector development.
- *Financial Sector Policy* is responsible for developing policy on the regulation of the financial sector in South Africa; developing policies to broaden access to financial services for all South Africans; and developing policies to improve the national savings rate through reforms to the legislative framework governing the savings industry, including work being undertaken towards the implementation of retirement reform proposals.
- *Tax Policy* is responsible for drafting annual tax proposals and tax legislation as part of the national budget to promote an effective, equitable and efficient tax policy framework and tax administrative system that ensures sustainable growth and delivery on government's mandate to address the needs of all South Africans. This includes providing tax proposals towards improved environmental sustainability.
- *Economic Policy* provides macroeconomic and microeconomic forecasts, policy analysis on microeconomic and regulatory issues, economic impact assessments, and scenario modelling to provide sound policy advice on the economic environment for the annual budget and other government processes. Policy advice is mainly focused on creating decent employment through inclusive growth. This subprogramme also provides analytical work and policy advice on a wide range of issues, including: inflation management, electricity pricing, economic growth, structural budget balances, industrial policy, SMME policy and the exchange rate.
- *Cooperative Banks Development Agency* facilitates the transfer payment to the Cooperative Banks Development Agency, which provides for the registration, supervision and regulation of cooperative banks and the development of cooperative financial institutions, such as savings and credit cooperatives, community banks, village banks and financial services cooperatives, into cooperative banks.

Expenditure trends and estimates

Table 7.10 Economic Policy, Tax, Financial Regulation and Research expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
R million											
Programme Management for Economic Policy, Tax, Financial Regulation and Research	21.2	45.0	43.6	52.8	35.6%	27.7%	45.2	47.9	50.2	-1.7%	31.1%
Research	11.0	7.3	10.8	–	-100.0%	5.0%	–	–	–	–	–
Financial Sector Policy	27.6	24.3	24.9	23.6	-5.1%	17.1%	24.9	26.7	28.2	6.1%	16.4%
Tax Policy	27.6	30.3	28.6	30.1	2.9%	19.9%	31.4	33.7	35.0	5.2%	20.6%
Economic Policy	26.5	27.5	24.7	26.4	-0.2%	17.9%	27.5	29.6	32.7	7.4%	18.4%
Cooperative Banks Development Agency	17.3	16.9	19.3	19.9	4.7%	12.5%	20.8	21.8	23.0	5.0%	13.5%
Total	131.3	151.2	151.9	152.8	5.2%	100.0%	149.7	159.6	169.0	3.4%	100.0%
Change to 2018 Budget estimate				11.8			(0.2)	1.5	1.4		
Economic classification											
Current payments	113.6	133.3	131.5	131.7	5.1%	86.9%	128.1	136.9	145.0	3.3%	85.8%
Compensation of employees	78.2	79.7	77.0	78.7	0.2%	53.4%	82.1	88.5	94.3	6.2%	54.4%
Goods and services ¹	35.4	53.7	54.5	53.1	14.5%	33.5%	45.9	48.3	50.7	-1.5%	31.4%
of which:											
Bursaries: Employees	0.3	0.3	0.3	0.3	5.0%	0.2%	0.4	0.4	0.4	9.0%	0.2%
Consultants: Business and advisory services	22.9	40.2	41.7	40.2	20.6%	24.7%	33.2	34.9	36.1	-3.5%	22.9%
Consumables: Stationery, printing and office supplies	0.5	1.4	3.0	1.8	51.6%	1.1%	1.4	1.5	1.6	-4.5%	1.0%
Travel and subsistence	5.1	6.6	5.0	6.0	6.0%	3.9%	6.1	6.4	6.9	4.6%	4.0%
Training and development	0.3	0.5	0.4	1.0	44.8%	0.4%	0.8	1.0	1.0	2.8%	0.6%
Operating payments	4.5	3.3	1.9	2.6	-17.2%	2.1%	2.5	2.7	3.2	7.4%	1.7%

Table 7.10 Economic Policy, Tax, Financial Regulation and Research expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Transfers and subsidies¹	17.4	17.2	19.7	20.1	4.9%	12.7%	20.8	21.8	23.0	4.6%	13.6%
Departmental agencies and accounts	17.3	16.9	19.3	19.9	4.7%	12.5%	20.8	21.8	23.0	5.0%	13.5%
Households	0.1	0.3	0.4	0.2	43.0%	0.2%	–	–	–	-100.0%	–
Payments for capital assets	0.3	0.7	0.7	0.9	48.7%	0.4%	0.9	0.9	1.0	3.0%	0.6%
Machinery and equipment	0.3	0.7	0.7	0.9	48.7%	0.4%	0.9	0.9	1.0	3.0%	0.6%
Payments for financial assets	0.0	0.0	–	–	-100.0%	–	–	–	–	–	–
Total	131.3	151.2	151.9	152.8	5.2%	100.0%	149.7	159.6	169.0	3.4%	100.0%
Proportion of total programme expenditure to vote expenditure	0.5%	0.5%	0.4%	0.5%	–	–	0.5%	0.5%	0.5%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	17.3	16.9	19.3	19.9	–	12.5%	20.8	21.8	23.0	–	13.5%
Cooperative Banks Development Agency	17.3	16.9	19.3	19.9	4.7%	12.5%	20.8	21.8	23.0	5.0%	13.5%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Programme 3: Public Finance and Budget Management

Programme purpose

Provide analysis and advice on fiscal policy and public finances, intergovernmental financial relations, expenditure planning and priorities. Manage government's annual budget process and provide public finance management support.

Objectives

- Promote growth, social development and poverty reduction through sound fiscal and financial policies, and the effective, efficient and appropriate allocation of public funds annually.
- Prepare a national budget annually that gives effect to government's economic, fiscal, social and developmental goals as expressed in the National Development Plan and government's medium-term strategic framework to provide fiscal policy advice by monitoring economic and fiscal trends, and advising on policy options and the budget framework.
- Deepen transparency in the allocation of public finances through the annual production and publication of the Budget Review, Estimates of National Expenditure, Adjusted Estimates of National Expenditure, Medium-Term Budget Policy Statement and appropriation legislation containing relevant, accurate and clear financial information, and associated indicators of service delivery and performance.
- Contribute to public policy and programme development by providing support for planning, policy and programme analysis, budgeting and project management, including support for public finance reform in provinces and municipalities on an ongoing basis.
- Promote public and private investment in infrastructure and public services on an ongoing basis by providing technical support for capital expenditure planning and project analysis, advice on financing alternatives, support for municipal development, and financial assistance for neighbourhood development projects.
- Measure the use of public financial resources by monitoring, supporting and analysing public expenditure and service delivery for social and economic development, and infrastructure investment on an ongoing basis.
- Support and enable budget analysis by a broad range of stakeholders, such as Parliament, on an ongoing basis through increased budget participation by the public.

Subprogrammes

- *Programme Management for Public Finance and Budget Management* provides support to the programme's planning, monitoring and delivery functions. Key activities include oversight and managing the processes related to the annual publication of the Medium-Term Budget Policy Statement, the coordination of the annual budget, and the production of the Division of Revenue Bill for the three spheres of government.
- *Public Finance* provides financial and budgetary analysis of government programmes, advises on policy and service delivery trends, and manages National Treasury's relations with other national departments.
- *Budget Office and Coordination* is responsible for the national budget process including the publication of the Budget Review, Medium-Term Budget Policy Statement and Estimates of National Expenditure. The unit leads the budget reform programme, coordinates international technical assistance and donor finance, provides advice on public service remuneration and pension arrangements, compiles public finance statistics, and provides fiscal policy advice.
- *Intergovernmental Relations* coordinates fiscal relations between national, provincial and local government; promotes sound provincial and municipal budgetary planning, reporting and financial management; and provides support for government with the aim of promoting improved infrastructure planning and management to support the service delivery targets in all spheres of government.
- *Financial and Fiscal Commission* facilitates the annual transfer payment to the Financial and Fiscal Commission, which provides independent, objective, impartial and unbiased advice to all three spheres of government regarding the division of revenue, as well as advice on the enactment of legislation pertaining to provincial taxes, municipal fiscal powers and functions, and provincial and municipal loans.

Expenditure trends and estimates

Table 7.11 Public Finance and Budget Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22	2018/19	2021/22
R million											
Programme Management for Public Finance and Budget Management	17.9	21.4	20.8	20.6	4.9%	7.1%	26.4	27.5	30.3	13.6%	8.1%
Public Finance	59.2	56.6	61.7	63.1	2.2%	21.3%	61.3	65.4	68.7	2.8%	20.1%
Budget Office and Coordination	55.4	57.0	57.7	62.8	4.3%	20.6%	63.0	67.6	71.3	4.4%	20.6%
Intergovernmental Relations	89.0	102.0	97.8	99.7	3.9%	34.3%	115.0	107.5	113.5	4.4%	33.8%
Financial and Fiscal Commission	41.2	44.8	50.6	51.8	8.0%	16.7%	54.3	57.3	60.5	5.3%	17.4%
Total	262.6	281.8	288.6	298.0	4.3%	100.0%	320.0	325.3	344.2	4.9%	100.0%
Change to 2018 Budget estimate				7.9			14.6	(5.2)	(6.8)		
Economic classification											
Current payments	218.7	235.0	236.4	243.5	3.6%	82.6%	263.3	265.4	281.1	4.9%	81.8%
Compensation of employees	192.3	201.9	211.7	214.5	3.7%	72.5%	219.2	234.9	248.1	5.0%	71.2%
Goods and services ¹	26.4	33.1	24.7	29.0	3.3%	10.0%	44.1	30.6	33.0	4.3%	10.6%
of which:											
Bursaries: Employees	0.8	0.6	1.0	1.4	17.9%	0.3%	1.7	1.5	1.6	5.3%	0.5%
Consultants: Business and advisory services	6.8	14.2	5.1	5.8	-5.2%	2.8%	20.4	5.9	7.0	6.2%	3.0%
Consumables: Stationery, printing and office supplies	5.7	2.1	6.7	7.1	7.6%	1.9%	1.8	1.8	1.8	-36.3%	1.0%
Operating leases	0.6	0.9	0.7	0.9	11.7%	0.3%	1.0	1.1	1.2	9.9%	0.3%
Travel and subsistence	7.8	8.3	8.5	9.8	7.6%	3.0%	9.9	10.2	10.8	3.2%	3.2%
Operating payments	0.2	4.4	0.0	0.1	-29.2%	0.4%	5.9	6.2	6.6	395.5%	1.5%
Transfers and subsidies¹	42.7	45.2	51.0	51.9	6.8%	16.9%	54.3	57.3	60.5	5.2%	17.4%
Departmental agencies and accounts	41.2	44.8	50.6	51.8	8.0%	16.7%	54.3	57.3	60.5	5.3%	17.4%
Households	1.5	0.4	0.4	0.1	-55.6%	0.2%	-	-	-	-100.0%	-
Payments for capital assets	1.1	1.5	1.1	2.6	33.9%	0.6%	2.4	2.5	2.7	0.6%	0.8%
Machinery and equipment	1.1	1.5	1.1	2.6	33.9%	0.6%	2.4	2.5	2.7	0.6%	0.8%
Payments for financial assets	0.1	0.0	0.1	-	-100.0%	-	-	-	-	-	-
Total	262.6	281.8	288.6	298.0	4.3%	100.0%	320.0	325.3	344.2	4.9%	100.0%
Proportion of total programme expenditure to vote expenditure	0.9%	1.0%	0.7%	1.0%	-	-	1.0%	1.0%	1.0%	-	-

Table 7.11 Public Finance and Budget Management expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21			2021/22
	R million											
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	41.2	44.8	50.6	51.8	–	16.7%	54.3	57.3	60.5	–	17.4%	
Financial and Fiscal Commission	41.2	44.8	50.6	51.8	–	16.7%	54.3	57.3	60.5	–	17.4%	

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Programme 4: Asset and Liability Management

Programme purpose

Manage government's annual funding programme in a manner that ensures prudent cash management, and an optimal portfolio of debt and other fiscal obligations. Promote and enforce the prudent financial management of state-owned entities through financial analysis and oversight.

Objectives

- Exercise oversight of state-owned entities on an ongoing basis by:
 - reviewing the corporate plans and annual financial statements of state-owned entities
 - coordinating state-owned entities' borrowing programmes
 - tracking progress on capital expenditure programmes
 - reviewing applications for funding, guarantees and borrowing limits in terms of the Public Finance Management Act (1999), and monitoring progress.
- Meet government's annual gross borrowing requirement consisting of the budget deficit and maturing debt by sourcing funds from domestic and international markets, and service government's debt optimally.
- Ensure that government's liquidity requirements are consistently met within credit risk guidelines by implementing effective cash management and making sound cash flow forecasts on an ongoing basis.
- Minimise and mitigate risks emanating from government's fiscal obligations to develop and maintain a risk management framework for the debt and contingent liabilities of government, by implementing debt management strategies that minimise government's exposure to adverse risks on an ongoing basis.

Subprogrammes

- *Programme Management for Asset and Liability Management* provides support for planning, monitoring and delivering the programme's activities.
- *State-Owned Entity Financial Management and Governance* is responsible for overseeing and enabling state-owned entities to meet government's policy objectives in a financially and fiscally sustainable manner, and for promoting sound corporate governance.
- *Government Debt Management* is responsible for government's long-term funding needs. The subprogramme manages domestic and foreign debt, contributes to the development of financial markets, and maintains sound investor relations.
- *Financial Operations* provides for government's short-term funding needs, the prudent management of cash, the efficient accounting of debt and investment transactions in government, and quality information relating to the division's operations; invests government surplus cash; and supplies reliable computer systems to service government's debt portfolio and cash operations.
- *Strategy and Risk Management* develops and maintains a risk management framework for the debt and contingent liabilities of government, and implements debt management strategies that minimise government's exposure to adverse risks.

- *Financial Investments* provides for the funding needs of state-owned entities.

Expenditure trends and estimates

Table 7.12 Asset and Liability Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Programme Management for Asset and Liability Management	9.2	24.4	6.1	12.0	9.4%	0.4%	10.2	11.0	11.4	-1.8%	10.0%
State-Owned Entity Financial Management and Governance	30.8	33.5	5 241.6	35.2	4.5%	39.4%	36.7	39.4	41.8	6.0%	34.2%
Government Debt Management	19.4	18.8	4 810.0	19.7	0.4%	35.9%	20.8	22.2	23.4	6.0%	19.2%
Financial Operations	21.0	22.5	22.0	24.7	5.5%	0.7%	28.5	30.4	31.5	8.4%	25.7%
Strategy and Risk Management	9.8	10.9	10.1	10.1	0.9%	0.3%	12.3	13.1	13.8	11.2%	11.0%
Financial Investments	3 174.0	–	–	–	-100.0%	23.4%	–	–	–	–	–
Total	3 264.3	110.1	10 089.8	101.6	-68.5%	100.0%	108.4	116.1	122.0	6.3%	100.0%
Change to 2018 Budget estimate				(8.8)			–	(3.3)	(4.9)		
Economic classification											
Current payments	89.1	108.9	88.9	101.0	4.3%	2.9%	107.7	115.3	121.1	6.2%	99.4%
Compensation of employees	72.1	77.0	75.2	78.7	3.0%	2.2%	84.6	91.2	96.5	7.0%	78.3%
Goods and services ¹	17.1	31.9	13.6	22.3	9.4%	0.6%	23.1	24.1	24.7	3.3%	21.0%
<i>of which:</i>											
<i>Bursaries: Employees</i>	0.6	0.6	0.7	0.8	11.1%	–	1.4	1.3	1.4	18.8%	1.1%
<i>Computer services</i>	9.5	13.1	8.0	11.6	7.0%	0.3%	12.1	12.8	13.7	5.5%	11.2%
<i>Consultants: Business and advisory services</i>	2.2	14.1	0.1	3.4	16.8%	0.1%	3.0	3.1	3.1	-3.3%	2.8%
<i>Consumables: Stationery, printing and office supplies</i>	0.5	0.4	0.4	0.6	5.0%	–	0.7	0.7	0.7	6.5%	0.6%
<i>Travel and subsistence</i>	2.3	2.1	2.6	3.1	10.5%	0.1%	3.5	3.6	3.8	6.8%	3.1%
<i>Training and development</i>	0.4	0.4	0.2	0.5	7.7%	–	0.8	0.9	0.9	25.9%	0.7%
Transfers and subsidies¹	0.9	0.5	0.4	0.0	-62.6%	–	–	–	–	-100.0%	–
Households	0.9	0.5	0.4	0.0	-62.6%	–	–	–	–	-100.0%	–
Payments for capital assets	0.2	0.7	0.6	0.5	30.1%	–	0.7	0.8	0.8	17.6%	0.6%
Machinery and equipment	0.2	0.7	0.6	0.5	30.1%	–	0.7	0.8	0.8	17.6%	0.6%
Payments for financial assets	3 174.0	–	10 000.0	–	-100.0%	97.1%	–	–	–	–	–
Total	3 264.3	110.1	10 089.8	101.6	-68.5%	100.0%	108.4	116.1	122.0	6.3%	100.0%
Proportion of total programme expenditure to vote expenditure	11.4%	0.4%	25.4%	0.3%	–	–	0.4%	0.4%	0.4%	–	–

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Programme 5: Financial Accounting and Supply Chain Management Systems

Programme purpose

Facilitate governance and accountability by promoting and enforcing the transparent, economic and effective management of revenue, expenditure, assets, liabilities and supply chain processes in the public sector.

Objectives

- Ensure compliance with the implementation of the Public Finance Management Act (1999) and the Municipal Finance Management Act (2003) across the three spheres of government by facilitating and undertaking special investigations to reduce fraud and corruption on an ongoing basis.
- Ensure sound financial management systems to meet the requirements of the Public Finance Management Act (1999) and the Municipal Finance Management Act (2003) by:
 - providing capacity and support to all spheres of government on policies relating to accounting and reporting, internal auditing and risk management on an ongoing basis
 - developing and implementing government transversal accounting and reporting systems over the medium term
 - maintaining government's current financial systems at a level of 98 per cent availability, including providing reliable, efficient and effective support and user training, over the medium term

- completing the development of the remaining integrated financial management system’s modules on payroll, core financial management and inventory management, and beginning its rollout, over the medium term.
- Support government’s efforts to build capacity in financial management across the three spheres of government by introducing minimum competency profiles and offering graduate internships in financial management annually.
- Improve financial management in provincial and local government by:
 - developing and implementing financial recovery plans and providing technical assistance on an ongoing basis
 - supporting municipalities to implement financial management reforms and ensuring their compliance with the Municipal Finance Management Act (2003), as required, over the medium term.
- Modernise the supply chain management system for government over the medium term by:
 - introducing policy reforms to ensure that all procuring government institutions implement a single supply chain management policy
 - providing training solutions to close the skills gap for existing and future supply chain management practitioners.

Subprogrammes

- *Programme Management for Financial Accounting and Supply Chain Management Systems* supports the planning, monitoring and coordinating deliverables of the programme plan, such as the development and implementation of the integrated financial management system; and facilitates accountability and governance in the public sector, especially in terms of financial management.
- *Office of the Chief Procurement Officer* aims to modernise the state procurement system to be fair, equitable, transparent, competitive and cost effective; enable the efficient, economic, effective and transparent use of financial and other resources, including state assets, for improved service delivery; and promote, support and enforce the transparent and effective management of state procurement and the sound stewardship of government assets and resources.
- *Financial Systems* maintains and improves existing financial management systems, and develops and implements the new integrated financial management system, which aims to replace financial, supply chain and human resources management systems across national and provincial departments.
- *Financial Reporting for National Accounts* is responsible for accounting for the National Revenue Fund and the Reconstruction and Development Programme Fund, providing banking services to national government, providing support for all spheres of government in implementing financial reporting frameworks, and preparing consolidated financial statements.
- *Financial Management Policy and Compliance Improvement* improves financial management and develops financial management regulatory frameworks with local and international best practice; develops and implements accounting policies; and improves the financial management, risk management and internal audit capacity in government.
- *Audit Statutory Bodies* is a transfer payment that provides for compensation for certain shortfalls of statutory bodies and municipalities in terms of the Auditor-General Act (1995). This subprogramme’s total budget is transferred in full to fund municipalities that are unable to pay for audit services.
- *Service Charges: Commercial Banks* is a transfer payment that provides for bank service charges for all government departments’ deposit accounts.

Expenditure trends and estimates

Table 7.13 Financial Accounting and Supply Chain Management Systems expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Programme Management for Financial Accounting and Supply Chain Management Systems Office of the Chief Procurement Officer	24.7	60.2	25.5	195.7	99.3%	7.5%	143.2	150.9	159.2	-6.6%	13.9%
Financial Systems	441.0	797.4	374.3	644.8	13.5%	55.5%	554.5	587.3	619.5	-1.3%	51.5%
Financial Reporting for National Accounts	83.0	85.1	97.3	101.8	7.1%	9.0%	107.4	114.0	120.3	5.7%	9.5%
Financial Management Policy and Compliance Improvement	128.5	120.3	120.5	134.6	1.6%	12.4%	164.8	175.8	185.5	11.3%	14.1%
Audit Statutory Bodies	41.9	79.1	196.3	47.7	4.5%	9.0%	50.4	53.2	56.1	5.5%	4.4%
Service Charges: Commercial Banks	0.1	0.3	0.2	0.3	33.7%	-	0.3	0.3	0.3	5.4%	-
Total	774.5	1 209.9	885.8	1 194.1	15.5%	100.0%	1 093.6	1 159.2	1 222.6	0.8%	100.0%
Change to 2018 Budget estimate				(2.5)			14.5	14.9	12.9		
Economic classification											
Current payments	682.9	668.8	619.1	1 079.1	16.5%	75.0%	970.0	1 036.6	1 089.5	0.3%	89.4%
Compensation of employees	179.5	200.5	206.1	206.6	4.8%	19.5%	223.7	240.5	253.4	7.0%	19.8%
Goods and services ¹	503.4	468.2	413.0	872.5	20.1%	55.5%	746.3	796.1	836.1	-1.4%	69.6%
of which:											
Audit costs: External	3.9	3.8	5.7	6.1	15.9%	0.5%	5.9	6.8	6.9	4.2%	0.5%
Bursaries: Employees	2.1	2.9	2.3	1.8	-4.6%	0.2%	1.9	2.2	2.1	6.4%	0.2%
Computer services	338.8	353.2	344.2	565.6	18.6%	39.4%	476.2	511.9	536.6	-1.7%	44.8%
Consultants: Business and advisory services	137.4	88.7	41.8	268.5	25.0%	13.2%	234.6	247.1	260.9	-1.0%	21.7%
Travel and subsistence	4.2	7.6	8.3	10.6	36.4%	0.8%	11.9	11.9	12.5	5.5%	1.0%
Venues and facilities	0.3	4.3	4.3	5.4	168.9%	0.4%	5.7	6.2	6.5	6.2%	0.5%
Transfers and subsidies¹	83.5	121.6	251.2	104.3	7.7%	13.8%	109.7	115.5	121.9	5.3%	9.7%
Departmental agencies and accounts	83.1	120.6	249.4	102.7	7.3%	13.7%	107.9	113.8	120.1	5.4%	9.5%
Households	0.4	1.0	1.8	1.7	63.3%	0.1%	1.8	1.7	1.8	1.9%	0.1%
Payments for capital assets	8.1	419.5	15.2	10.7	9.8%	11.2%	13.9	7.1	11.3	1.7%	0.9%
Machinery and equipment	8.1	3.4	15.2	10.0	7.3%	0.9%	9.0	4.6	8.9	-3.9%	0.7%
Software and other intangible assets	-	416.1	0.0	0.7	-	10.3%	4.9	2.5	2.4	50.7%	0.2%
Payments for financial assets	0.0	0.0	0.3	-	-100.0%	-	-	-	-	-	-
Total	774.5	1 209.9	885.8	1 194.1	15.5%	100.0%	1 093.6	1 159.2	1 222.6	0.8%	100.0%
Proportion of total programme expenditure to vote expenditure	2.7%	4.3%	2.2%	4.0%	-	-	3.6%	3.6%	3.6%	-	-
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	83.1	120.6	249.4	102.7	-	13.7%	107.9	113.8	120.1	-	9.5%
Accounting Standards Board	11.3	12.5	13.5	14.1	-	1.3%	14.3	15.1	16.0	-	1.3%
Independent Regulatory Board for Auditors	30.0	29.0	39.6	40.9	63.3%	3.4%	43.2	45.5	48.0	1.9%	3.8%
Auditor-General of South Africa	41.9	79.1	196.3	47.7	9.8%	9.0%	50.4	53.2	56.1	1.7%	4.4%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Programme 6: International Financial Relations

Programme purpose

Manage South Africa's interests in shaping regional and global policies that advance the economic, financial and development objectives of the country and Africa.

Objectives

- Advance South Africa and Africa's economic interests by undertaking regular strategic analyses, engagements and negotiations at regional and global financial, and economic forums on an ongoing basis.

- Increase sub-Saharan Africa's voice and South Africa's influence in multilateral international institutions, such as the International Monetary Fund, the World Bank Group, the G20, and other influential global financial and economic forums by advancing the reform of these institutions through the lobbying of regional groupings on an ongoing basis.
- Enhance South Africa's participation in strategic regional, continental and global governance institutions by seconding South Africans into strategic positions of these institutions, as informed by government's secondment policy, on an ongoing basis.
- Promote regional economic integration in the Southern African Development Community (SADC) region and the Southern African Customs Union, and strengthen economic links within Africa by:
 - providing ongoing support to the committees of the SADC dealing with economic and financial protocols
 - supporting the Southern African Customs Union to meet regional challenges on an ongoing basis.

Subprogrammes

- *Programme Management for International Financial Relations* supports the planning, monitoring and delivering of the programme's activities with the World Bank country office, the African Development Bank regional resource centre and the BRICS New Development Bank. The division oversees South Africa's representation in international and regional financial institutions; manages bilateral and multilateral relationships on behalf of National Treasury; and plans, implements and monitors programmes and activities that advance South Africa's national interests.
- *International Economic Cooperation* focuses on improving South Africa's participation in international and regional economic institutions. This entails working through key economic institutions and forums such as the Southern African Customs Union, the SADC, the United Nations Economic Commission for Africa, the African Union's New Partnership for Africa's Development, the International Monetary Fund, the G20, the G24, the BRICS group of countries, the Organisation for Economic Cooperation and Development, and the World Economic Forum.
- *African Integration and Support* enables National Treasury's participation in African interventions and arrangements that are mainly to bring about support and integration between African states and institutions. This subprogramme facilitates the transfer of funds to Lesotho, Namibia and Swaziland for the Common Monetary Area compensation. In this agreement, South Africa compensates the member countries for the use of the rand currency within their respective borders. It also includes the technical support provided to regional capacity building institutions such as the Collaborative Budget Reform Initiative, the Infrastructure Consortium for Africa, the African Capacity Building Foundation, the African Institute for Economic Development and Planning, and the Regional Technical Assistance Centre for Southern Africa.
- *International Development Funding Institutions* provides for subscriptions and contributions to international development institutions and banks. This subprogramme transfers funds to the African Development Bank and the International Bank for Reconstruction and Development of the World Bank Group to pay for shares, and to the African Development Fund and the International Development Association of the World Bank Group for the provision of concessional loans and grants to low-income countries. Capital transfers for the New Development Bank, in line with South Africa's agreed shareholding, will also be facilitated through this subprogramme.
- *International Projects* transfers funds to international projects and interventions for various causes such as capacity building, and catastrophe and disaster relief for affected low-income countries. To this end, National Treasury contributes to the Commonwealth Fund for Technical Cooperation and the International Finance Facility for Immunisation. The facility transfers funds to the Global Alliance for Vaccines and Immunisation, a public-private global health partnership, to support health care, particularly the provision of vaccines to reduce the number of deaths preventable by vaccination among children in low-income countries.

Expenditure trends and estimates

Table 7.14 International Financial Relations expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Programme Management for International Financial Relations	14.5	10.0	7.5	11.8	-6.7%	0.2%	12.1	12.7	13.5	4.5%	0.2%
International Economic Cooperation	30.4	38.3	36.2	42.8	12.1%	0.8%	54.2	49.2	55.8	9.3%	0.9%
African Integration and Support	717.5	796.7	896.3	978.8	10.9%	17.4%	862.6	910.0	960.1	-0.6%	15.6%
International Development Funding Institutions	2 762.7	4 091.8	4 512.0	4 489.1	17.6%	81.3%	4 801.6	5 065.3	5 343.9	6.0%	82.9%
International Projects	21.0	19.0	17.8	20.3	-1.1%	0.4%	21.0	22.2	23.4	4.8%	0.4%
Total	3 546.1	4 955.8	5 469.8	5 542.8	16.1%	100.0%	5 751.5	6 059.3	6 396.6	4.9%	100.0%
Change to 2018 Budget estimate				140.7			-	(2.0)	1.4		
Economic classification											
Current payments	44.7	47.2	43.1	53.9	6.4%	1.0%	65.6	60.8	68.2	8.1%	1.0%
Compensation of employees	28.2	32.0	30.7	33.4	5.8%	0.6%	40.4	43.4	45.9	11.1%	0.7%
Goods and services ¹	16.5	15.2	12.4	20.5	7.4%	0.3%	25.1	17.3	22.3	2.9%	0.4%
<i>of which:</i>											
<i>Bursaries: Employees</i>	0.1	0.2	0.2	0.4	51.5%	-	0.9	0.9	0.9	37.3%	-
<i>Consultants: Business and advisory services</i>	0.1	0.8	0.7	1.1	143.2%	-	1.3	1.0	0.0	-65.3%	-
<i>Travel and subsistence</i>	10.4	9.3	7.0	13.3	8.4%	0.2%	11.6	12.4	13.1	-0.4%	0.2%
<i>Training and development</i>	0.0	0.1	0.1	0.2	54.3%	-	0.3	0.4	0.4	28.1%	-
<i>Operating payments</i>	0.3	0.4	0.6	1.1	46.5%	-	1.1	1.2	1.5	10.4%	-
<i>Venues and facilities</i>	4.4	0.8	2.7	3.1	-10.8%	0.1%	9.0	0.6	5.4	20.2%	0.1%
Transfers and subsidies¹	829.2	906.4	1 041.2	1 135.2	11.0%	20.0%	1 027.3	1 083.8	1 143.4	0.2%	18.5%
Foreign governments and international organisations	829.2	906.4	1 040.9	1 135.2	11.0%	20.0%	1 027.3	1 083.8	1 143.4	0.2%	18.5%
Households	0.0	0.0	0.4	-	-100.0%	-	-	-	-	-	-
Payments for capital assets	0.2	1.1	0.2	0.7	59.7%	-	0.7	1.1	1.1	19.3%	-
Machinery and equipment	0.2	1.1	0.2	0.7	59.7%	-	0.7	1.1	1.1	19.3%	-
Payments for financial assets	2 672.0	4 001.1	4 385.3	4 353.0	17.7%	79.0%	4 657.9	4 913.7	5 183.9	6.0%	80.5%
Total	3 546.1	4 955.8	5 469.8	5 542.8	16.1%	100.0%	5 751.5	6 059.3	6 396.6	4.9%	100.0%
Proportion of total programme expenditure to vote expenditure	12.4%	17.6%	13.7%	18.7%	-	-	18.7%	18.8%	18.7%	-	-
Details of selected transfers and subsidies											
Foreign governments and international organisations											
Current	737.6	815.7	914.1	999.1	11.0%	17.8%	883.6	932.2	983.4	0.2%	16.0%
Common Monetary Area compensation	712.5	792.3	891.7	973.8	-	17.3%	849.9	896.7	946.0	-	15.4%
Collaborative Africa Budget Reform Initiative	1.8	2.4	2.4	2.4	-	-	1.8	1.9	2.0	-	-
Commonwealth Fund for Technical Cooperation	5.5	5.8	6.1	5.8	-	0.1%	6.8	7.2	7.6	-	0.1%
International Finance Facility for Immunisation	15.5	13.2	11.7	14.5	11.0%	0.3%	14.2	15.0	15.8	0.2%	0.3%
African Institute for Economic Development and Planning	1.2	1.0	1.0	1.4	-	-	1.4	1.5	1.6	-	-
Regional Technical Assistance Centre for Southern Africa	1.0	1.0	1.2	1.2	-	-	1.3	1.4	1.4	-	-
African Risk Capacity	-	-	-	-	-100.0%	-	8.1	8.6	9.0	-	0.1%
Capital	90.7	90.7	126.8	136.1	59.7%	2.3%	143.7	151.7	160.0	19.3%	2.5%
African Development Fund	-	-	73.2	82.5	-	0.8%	37.4	39.4	41.6	-	0.8%
World Bank Group	90.7	90.7	53.6	53.6	59.7%	1.5%	106.4	112.2	118.4	19.3%	1.6%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Programme 7: Civil and Military Pensions, Contributions to Funds and Other Benefits

Programme purpose

Provide for government's pension and post-retirement medical benefit obligations to former employees of state departments and bodies. Provide for similar benefits to retired members of the military.

Objectives

- Ensure the effective administration of pension, retirement and other policies on an ongoing basis by completing annual reviews and implementing recommendations in accordance with stakeholder agreements reached on pension reforms, post-retirement medical benefits, political office bearers and pension legislation.
- Ensure good service to eligible applicants and recipients on an ongoing basis by:
 - processing member applications and making payments punctually, as required by applicable legislation
 - processing post-retirement medical benefit applications within 60 days of receipt, and paying all medical subsidies within 7 days of receiving a valid and correct claim
 - processing and paying injury on duty benefits to civil servants within 45 days of receiving completed documentation
 - ensuring the punctual and accurate payments of military pensions within 45 days of receipt and medical accounts within 30 days of receipt of the claim with no backlog.

Subprogrammes

- *Government Pensions Administration Agency* provides administrative services, in accordance with the Temporary Pension Fund Act (1979) and the Associated Institutions Pension Fund Act (1963), for post-retirement medical subsidies, as provided for and regulated by resolutions of the Public Service Coordinating Bargaining Council, the Military Pensions Act (1976), and military pensions in terms of this act; for injury on duty payments in terms of the Compensation for Occupational Injuries and Diseases Act (1993); and special pensions in terms of the Special Pensions Act (1996) on behalf of National Treasury.
- *Civil Pensions and Contributions to Funds* provides for the processing and payment of pensions and medical subsidies to retired civil servants; and pension payments to the injured, disabled and the dependants of deceased civil servants and former struggle veterans, in terms of various statutes, collective bargaining agreements and other commitments. The Government Pensions Administration Agency subprogramme administers all payments related to this subprogramme.
- *Military Pensions and Other Benefits* provides for the processing and payment of military pension benefits and medical claims arising from injuries sustained during various wars, including South Africa's liberation wars. These include payments to former members of the legislative assembly of the former Venda, Transkei, Ciskei and Bophuthatswana governments; judges or their widows/widowers in terms of the Judges' Remuneration and Conditions of Employment Act (2001); and former state presidents, among other benefits.

Expenditure trends and estimates

Table 7.15 Civil and Military Pensions, Contributions to Funds and Other Benefits expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million					2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Government Pensions Administration Agency	56.6	61.3	62.1	68.9	6.8%	1.4%	72.7	76.7	80.9	5.5%	1.3%
Civil Pensions and Contributions to Funds	3 156.5	3 249.2	3 614.4	4 151.4	9.6%	78.1%	4 496.8	4 452.5	4 695.0	4.2%	80.1%
Military Pensions and Other Benefits	754.6	1 089.7	941.6	943.6	7.7%	20.5%	1 005.0	1 061.1	1 119.4	5.9%	18.6%
Total	3 967.7	4 400.2	4 618.1	5 163.8	9.2%	100.0%	5 574.5	5 590.2	5 895.3	4.5%	100.0%
Change to 2018 Budget estimate				-			-	(291.0)	(309.4)		
Economic classification											
Current payments	56.6	61.3	62.1	68.9	6.8%	1.4%	72.7	76.7	80.9	5.5%	1.3%
Goods and services ¹	56.6	61.3	62.1	68.9	6.8%	1.4%	72.7	76.7	80.9	5.5%	1.3%
of which:											
Consultants: Business and advisory services	56.6	61.3	62.1	68.9	6.8%	1.4%	72.7	76.7	80.9	5.5%	1.3%
Transfers and subsidies¹	3 911.1	4 338.9	4 556.0	5 094.9	9.2%	98.6%	5 501.8	5 513.5	5 814.4	4.5%	98.7%
Foreign governments and international organisations	2.1	1.2	1.3	2.7	9.0%	-	2.8	3.0	3.2	5.5%	0.1%
Households	3 909.0	4 337.6	4 554.8	5 092.2	9.2%	98.6%	5 498.9	5 510.5	5 811.2	4.5%	98.6%
Payments for financial assets	0.0	-	0.0	-	-100.0%	-	-	-	-	-	-
Total	3 967.7	4 400.2	4 618.1	5 163.8	9.2%	100.0%	5 574.5	5 590.2	5 895.3	4.5%	100.0%
Proportion of total programme expenditure to vote expenditure	13.8%	15.6%	11.6%	17.4%	-	-	18.1%	17.3%	17.3%	-	-
Details of selected transfers and subsidies											
Households											
Social benefits											
Current	3 909.0	4 337.6	4 554.7	5 092.2	-	98.6%	5 498.9	5 510.5	5 811.2	-	98.6%
Contribution to provident funds for associated institutions	0.3	0.3	0.2	0.3	-	-	0.4	0.4	0.4	-	-
Other benefits	82.5	92.8	87.8	94.6	-	2.0%	104.1	109.8	115.9	-	1.9%
Injury on duty	514.9	563.5	599.0	652.3	9.0%	12.8%	688.8	726.7	766.7	5.5%	12.8%
Post-Retirement medical scheme	2 107.4	2 133.5	2 458.8	2 850.3	-	52.6%	2 893.3	3 064.7	3 233.3	-	54.2%
Special pensions	439.8	447.8	460.0	468.2	-	10.0%	468.0	480.0	506.4	-	8.7%
Political Office Bearers Pension Fund	-	-	-	68.3	9.2%	0.4%	323.2	50.0	50.4	4.5%	2.2%
Pension benefits: President of South Africa	7.3	7.7	7.4	11.7	-	0.2%	12.9	14.3	15.1	-	0.2%
Military pensions: Ex-servicemen and servicewomen	2.9	2.3	1.8	1.6	-	-	2.8	2.6	2.7	-	-
South African citizen force	166.2	175.5	191.0	193.6	-	4.0%	205.3	217.1	229.1	-	3.8%
Other benefits: Ex-servicemen and servicewomen	10.5	12.3	11.5	11.0	-	0.2%	18.3	19.9	21.0	-	0.3%
Non-statutory forces	575.0	899.6	737.3	737.3	-	16.2%	778.6	821.4	866.6	-	14.4%
Post-retirement medical scheme: Parliamentary staff	2.2	2.4	-	2.9	-	-	3.2	3.5	3.7	-	0.1%
Foreign governments and international organisations											
Current	2.1	1.2	1.3	2.7	-	-	2.8	3.0	3.2	-	0.1%
United Kingdom tax	2.1	1.2	1.3	2.7	-100.0%	-	2.8	3.0	3.2	-	0.1%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Programme 8: Technical Support and Development Finance

Programme purpose

Provide advisory services, programme management and development finance support to improve public finance management, support high-impact government initiatives, facilitate employment creation, and strengthen infrastructure planning and delivery.

Objectives

- Build capacity in the public sector through diagnostic and advisory services, and support for organisational development, specialised procurement, improved public finance management, and programme and project implementation on an ongoing basis.
- Enhance budget and financial management practices by strengthening public finance management capacity in municipalities and supporting provincial treasury oversight of local government financial management on an ongoing basis.
- Ensure liveable, sustainable, resilient, efficient and integrated towns and cities by promoting public and private investment in city development, integrated urban networks and neighbourhood development initiatives on an ongoing basis.
- Stimulate employment and inclusive growth by supporting innovative and partnership-based approaches to employment creation, job seeker support and enterprise development on an ongoing basis.
- Ensure technical capacity in local government built environment by supporting infrastructure planning and implementation in all provinces, and infrastructure skills development in all municipalities on an ongoing basis.

Subprogrammes

- *Local Government Financial Management Support* provides for transfers to municipalities to support the implementation of the Municipal Finance Management Act (2003), and technical assistance to provincial treasuries and municipalities through the municipal finance improvement programme. The municipal finance improvement programme provides technical assistance and support to National Treasury, provincial treasuries and municipalities by placing financial advisers with experience and expertise in municipal financial management to facilitate key reforms and skills transfer.
- *Urban Development and Support* comprises the neighbourhood development partnership grant and the integrated city development grant. It is aimed at strengthening public and private investment in improved living and working conditions in townships, and creating more spatially resilient, efficient and integrated towns and cities. The integrated city development grant is a component of National Treasury's city support programme implemented in partnership with the Development Bank of Southern Africa, and aims to promote accelerated and more inclusive development in major urban areas through better governance and built environment planning, improved human settlements and public transport management, local economic development, environmental sustainability and climate resilience.
- *Employment Creation Facilitation* supports innovative and partnership-based approaches to sustainable employment creation, work seeker support and enterprise development through the Jobs Fund; and supports research on employment, income distribution and inclusive growth.
- *Government Technical Advisory Centre* provides management support for the Technical Support and Development Finance programme, and technical consulting services, specialised procurement and project management support, infrastructure advice and knowledge management in support of efficient, effective and transparent public finance management. This subprogramme's advisory and transaction support activities originate through requests from other departments or organs of state.
- *Infrastructure Development Support* provides technical support on infrastructure development planning and implementation to municipalities and provinces by providing technical expertise, advisory services and skills training, including the placement of graduate interns in local government.

Expenditure trends and estimates

Table 7.16 Technical Support and Development Finance expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22		
R million												
Local Government Financial Management Support	573.9	587.9	627.8	645.5	4.0%	23.2%	681.4	718.5	758.0	5.5%	23.6%	
Urban Development and Support	848.3	873.9	972.9	924.8	2.9%	34.5%	962.2	1 015.0	1 090.4	5.6%	33.6%	
Employment Creation Facilitation	749.5	698.2	593.1	689.0	-2.8%	26.0%	800.1	916.8	992.5	12.9%	28.6%	
Government Technical Advisory Centre	83.6	88.0	80.8	71.9	-4.9%	3.1%	61.7	71.5	79.3	3.3%	2.4%	
Infrastructure Development Support	216.9	230.4	251.8	681.4	46.5%	13.2%	232.1	243.8	256.0	-27.8%	11.9%	
Total	2 472.2	2 478.4	2 526.4	3 012.5	6.8%	100.0%	2 737.6	2 965.4	3 176.2	1.8%	100.0%	
Change to 2018 Budget estimate				213.7			(250.2)	(761.5)	(775.4)			
Economic classification												
Current payments	283.8	310.4	327.8	794.2	40.9%	16.4%	365.3	388.3	411.9	-19.7%	16.5%	
Goods and services ¹	283.8	310.4	327.8	794.2	40.9%	16.4%	365.3	388.3	411.9	-19.7%	16.5%	
of which:												
Consultants: Business and advisory services	283.8	310.4	327.8	394.2	11.6%	12.5%	365.3	388.3	411.9	1.5%	13.1%	
Transfers and subsidies¹	2 188.4	2 168.0	2 198.5	2 218.4	0.5%	83.6%	2 372.3	2 577.1	2 764.3	7.6%	83.5%	
Provinces and municipalities	1 411.8	1 454.4	1 592.7	1 541.5	3.0%	57.2%	1 613.5	1 701.9	1 815.1	5.6%	56.1%	
Departmental agencies and accounts	776.6	713.6	605.8	676.9	-4.5%	26.4%	758.8	875.2	949.1	11.9%	27.4%	
Total	2 472.2	2 478.4	2 526.4	3 012.5	6.8%	100.0%	2 737.6	2 965.4	3 176.2	1.8%	100.0%	
Proportion of total programme expenditure to vote expenditure	8.6%	8.8%	6.3%	10.1%	-	-	8.9%	9.2%	9.3%	-	-	
Details of selected transfers and subsidies												
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	776.1	713.6	605.0	676.1	3.0%	26.4%	758.0	874.4	948.2	5.6%	27.4%	
Government Technical Advisory Centre	776.1	713.6	605.0	676.1	-4.5%	26.4%	758.0	874.4	948.2	11.9%	27.4%	
Capital	0.5	-	0.7	0.8	-	-	0.8	0.9	0.9	-	-	
Government Technical Advisory Centre	0.5	-	0.7	0.8	-	-	0.8	0.9	0.9	-	-	
Provinces and municipalities												
Municipalities												
Municipal bank accounts												
Current	577.0	595.7	642.8	646.1	-	23.5%	682.2	719.6	759.2	-	23.6%	
Local government financial management grant	452.5	465.3	502.0	504.6	-	18.3%	532.8	561.7	592.6	-	18.4%	
Infrastructure skills development grant	124.5	130.5	140.8	141.5	-	5.1%	149.4	157.9	166.6	-	5.2%	
Capital	834.9	858.7	950.0	895.5	-	33.7%	931.2	982.3	1 055.9	-	32.5%	
Integrated city development grant	251.3	266.8	292.1	293.6	-	10.5%	310.1	327.3	351.9	-	10.8%	
Neighbourhood development partnership grant	583.6	591.9	657.8	601.9	-	23.2%	621.2	654.9	704.1	-	21.7%	

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Programme 9: Revenue Administration

Programme purpose

Administer an efficient tax system, provide tax education to the public, ensure maximum compliance with tax and customs legislation, and provide a customs service to maximise revenue collection and facilitate trade.

Objectives

- Centralise registration, accreditation and licensing capabilities over the medium term by:
 - improving the South African Revenue Service's registration database

- moving the customs service into the unified trader and traveller master database using online registration and entity-level risk assessment.
- Contribute to revenue generation and improved compliance over the medium term by:
 - ensuring that 90 per cent of all annual import declarations are submitted by 10 per cent of traders, as per the South African Revenue Service’s targets
 - increasing annual trader declarations by 50 per cent.
- Manage migration, customs and land borderline control services, and efficiently coordinate other departments in ports of entry by:
 - establishing a border management agency over the medium term
 - achieving a 100 per cent success rate in investigative audits, and the seizure of counterfeit cigarettes, counterfeit CDs and DVDs, clothing, drug cases and medicament on an ongoing basis.
- Manage the South African Revenue Service’s R128.9 billion debtors book efficiently through a quality assurance system intended to provide users with integrated debt management solutions on an ongoing basis.

Subprogramme

- *South African Revenue Service* transfers funds to the South African Revenue Service to provide core tax administration services and maintain the ICT services that support its operations.

Expenditure trends and estimates

Table 7.17 Revenue Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
South African Revenue Service	9 334.4	9 363.7	10 218.2	9 007.2	-1.2%	100.0%	9 529.0	10 110.0	10 673.1	5.8%	100.0%
Total	9 334.4	9 363.7	10 218.2	9 007.2	-1.2%	100.0%	9 529.0	10 110.0	10 673.1	5.8%	100.0%
Change to 2018				–			398.7	479.2	512.5		
Budget estimate											
Economic classification											
Transfers and subsidies¹	9 334.4	9 363.7	10 218.2	9 007.2	-1.2%	100.0%	9 529.0	10 110.0	10 673.1	5.8%	100.0%
Departmental agencies and accounts	9 334.4	9 363.7	10 218.2	9 007.2	-1.2%	100.0%	9 529.0	10 110.0	10 673.1	5.8%	100.0%
Total	9 334.4	9 363.7	10 218.2	9 007.2	-1.2%	100.0%	9 529.0	10 110.0	10 673.1	5.8%	100.0%
Proportion of total programme expenditure to vote expenditure	32.5%	33.2%	25.7%	30.3%	–	–	31.0%	31.3%	31.3%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	8 391.0	8 320.3	9 076.6	7 799.4	–	88.6%	7 854.9	8 285.3	8 741.0	–	83.1%
South African Revenue Service: Operations	8 391.0	8 320.3	9 041.6	7 757.9	-1.2%	88.4%	7 814.6	8 242.8	8 696.1	5.8%	82.7%
South African Revenue Service: Office of the Tax Ombud	–	–	35.0	41.5	–	0.2%	40.3	42.5	44.9	–	0.4%
Capital	943.4	1 043.4	1 141.6	1 207.8	–	11.4%	1 674.1	1 824.7	1 932.1	–	16.9%
South African Revenue Service: Machinery and equipment	943.4	1 043.4	1 141.6	1 207.8	–	11.4%	1 674.1	1 824.7	1 932.1	–	16.9%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Programme 10: Financial Intelligence and State Security

Programme purpose

Combat financial crime, including money laundering and terror financing activities. Gather intelligence for the purpose of national security, defence and combating crime.

Objectives

- Combat money laundering and the financing of terrorism by continually monitoring and ensuring compliance with the Financial Intelligence Centre Act (2001), and imposing certain duties on institutions and other persons who might be used for money laundering and financing terrorism.
- Combat crime and financial terrorism by:
 - providing services and products to law enforcement authorities, such as the South African Revenue Service and the State Security Agency, on an ongoing basis
 - collaborating closely with counterparts in African countries and international organisations as part of a network for information exchange on an ongoing basis
 - collaborating with the financial action task force, which reports to the G20 summit processes and several standard setting bodies, on an ongoing basis
 - processing requests from national and international law enforcement authorities over the medium term.

Subprogrammes

- *Financial Intelligence Centre* facilitates the transfer payment to the Financial Intelligence Centre, which enhances the integrity of the South African financial system while creating new ways for investigating authorities to combat criminal activity.
- *Secret Services* facilitates the transfer payment to the South African Secret Service account, which provides government with accurate, topical, policy relevant and timeous foreign intelligence to promote, enhance and protect national security and the interests of South Africa and its citizens.

Expenditure trends and estimates

Table 7.18 Financial Intelligence and State Security expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
R million											
Financial Intelligence Centre	239.5	256.4	270.2	278.7	5.2%	5.4%	294.3	310.5	327.6	5.5%	5.9%
Secret Services	4 322.6	4 556.1	4 835.4	4 484.8	1.2%	94.6%	4 656.7	4 912.7	5 182.9	4.9%	94.1%
Total	4 562.1	4 812.5	5 105.6	4 763.5	1.5%	100.0%	4 951.1	5 223.2	5 510.5	5.0%	100.0%
Change to 2018 Budget estimate				–			–	–	–		
Economic classification											
Transfers and subsidies¹	4 562.1	4 812.5	5 105.6	4 763.5	1.5%	100.0%	4 951.1	5 223.2	5 510.5	5.0%	100.0%
Departmental agencies and accounts	4 562.1	4 812.5	5 105.6	4 763.5	1.5%	100.0%	4 951.1	5 223.2	5 510.5	5.0%	100.0%
Total	4 562.1	4 812.5	5 105.6	4 763.5	1.5%	100.0%	4 951.1	5 223.2	5 510.5	5.0%	100.0%
Proportion of total programme expenditure to vote expenditure	15.9%	17.1%	12.8%	16.0%	–	–	16.1%	16.2%	16.1%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	4 242.0	4 392.3	4 778.4	4 330.3	–	92.2%	4 493.6	4 740.6	5 001.3	–	90.8%
Financial Intelligence Centre: Operations	226.7	239.6	254.9	262.6	1.5%	5.1%	277.3	292.5	308.6	5.0%	5.6%
Secret Services: Operations	4 015.4	4 152.6	4 523.4	4 067.8	–	87.1%	4 216.3	4 448.0	4 692.7	–	85.2%
Capital	320.0	420.2	327.3	433.2	–	7.8%	457.5	482.6	509.2	–	9.2%
Financial Intelligence Centre: Machinery and equipment	12.8	16.7	15.3	16.1	–	0.3%	17.0	18.0	19.0	–	0.3%
Secret Services: Machinery and equipment	307.2	403.5	312.0	417.1	–	7.5%	440.4	464.6	490.2	–	8.9%

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Entities

Development Bank of Southern Africa

Mandate

The Development Bank of Southern Africa was reconstituted in terms of the Development Bank of Southern Africa Act (1997) as a development finance institution with the primary purpose of promoting economic development and growth. The bank also promotes human resources development and building institutional capacity by mobilising financial and other resources from the national and international private and public sectors for sustainable development projects and programmes in South Africa and regions in the rest of Southern Africa.

Selected performance indicators

Table 7.19 Development Bank of Southern Africa performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Cost-to-income ratio (bank-wide)	Administration	Outcome 12: An efficient, effective and development-oriented public service	29% (R1.0bn/R3.6bn)	18.8% (R888m/R4.7bn)	21.6% (R928m/R4.3bn)	31.7%	32.1%	30.6%	30.6%
Total value of disbursements to infrastructure-related projects	Development finance		R17.1bn	R12.4bn	R12.2bn	R16bn	R18bn	R20bn	R20bn
Value of bank-wide net profit/(loss) per year	Development finance		R2.6bn	R2.8bn	R2.3bn	R2.7bn	R2.8bn	R3.3bn	R3.3bn

Expenditure analysis

Over the medium term, the Development Bank of Southern Africa will focus on: driving financial and non-financial investments and support in the education, energy, health, housing, transport, water and communications sectors; accelerating infrastructure financing in South Africa that targets municipalities, state-owned companies, independent power producers and public-private partnerships; and providing infrastructure support in the rest of Africa that targets state-owned companies and public-private partnerships. Over the MTEF period, the bank expects to support municipalities through infrastructure development aimed at addressing backlogs in the delivery of essential social services.

As such, it aims to increase the total value of disbursements to infrastructure projects from R16 billion in 2018/19 to R20 billion in 2021/22. To complement these activities, the bank plans to set aside R111 million per year over the MTEF period as part of its *Development finance* programme to provide for interest subsidies, and support the planning and implementation of infrastructure projects in selected municipalities with capacity constraints.

Total expenditure is expected to increase at an average annual rate of 10 per cent, from R5.8 billion in 2018/19 to R7.7 billion in 2021/22. The bulk of the bank's expenditure is on interest expenses, which increase from R4 billion in 2018/19 to R5.4 billion in 2021/22 in line with the expected increases in disbursements. To ensure that the bank has adequate capacity to deliver on its mandate, its number of personnel is expected to remain constant at 678 over the MTEF period. Spending on compensation of employees is expected to increase at an average annual rate of 8.1 per cent, from R832.7 million in 2018/19 to R1.1 billion in 2021/22.

Revenue is expected to increase at an average annual rate of 9.4 per cent, from R8.5 billion in 2018/19 to R11.1 billion in 2021/22, driven by an anticipated increase in disbursements and more effective management of the non-performing loan book, which is expected to improve net loan impairments.

Programmes/Objectives/Activities

Table 7.20 Development Bank of Southern Africa expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	710.8	855.1	1 023.4	1 011.5	12.5%	15.9%	1 127.5	1 221.5	1 288.7	8.4%	17.1%
Development finance	4 503.4	4 575.6	4 715.2	4 523.2	0.1%	81.0%	5 196.3	5 810.0	6 129.6	10.7%	79.5%
Non-financing development activities	162.6	173.9	161.9	218.0	10.3%	3.2%	227.0	235.0	247.9	4.4%	3.4%
Total	5 376.8	5 604.6	5 900.5	5 752.6	2.3%	100.0%	6 550.7	7 266.5	7 666.1	10.0%	100.0%

Statements of historical financial performance and position

Table 7.21 Development Bank of Southern Africa statements of historical financial performance and position

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%) 2015/16 - 2018/19
	2015/16	2016/17	2016/17	2017/18	2018/19	2018/19	2018/19		
Revenue									
Non-tax revenue	6 518.5	7 953.5	7 445.4	8 425.5	8 638.9	8 183.3	9 805.6	8 475.8	101.9%
Sale of goods and services other than capital assets	358.7	275.9	298.9	318.3	333.9	190.2	316.7	262.2	80.0%
<i>of which:</i>									
<i>Sales by market establishment</i>	358.7	275.9	298.9	318.3	333.9	190.2	316.7	262.2	80.0%
Other non-tax revenue	6 159.9	7 677.6	7 146.4	8 107.2	8 305.0	7 993.1	9 488.9	8 213.6	102.9%
Total revenue	6 518.5	7 953.5	7 445.4	8 425.5	8 638.9	8 183.3	9 805.6	8 475.8	101.9%
Expenses									
Current expenses	5 321.5	5 314.1	6 273.1	5 542.2	6 871.7	5 868.5	7 916.5	5 564.9	84.5%
Compensation of employees	772.7	730.9	879.5	584.8	874.3	684.8	972.7	832.7	81.0%
Goods and services	1 052.5	1 197.2	1 243.1	1 222.5	1 504.8	1 252.6	1 588.4	652.3	80.3%
Depreciation	29.0	30.6	36.0	31.2	38.2	25.9	38.2	31.5	84.3%
Interest, dividends and rent on land	3 467.4	3 355.4	4 114.6	3 703.8	4 454.4	3 905.3	5 317.1	4 048.4	86.5%
Transfers and subsidies	286.0	62.6	180.0	62.4	90.0	32.0	254.0	187.7	42.6%
Total expenses	5 607.5	5 376.8	6 453.1	5 604.6	6 961.7	5 900.5	8 170.5	5 752.6	83.2%
Surplus/(Deficit)	911.0	2 577.0	992.0	2 821.0	1 677.0	2 283.0	1 635.0	2 723.0	
Statement of financial position									
Carrying value of assets	616.1	580.3	563.7	503.4	546.7	490.5	543.4	559.3	94.0%
<i>of which:</i>									
<i>Acquisition of assets</i>	(35.0)	(30.6)	(35.0)	(25.5)	(66.2)	(27.6)	(49.1)	(57.0)	75.9%
Investments	5 246.3	8 757.3	8 853.9	7 933.0	8 223.8	8 242.2	8 226.4	7 851.2	107.3%
Loans	72 504.9	70 785.3	84 583.2	72 795.5	91 811.1	76 337.8	106 731.6	86 007.5	86.0%
Receivables and prepayments	146.7	138.5	146.7	122.0	146.7	399.6	151.9	146.7	136.3%
Cash and cash equivalents	3 108.8	2 084.6	155.0	2 299.2	881.0	3 741.9	1 153.0	1 024.2	172.7%
Total assets	81 622.7	82 346.0	94 302.6	83 653.1	101 609.2	89 211.9	116 806.4	95 589.0	89.0%
Accumulated surplus/(deficit)	13 322.5	14 544.9	15 510.5	17 514.6	18 459.6	19 473.0	20 094.7	22 570.6	110.0%
Capital and reserves	6 134.4	2 827.9	2 793.3	2 624.5	2 815.7	2 955.8	2 815.7	2 751.9	76.7%
Capital reserve fund	7 900.0	11 892.3	11 892.3	11 892.3	11 892.3	11 892.3	11 892.3	11 892.3	109.2%
Borrowings	52 722.4	51 791.2	62 525.6	50 612.5	66 851.9	53 573.2	80 210.8	56 749.4	81.1%
Trade and other payables	1 142.0	894.8	294.2	838.6	1 343.0	1 204.3	1 519.5	1 495.2	103.1%
Provisions	398.3	391.8	1 283.6	167.3	243.5	111.2	270.2	127.3	36.3%
Derivatives financial instruments	3.1	3.1	3.1	3.2	3.2	2.2	3.2	2.2	84.0%
Total equity and liabilities	81 622.7	82 346.0	94 302.6	83 653.1	101 609.2	89 211.9	116 806.4	95 589.0	89.0%

Statements of estimates of financial performance and position

Table 7.22 Development Bank of Southern Africa statements of estimates of financial performance and position

Statement of financial performance									
R million	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
	2018/19	2015/16 - 2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22	
Revenue									
Non-tax revenue	8 475.8	2.1%	100.0%	9 344.1	10 522.4	11 101.1	9.4%	100.0%	
Sale of goods and services other than capital assets	262.2	-1.7%	3.2%	269.9	302.1	318.7	6.7%	2.9%	
<i>of which:</i>									
<i>Sales by market establishment</i>	262.2	-1.7%	3.2%	269.9	302.1	318.7	6.7%	2.9%	
Other non-tax revenue	8 213.6	2.3%	96.8%	9 074.2	10 220.3	10 782.4	9.5%	97.1%	
Total revenue	8 475.8	2.1%	100.0%	9 344.1	10 522.4	11 101.1	9.4%	100.0%	

Table 7.22 Development Bank of Southern Africa statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate	2018/19	2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	
R million								
Expenses								
Current expenses	5 564.9	1.5%	98.5%	6 343.0	7 046.5	7 434.0	10.1%	96.9%
Compensation of employees	832.7	4.4%	12.5%	944.2	997.7	1 052.5	8.1%	14.1%
Goods and services	652.3	-18.3%	19.2%	871.3	867.1	914.8	11.9%	12.1%
Depreciation	31.5	1.0%	0.5%	31.6	33.6	35.5	4.0%	0.5%
Interest, dividends and rent on land	4 048.4	6.5%	66.3%	4 496.0	5 148.1	5 431.3	10.3%	70.2%
Transfers and subsidies	187.7	44.2%	1.5%	207.7	220.0	232.1	7.3%	3.1%
Total expenses	5 752.6	2.3%	100.0%	6 550.7	7 266.5	7 666.1	10.0%	100.0%
Surplus/(Deficit)	2 723.0			2 793.0	3 256.0	3 435.0		
Statement of financial position								
Carrying value of assets	559.3	-1.2%	0.6%	551.2	540.1	472.9	-5.4%	0.5%
<i>of which:</i>								
Acquisition of assets	(57.0)	23.0%	-0.0%	(23.5)	(22.5)	–	-100.0%	-0.0%
Investments	7 851.2	-3.6%	9.4%	7 524.3	7 285.1	7 172.3	-3.0%	6.8%
Loans	86 007.5	6.7%	87.1%	95 774.2	106 547.9	122 219.3	12.4%	91.4%
Receivables and prepayments	146.7	1.9%	0.2%	151.9	157.4	157.4	2.4%	0.1%
Cash and cash equivalents	1 024.2	-21.1%	2.6%	1 322.6	1 617.8	1 619.6	16.5%	1.2%
Total assets	95 589.0	5.1%	100.0%	105 324.3	116 148.3	131 641.5	11.3%	100.0%
Accumulated surplus/(deficit)	22 570.6	15.8%	21.0%	25 363.9	28 619.8	33 997.3	14.6%	24.5%
Capital and reserves	2 751.9	-0.9%	3.2%	2 751.9	2 751.9	2 751.9	–	2.5%
Capital reserve fund	11 892.3	–	13.6%	11 892.3	11 892.3	11 892.3	–	10.8%
Borrowings	56 749.4	3.1%	60.7%	63 483.9	70 837.4	80 824.8	12.5%	60.5%
Trade and other payables	1 495.2	18.7%	1.3%	1 691.9	1 895.1	2 023.7	10.6%	1.6%
Provisions	127.3	-31.2%	0.2%	138.2	149.5	149.5	5.5%	0.1%
Derivatives financial instruments	2.2	-11.5%	0.0%	2.2	2.2	2.2	–	0.0%
Total equity and liabilities	95 589.0	5.1%	100.0%	105 324.3	116 148.3	131 641.5	11.3%	100.0%

Personnel information**Table 7.23 Development Bank of Southern Africa personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost ¹ of personnel posts filled/planned for on funded establishment											Number						
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		Unit cost	2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost			2021/22		Unit cost	
Development Bank of Southern Africa		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	678	678	574	684.8	1.2	678	832.7	1.2	678	944.2	1.4	678	997.7	1.5	678	1 052.5	1.6	8.1%	100.0%
1 – 6	52	52	51	10.7	0.2	52	11.1	0.2	52	12.6	0.2	52	13.3	0.3	52	14.0	0.3	8.1%	7.7%
7 – 10	169	169	167	94.5	0.6	169	95.5	0.6	169	108.3	0.6	169	114.4	0.7	169	120.7	0.7	8.1%	24.9%
11 – 12	91	91	86	90.9	1.1	91	95.4	1.0	91	108.2	1.2	91	114.3	1.3	91	120.6	1.3	8.1%	13.4%
13 – 16	348	348	256	438.7	1.7	348	564.8	1.6	348	640.4	1.8	348	676.7	1.9	348	713.9	2.1	8.1%	51.3%
17 – 22	18	18	14	49.9	3.6	18	65.9	3.7	18	74.8	4.2	18	79.0	4.4	18	83.4	4.6	8.1%	2.7%

1. Rand million.

Government Pensions Administration Agency**Mandate**

The Government Pensions Administration Agency provides pension administration services to the Government Employees Pension Fund in terms of the Government Employees Pension Fund Act (1979) and the Associated Institutions Pension Fund Act (1963). Post-retirement medical subsidies are administered as provided for and regulated by the Public Services Bargaining Council resolutions; military pensions are administered in terms of the Military Pensions Act (1976); payments for injuries on duty are administered in terms of the Compensation for Occupational Injuries and Diseases Act (1993); and special pensions are administered in terms of the Special Pensions Act (1996).

Selected performance indicators**Table 7.24 Government Pensions Administration Agency performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of National Treasury benefits paid within 60 days per year	Benefit administration	Outcome 12: An efficient, effective and development-oriented public service	-1	-1	92% (R2.8bn/R3bn)	85%	85%	90%	100%
Percentage of benefits paid accurately on behalf of National Treasury per year	Benefit administration		-1	-1	99% (R4.5bn/R4.6bn)	85%	90%	95%	100%
Percentage of Government Employees Pension Fund benefits paid within 60 days	Benefit administration		-1	-1	80% (R8.6bn/R10.8bn)	85%	90%	95%	100%
Percentage of Government Employees Pension Fund benefits paid accurately per year	Benefit administration		-1	-1	71% (R89.6bn/R126.2bn)	85%	90%	95%	100%
Percentage of client satisfaction level per year	Benefit administration		-1	-1	94% (235 492/247 915)	94%	96%	97%	100%

1. No historical data available.

Expenditure analysis

The Government Pensions Administration Agency will continue to focus on its modernisation project until the project is completed in 2019/20. The project is aimed at improving service delivery by enhancing the agency's IT infrastructure, optimising its office space, and employing new personnel as client service agents. As such, outdated and obsolete systems and applications will be replaced to enhance staff productivity, speed up the processing of claims, and effectively manage pension queries. Core pension administration functions, including benefit payments and membership maintenance processes, are also expected to be improved.

Expenditure is expected to increase at an average annual rate of 1.5 per cent, from R1.1 billion in 2018/19 to R1.2 billion in 2021/22 in line with inflation. Spending on ICT specifically is expected to increase at an average annual rate of 5.5 per cent, from R229 million in 2018/19 to R269 million in 2021/22. Spending on compensation of employees is expected to increase at an average annual rate of 5.2 per cent, from R470 million in 2018/19 to R547.4 million in 2021/22, as the modernisation project is expected to bring about efficiencies and a less labour-intensive workplace. The number of employees in filled positions is expected to remain at 1 047 over the medium term, but will be revised once the agency's organisational restructuring process is finalised.

The agency receives 93.8 per cent (R3.5 billion) of its revenue from the Government Employees Pension Fund and the remaining 6.2 per cent (R231.6 million) through transfers from the department. Revenue is expected to increase at an average annual rate of 5.7 per cent, from R1.1 billion in 2018/19 to R1.3 billion in 2021/22, to allow for the completion of the modernisation project.

Programmes/Objectives/Activities**Table 7.25 Government Pensions Administration Agency expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/ Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/ Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	532.2	578.1	561.0	768.4	13.0%	62.6%	706.7	780.1	822.0	2.3%	68.7%
Benefit administration	331.3	330.2	420.6	365.0	3.3%	37.4%	329.4	344.5	364.7	-0.0%	31.3%
Total	863.5	908.3	981.5	1 133.4	9.5%	100.0%	1 036.2	1 124.6	1 186.7	1.5%	100.0%

Statements of historical financial performance and position

Table 7.26 Government Pensions Administration Agency statements of historical financial performance and position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
Revenue									
Non-tax revenue	1 388.5	949.1	1 219.4	941.7	1 074.4	981.1	1 135.2	1 135.2	83.2%
Sale of goods and services other than capital assets	1 388.5	947.6	1 219.4	939.6	1 074.4	978.6	1 135.2	1 135.2	83.1%
<i>of which:</i>									
Administrative fees	1 388.5	947.6	1 219.4	939.6	1 074.4	978.6	1 135.2	1 135.2	83.1%
Other non-tax revenue	-	1.5	-	2.1	-	2.4	-	-	-
Total revenue	1 388.5	949.1	1 219.4	941.7	1 074.4	981.1	1 135.2	1 135.2	83.2%
Expenses									
Current expenses	1 388.5	863.5	1 219.4	908.3	1 074.4	981.5	1 135.2	1 133.4	80.7%
Compensation of employees	481.7	433.9	484.9	458.6	513.6	481.0	525.5	470.0	91.9%
Goods and services	785.2	395.7	608.1	378.5	485.8	406.8	609.8	605.6	71.8%
Depreciation	121.6	33.8	126.4	71.2	75.0	93.7	-	57.8	79.4%
Total expenses	1 388.5	863.5	1 219.4	908.3	1 074.4	981.5	1 135.2	1 133.4	80.7%
Surplus/(Deficit)	-	86.0	-	33.0	-	-	-	2.0	
Statement of financial position									
Carrying value of assets	69.6	347.0	71.6	390.7	202.8	379.4	311.5	395.7	230.8%
<i>of which:</i>									
Acquisition of assets	(69.6)	(131.3)	(146.7)	(95.2)	(75.0)	(82.3)	(68.8)	(69.3)	105.0%
Inventory	1.4	1.1	1.1	0.5	1.4	0.6	2.5	0.6	45.6%
Receivables and prepayments	15.8	140.3	14.8	94.7	15.3	77.9	12.6	77.8	668.1%
Cash and cash equivalents	12.6	17.8	12.0	36.9	11.1	42.3	10.3	42.3	302.8%
Total assets	99.4	506.2	99.5	522.9	230.6	500.1	336.8	516.4	266.9%
Accumulated surplus/(deficit)	5.8	365.6	5.8	395.4	112.9	394.9	226.9	411.2	445.9%
Trade and other payables	71.0	105.1	71.2	93.7	75.2	68.2	71.5	68.2	116.1%
Provisions	22.5	35.5	22.5	33.8	42.5	37.0	38.4	37.0	113.6%
Total equity and liabilities	99.4	506.2	99.5	522.9	230.6	500.1	336.8	516.4	266.9%

Statements of estimates of financial performance and position

Table 7.27 Government Pensions Administration Agency statements of estimates of financial performance and position

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22		
Revenue									
Non-tax revenue	1 135.2	6.2%	100.0%	1 142.5	1 266.6	1 339.2	5.7%	100.0%	
Sale of goods and services other than capital assets	1 135.2	6.2%	99.8%	1 142.5	1 266.6	1 339.2	5.7%	100.0%	
<i>of which:</i>									
Administrative fees	1 135.2	6.2%	99.8%	1 142.5	1 266.6	1 339.2	5.7%	100.0%	
Total revenue	1 135.2	6.2%	100.0%	1 142.5	1 266.6	1 339.2	5.7%	100.0%	
Expenses									
Current expenses	1 133.4	9.5%	100.0%	1 036.2	1 124.6	1 186.7	1.5%	100.0%	
Compensation of employees	470.0	2.7%	47.8%	499.4	516.7	547.4	5.2%	45.4%	
Goods and services	605.6	15.2%	45.6%	483.5	587.4	617.8	0.7%	51.1%	
Depreciation	57.8	19.5%	6.6%	53.2	20.5	21.6	-28.0%	3.5%	
Total expenses	1 133.4	9.5%	100.0%	1 036.2	1 124.6	1 186.7	1.5%	100.0%	
Surplus/(Deficit)	2.0			106.0	142.0	152.0			
Statement of financial position									
Carrying value of assets	395.7	4.5%	73.9%	395.7	395.7	395.7	-	76.6%	
<i>of which:</i>									
Acquisition of assets	(69.3)	-19.2%	-18.5%	(64.9)	(46.2)	(21.6)	-32.2%	-9.8%	
Inventory	0.6	-18.4%	0.1%	0.6	0.6	0.6	-	0.1%	
Receivables and prepayments	77.8	-17.8%	19.1%	77.8	77.8	77.8	-	15.1%	
Cash and cash equivalents	42.3	33.5%	6.8%	42.3	42.3	42.3	-	8.2%	
Total assets	516.4	0.7%	100.0%	516.4	516.4	516.4	-	100.0%	
Accumulated surplus/(deficit)	411.2	4.0%	76.6%	411.2	411.2	411.2	-	79.6%	
Trade and other payables	68.2	-13.4%	16.4%	68.2	68.2	68.2	-	13.2%	
Provisions	37.0	1.4%	7.0%	37.0	37.0	37.0	-	7.2%	
Total equity and liabilities	516.4	0.7%	100.0%	516.4	516.4	516.4	-	100.0%	

Personnel information

Table 7.28 Government Pensions Administration Agency personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019			Number and cost ¹ of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/Total (%)			
			2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost
Government Pensions Administration Agency			1 047	481.0	0.5	1 047	470.0	0.4	1 047	499.4	0.5	1 047	516.7	0.5	1 047	547.4	0.5	5.2%	100.0%
Salary level	1 136	1 136	1 047	481.0	0.5	1 047	470.0	0.4	1 047	499.4	0.5	1 047	516.7	0.5	1 047	547.4	0.5	5.2%	100.0%
1 – 6	632	632	581	213.7	0.4	581	171.3	0.3	581	180.3	0.3	581	185.3	0.3	581	192.6	0.3	4.0%	55.5%
7 – 10	362	362	346	142.7	0.4	346	160.1	0.5	346	175.2	0.5	346	180.6	0.5	346	196.4	0.6	7.1%	33.0%
11 – 12	92	92	78	78.1	1.0	78	80.8	1.0	78	82.6	1.1	78	86.7	1.1	78	91.1	1.2	4.1%	7.4%
13 – 16	50	50	42	46.5	1.1	42	57.9	1.4	42	61.4	1.5	42	64.1	1.5	42	67.3	1.6	5.2%	4.0%

1. Rand million.

Land and Agricultural Development Bank of South Africa

Mandate

The Land and Agricultural Development Bank of South Africa operates in the primary agriculture and agri-business sectors, and is regulated by the Land and Agricultural Development Bank Act (2002) and the Public Finance Management Act (1999). As a development finance institution, its mandate is to address agricultural and rural development in South Africa.

Selected performance indicators

Table 7.29 Land and Agricultural Development Bank of South Africa performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Cost-to-income ratio	Administration	Outcome 7: Comprehensive rural development and land reform	56% (R677.9m/R1.2bn)	54.4% (R564m/R1bn)	60.5% (R628.7m/R1bn)	54.9%	52.7%	53.2%	53.2%
Capital adequacy ratio	Administration		34%	18%	17%	16%	16%	16%	16%
Value of development loan book disbursements	Administration		R700m	R2.2bn	R1.6bn	R1bn	R1.4bn	R1.8bn	R2bn
Value of business and corporate banking loans	Corporate banking		R34.4m	R36.1m	R35m	R36.1m	R37.8m	R40m	R42.3m
Value of development loan book disbursements	Corporate banking		R370m	R388.4m	R408m	R428.6m	R428.6m	R452.1m	R465m
Value of commercial development banking	Commercial development banking		- ¹	- ¹	- ¹	R8.2bn	R8.4bn	R8.7bn	R9bn

1. No historical data available.

Expenditure analysis

In its ongoing effort to facilitate the entry of a generation of black agri-entrepreneurs into the sector, over the medium term, the Land and Agricultural Development Bank of South Africa will focus on growing its loan book and, in doing so: create appropriate equity investment structures and opportunities, enable existing farmers to undertake transformational projects to grow their enterprises, increase funding for agro-processing, and continue to help small agri-businesses access supplier and enterprise development programmes to expand their operations.

The bank expects to continue to grow its loan book in line with its balance sheet capacity, thereby ensuring that the quality of loans is maintained. As such, total gross loans are projected to increase from R45.6 billion in 2018/19 to R51 billion in 2021/22.

Total expenditure is expected to increase at an average annual rate of 3.6 per cent, from R4.7 billion in 2018/19 to R5.2 billion in 2021/22. Interest expenses related to funding liabilities are expected to increase at an average annual rate of 3.8 per cent, from R3.6 billion in 2018/19 to R4 billion in 2021/22. With the implementation of a new organisational structure, the bank's number of personnel is expected to decrease from 455 in 2018/19 to

425 in 2021/22. However, spending on compensation of employees is expected to increase at an average annual rate of 7 per cent, from R396.8 million in 2018/19 to R486.2 million in 2021/22, due to cost of living adjustments and increases in salaries as a result of promotions.

Interest income, which accounts for an estimated 97.4 per cent of the bank's revenue, is expected to increase at an average annual rate of 4.2 per cent, from R4.8 billion in 2018/19 to R5.4 billion in 2021/22, in line with projected growth in the loan book.

Programmes/Objectives/Activities

Table 7.30 Land and Agricultural Development Bank of South Africa expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average Expenditure/Total (%) 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average Expenditure/Total (%) 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	566.0	576.4	628.7	618.1	3.0%	14.2%	640.1	669.5	708.5	4.7%	13.4%
Corporate banking	2 507.0	2 867.8	1 309.0	1 139.0	-23.1%	48.4%	1 201.0	1 242.3	1 314.8	4.9%	24.9%
Commercial development banking	489.9	570.6	2 816.5	2 911.0	81.1%	37.4%	2 970.1	3 049.3	3 166.8	2.8%	61.6%
Total	3 562.8	4 014.8	4 754.2	4 668.1	9.4%	100.0%	4 811.2	4 961.1	5 190.1	3.6%	100.0%

Statements of historical financial performance and position

Table 7.31 Land and Agricultural Development Bank of South Africa statements of historical financial performance and position

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%) 2015/16 - 2018/19
	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19		
Revenue									
Non-tax revenue	3 636.9	3 634.6	4 150.5	4 320.6	4 886.3	4 936.5	5 101.8	4 891.2	100.0%
Sale of goods and services other than capital assets	15.8	59.4	123.9	69.9	104.3	89.0	116.4	109.7	91.0%
<i>of which:</i>									
Administrative fees	–	42.1	111.6	39.6	81.5	55.5	93.6	80.9	76.1%
Sales by market establishment	15.8	17.3	12.3	30.3	22.9	33.5	22.9	28.9	149.0%
Other non-tax revenue	3 621.1	3 575.2	4 026.6	4 250.6	4 782.0	4 847.5	4 985.4	4 781.4	100.2%
Total revenue	3 636.9	3 634.6	4 150.5	4 320.6	4 886.3	4 936.5	5 101.8	4 891.2	100.0%
Expenses									
Current expenses	3 116.0	3 508.5	3 876.5	3 945.9	4 571.8	4 685.2	4 769.5	4 589.7	102.4%
Compensation of employees	351.8	318.0	404.3	331.9	394.0	341.6	424.7	396.8	88.2%
Goods and services	264.8	692.8	663.8	575.3	463.3	564.3	502.9	595.4	128.1%
Depreciation	12.1	15.0	9.8	9.8	22.8	22.8	16.7	16.7	104.7%
Interest, dividends and rent on land	2 487.3	2 482.7	2 798.6	3 028.9	3 691.8	3 756.5	3 825.2	3 580.7	100.4%
Total expenses	3 162.2	3 562.8	3 922.3	4 014.8	4 641.9	4 754.2	4 842.5	4 668.1	102.6%
Surplus/(Deficit)	475.0	72.0	228.0	306.0	244.0	182.0	259.0	223.0	
Statement of financial position									
Carrying value of assets	213.9	224.7	253.4	240.1	258.8	369.5	245.6	251.1	111.7%
<i>of which:</i>									
Acquisition of assets	(5.8)	(5.8)	(51.1)	(24.5)	(2.5)	(1.7)	(1.2)	(1.2)	54.7%
Investments	440.5	572.5	612.2	1 328.9	1 365.8	1 572.5	1 906.8	2 485.8	137.8%
Receivables and prepayments	40 068.4	36 834.0	41 800.0	40 975.6	39 645.8	43 418.5	40 840.9	41 995.3	100.5%
Cash and cash equivalents	1 400.0	2 120.6	1 842.9	1 211.3	3 031.9	2 362.1	2 897.2	3 418.9	99.4%
Non-current assets held for sale	53.6	47.6	50.0	48.0	49.6	10.1	49.6	–	52.1%
Derivatives financial instruments	–	–	–	15.1	–	–	–	–	–
Total assets	42 176.3	39 799.5	44 558.5	43 819.0	44 352.0	47 732.6	45 940.2	48 151.2	101.4%
Accumulated surplus/(deficit)	1 923.0	3 157.1	3 427.3	3 460.5	4 402.9	3 679.3	4 804.0	3 960.2	97.9%
Capital and reserves	134.8	135.1	134.8	137.5	134.8	101.0	134.8	101.0	88.0%
Capital reserve fund	4 397.7	1 766.6	1 766.6	1 766.6	1 766.6	1 766.6	833.3	1 766.6	80.6%
Borrowings	6 940.2	4 661.3	7 750.0	5 162.3	6 800.0	5 820.7	7 845.3	6 250.3	74.6%
Trade and other payables	365.4	188.2	201.4	164.0	343.0	160.7	354.5	324.0	66.2%
Provisions	742.0	528.4	535.2	445.3	537.8	448.7	587.4	596.1	84.0%
Derivatives financial instruments	27 673.4	29 362.8	30 743.3	32 682.8	30 366.8	35 755.6	31 381.0	35 153.0	110.6%
Total equity and liabilities	42 176.3	39 799.5	44 558.5	43 819.0	44 352.0	47 732.6	45 940.2	48 151.2	101.4%

Statements of estimates of financial performance and position

Table 7.32 Land and Agricultural Development Bank of South Africa statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
R million								
Revenue								
Non-tax revenue	4 891.2	10.4%	100.0%	5 055.4	5 267.6	5 550.7	4.3%	100.0%
Sale of goods and services other than capital assets	109.7	22.7%	1.8%	128.4	140.2	143.8	9.4%	2.5%
of which:								
Administrative fees	80.9	24.3%	1.2%	97.3	106.8	107.9	10.1%	1.9%
Sales by market establishment	28.9	18.7%	0.6%	31.1	33.4	35.9	7.5%	0.6%
Other non-tax revenue	4 781.4	10.2%	98.2%	4 927.1	5 127.4	5 406.9	4.2%	97.5%
Total revenue	4 891.2	10.4%	100.0%	5 055.4	5 267.6	5 550.7	4.3%	100.0%
Expenses								
Current expenses	4 589.7	9.4%	98.4%	4 729.1	4 874.1	5 098.0	3.6%	98.3%
Compensation of employees	396.8	7.7%	8.2%	424.6	454.4	486.2	7.0%	9.0%
Goods and services	595.4	-4.9%	14.6%	616.1	642.2	603.5	0.4%	12.5%
Depreciation	16.7	3.6%	0.4%	12.4	-	-	-100.0%	0.2%
Interest, dividends and rent on land	3 580.7	13.0%	75.2%	3 676.0	3 777.6	4 008.3	3.8%	76.6%
Total expenses	4 668.1	9.4%	100.0%	4 811.2	4 961.1	5 190.1	3.6%	100.0%
Surplus/(Deficit)	223.0			244.0	307.0	361.0		
Statement of financial position								
Carrying value of assets	251.1	3.8%	0.6%	259.5	269.8	282.0	3.9%	0.5%
of which:								
Acquisition of assets	(1.2)	-41.3%	-0.0%	(0.9)	(0.9)	(0.9)	-7.4%	-0.0%
Investments	2 485.8	63.1%	3.2%	3 100.0	3 190.9	3 273.0	9.6%	5.9%
Receivables and prepayments	41 995.3	4.5%	91.1%	44 963.6	46 408.0	47 885.1	4.5%	89.6%
Cash and cash equivalents	3 418.9	17.3%	5.0%	710.9	1 948.6	1 900.0	-17.8%	4.0%
Total assets	48 151.2	6.6%	100.0%	49 034.0	51 817.4	53 340.1	3.5%	100.0%
Accumulated surplus/(deficit)	3 960.2	7.8%	7.9%	4 352.9	4 818.5	5 327.2	10.4%	9.1%
Capital and reserves	101.0	-9.2%	0.3%	101.0	101.0	101.0	-	0.2%
Capital reserve fund	1 766.6	-	4.0%	1 766.6	1 766.6	1 766.6	-	3.5%
Borrowings	6 250.3	10.3%	12.2%	5 518.0	5 696.4	5 702.6	-3.0%	11.5%
Trade and other payables	324.0	19.9%	0.5%	328.6	347.7	356.5	3.2%	0.7%
Provisions	596.1	4.1%	1.1%	646.6	693.8	745.1	7.7%	1.3%
Derivatives financial instruments	35 153.0	6.2%	74.1%	36 320.3	38 393.4	39 341.2	3.8%	73.7%
Total equity and liabilities	48 151.2	6.6%	100.0%	49 034.0	51 817.4	53 340.1	3.5%	100.0%

Personnel information

Table 7.33 Land and Agricultural Development Bank of South Africa personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019		Number and cost ¹ of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18	2018/19	2019/20	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22										
Land and Agricultural Development Bank of South Africa																			
Salary level	455	455	411	341.6	0.8	455	396.8	0.9	425	424.6	1.0	425	454.4	1.1	425	486.2	1.1	7.0%	100.0%
1-6	33	33	33	5.2	0.2	33	5.4	0.2	33	5.8	0.2	33	6.2	0.2	33	6.6	0.2	7.1%	7.6%
7-10	308	308	274	189.1	0.7	308	218.4	0.7	288	233.8	0.8	288	250.4	0.9	288	268.1	0.9	7.1%	67.7%
13-16	105	105	95	121.5	1.3	105	144.2	1.4	95	154.4	1.6	95	165.3	1.7	95	177.0	1.9	7.1%	22.5%
17-22	9	9	9	25.8	2.9	9	28.9	3.2	9	30.6	3.4	9	32.5	3.6	9	34.4	3.8	6.0%	2.1%

1. Rand million.

Public Investment Corporation

Mandate

The Public Investment Corporation was established by the Public Investment Corporation Act (2004). The corporation is a registered financial services provider, wholly owned by government, with the Minister of Finance as shareholder representative. The corporation is mandated to invest funds on behalf of its clients based on the investment mandates, as agreed on with each client and approved by the Financial Services Board. The corporation's clients are public entities, most of which are pension, provident, social security, development and guardian funds.

Selected performance indicators

Table 7.34 Public Investment Corporation performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Value of net profit after tax per year	Investments	Outcome 11: Create a better South Africa, a better Africa and a better world	R424m	R533m	R417m	R388m	R427m	R451m	R254m
Total amount of funds under management	Investments		R1.7tr	R1.9tr	R2.1tr	R2.1tr	R2.3tr	R2.4tr	R2.6tr
Percentage contribution of assets under management towards education, housing, health, infrastructure and environmental sustainability per year	Investments		2.5% (R63.7bn)	2.5% (R46bn)	2.6% (R48.6bn)	-1	-1	-1	-1
Percentage increase in African and offshore investment portfolios per year	Investments		15.7% (R16.9bn)	13.8% (R14.9bn)	14.5% (R15.6bn)	-1	-1	-1	-1
Amounts committed towards BEE development property investments (new developments, refurbishments and upgrades, and rural development investment) per year	Investments	Outcome 4: Decent employment through inclusive growth	R2bn	R2bn	R2bn	-1	-1	-1	-1

1. Indicator discontinued.

Expenditure analysis

The Public Investment Corporation makes investments through the Isibaya Fund under the guidance of the Government Employees Pension Fund's developmental investment framework. This requires the corporation to find a balance between financial returns, and support for long-term economic, social and environmental outcomes. The corporation's developmental investments are focused on economic and social infrastructure; sustainability projects; enterprise development; and SMMEs in the manufacturing, tourism, mining and agro-processing sectors. Over the medium term, the corporation plans to commit R9 billion towards development property investments, including new developments, refurbishments and upgrades, and rural development investments. The value of African and offshore investments is expected to increase to R15.6 billion in 2017/18, while contributions to education, health, housing, infrastructure and environmental sustainability, SMMEs, and investments in priority sectors and transformation are expected to amount to R10 billion per year over the medium term.

As the corporation intensifies its investment activities, the value of assets under management is expected to increase from R2.1 trillion in 2018/19 to R2.6 trillion in 2021/22. This necessitates the appointment of additional asset managers to strengthen capacity. As such, spending on compensation of employees is expected to increase at an average annual rate of 8.8 per cent, from R762.9 million in 2018/19 to R981.9 million in 2021/22. Spending on compensation of employees accounts for a projected 63.5 per cent (R2.7 billion) of total expenditure, which is expected to increase at an average annual rate of 9.1 per cent, from R1.2 billion in 2018/19 to R1.5 billion in 2021/22.

The corporation derives its revenue mainly from fees for managing its clients' assets, including the Government Employees Pension Fund, and from interest received, board fees, and other income. Revenue is expected to increase at an average annual rate of 6.2 per cent, from R1.5 billion in 2018/19 to R1.8 billion in 2021/22, mainly due to an anticipated increase in management fees, growth in the equities portfolio, and an increase in assets under management for the consumer price index.

Programmes/Objectives/Activities

Table 7.35 Public Investment Corporation expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%) 2015/16 - 2018/19	Medium-term expenditure estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%) 2018/19 - 2021/22
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	325.1	430.3	439.7	503.7	15.7%	45.7%	542.0	581.1	629.4	7.7%	41.4%
Investments	399.1	368.9	625.5	678.2	19.3%	54.3%	780.0	831.2	905.7	10.1%	58.6%
Total	724.2	799.3	1 065.2	1 182.0	17.7%	100.0%	1 322.1	1 412.4	1 535.0	9.1%	100.0%

Statements of historical financial performance and position

Table 7.36 Public Investment Corporation statements of historical financial performance and position

Statement of financial performance									
R million	2015/16		2016/17		2017/18		2018/19		Average: Outcome/Budget (%) 2015/16 - 2018/19
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
Revenue									
Non-tax revenue	1 186.7	1 147.9	1 481.2	1 331.7	1 545.8	1 482.3	1 575.5	1 495.7	94.3%
Sale of goods and services other than capital assets	1 088.7	1 010.7	1 367.3	1 112.9	1 425.0	1 224.5	1 447.5	1 288.1	87.0%
<i>of which:</i>									
<i>Sales by market establishment</i>	<i>1 088.7</i>	<i>1 010.7</i>	<i>1 367.3</i>	<i>1 112.9</i>	<i>1 425.0</i>	<i>1 224.5</i>	<i>1 447.5</i>	<i>1 288.1</i>	<i>87.0%</i>
Other non-tax revenue	98.0	137.2	113.9	218.9	120.8	257.9	128.0	207.6	178.3%
Total revenue	1 186.7	1 147.9	1 481.2	1 331.7	1 545.8	1 482.3	1 575.5	1 495.7	94.3%
Expenses									
Current expenses	874.2	563.2	973.1	611.9	1 080.7	887.7	1 116.1	1 078.1	77.7%
Compensation of employees	598.8	411.1	694.9	440.3	728.1	548.9	761.6	762.9	77.7%
Goods and services	252.6	129.3	248.5	161.1	319.9	319.1	320.3	300.2	79.7%
Depreciation	22.8	22.8	29.6	10.5	32.7	19.7	34.2	15.0	57.0%
Total expenses	934.8	724.2	1 066.3	799.3	1 162.0	1 065.2	1 248.1	1 182.0	85.5%
Surplus/(Deficit)	252.0	424.0	415.0	532.0	384.0	417.0	327.0	314.0	
Statement of financial position									
Carrying value of assets	97.5	19.1	122.5	69.1	96.9	98.8	101.3	173.1	86.1%
<i>of which:</i>									
<i>Acquisition of assets</i>	<i>(56.0)</i>	<i>(5.1)</i>	<i>(49.9)</i>	<i>(6.4)</i>	<i>(56.6)</i>	<i>(104.1)</i>	<i>(59.2)</i>	<i>(101.5)</i>	<i>98.0%</i>
Investments	1 058.3	1 238.3	1 183.7	2 006.0	1 254.3	2 350.5	1 312.0	2 813.3	174.9%
Receivables and prepayments	105.8	122.2	112.1	79.5	118.8	95.6	124.3	267.6	122.5%
Cash and cash equivalents	465.2	605.5	561.4	403.2	732.7	299.8	766.4	305.6	63.9%
Taxation	7.2	89.8	7.6	107.9	8.0	100.2	8.4	87.9	1 237.0%
Total assets	1 734.0	2 075.0	1 987.3	2 665.7	2 210.8	2 944.9	2 312.5	3 647.6	137.5%
Accumulated surplus/(deficit)	1 227.6	1 309.6	1 467.4	1 666.3	1 676.5	1 890.4	1 753.6	2 189.2	115.2%
Capital and reserves	279.8	397.4	279.8	553.7	279.8	680.8	292.7	931.9	226.4%
Finance lease	0.0	0.6	0.0	0.7	0.0	1.2	0.0	1.6	4 346.3%
Trade and other payables	30.3	51.2	32.2	105.4	34.1	41.8	35.6	73.4	205.6%
Taxation	-	4.6	-	-	-	-	-	94.3	-
Provisions	196.1	311.6	207.9	339.6	220.4	330.7	230.5	357.2	156.6%
Total equity and liabilities	1 734.0	2 075.0	1 987.3	2 665.7	2 210.8	2 944.9	2 312.5	3 647.6	137.5%

Statements of estimates of financial performance and position

Table 7.37 Public Investment Corporation statements of estimates of financial performance and position

Statement of financial performance									
R million	Revised estimate 2018/19	Average growth rate (%) 2015/16 - 2018/19	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%) 2018/19 - 2021/22	Average: Expenditure/Total (%)	
				2019/20	2020/21	2021/22			
Revenue									
Non-tax revenue	1 495.7	9.2%	100.0%	1 632.5	1 652.2	1 789.3	6.2%	100.0%	
Sale of goods and services other than capital assets	1 288.1	8.4%	85.1%	1 404.5	1 409.9	1 527.0	5.8%	85.7%	
<i>of which:</i>									
<i>Sales by market establishment</i>	<i>1 288.1</i>	<i>8.4%</i>	<i>85.1%</i>	<i>1 404.5</i>	<i>1 409.9</i>	<i>1 527.0</i>	<i>5.8%</i>	<i>85.7%</i>	
Other non-tax revenue	207.6	14.8%	14.9%	228.0	242.2	262.4	8.1%	14.3%	
Total revenue	1 495.7	9.2%	100.0%	1 632.5	1 652.2	1 789.3	6.2%	100.0%	
Expenses									
Current expenses	1 078.1	24.2%	82.2%	1 201.3	1 321.0	1 436.1	10.0%	92.3%	
Compensation of employees	762.9	22.9%	57.0%	811.1	906.7	981.9	8.8%	63.5%	
Goods and services	300.2	32.4%	23.3%	374.3	397.4	435.8	13.2%	27.6%	
Depreciation	15.0	-13.0%	1.9%	15.9	16.9	18.3	6.9%	1.2%	
Total expenses	1 182.0	17.7%	100.0%	1 322.1	1 412.4	1 535.0	9.1%	100.0%	
Surplus/(Deficit)	314.0			310.0	240.0	254.0			
Statement of financial position									
Carrying value of assets	173.1	108.6%	2.9%	286.3	295.7	306.0	20.9%	6.4%	
<i>of which:</i>									
<i>Acquisition of assets</i>	<i>(101.5)</i>	<i>171.6%</i>	<i>-1.7%</i>	<i>(24.7)</i>	<i>(21.5)</i>	<i>(23.2)</i>	<i>-38.8%</i>	<i>-1.1%</i>	
Investments	2 813.3	31.5%	73.0%	2 982.1	3 160.6	3 350.3	6.0%	75.0%	
Receivables and prepayments	267.6	29.9%	4.9%	283.7	299.8	315.9	5.7%	7.1%	
Cash and cash equivalents	305.6	-20.4%	15.7%	514.4	444.4	243.8	-7.3%	9.2%	
Taxation	87.9	-0.7%	3.5%	93.1	98.7	104.7	6.0%	2.3%	
Total assets	3 647.6	20.7%	100.0%	4 159.6	4 299.3	4 320.6	5.8%	100.0%	
Accumulated surplus/(deficit)	2 189.2	18.7%	62.5%	2 196.3	2 218.1	2 120.7	-1.1%	53.4%	
Capital and reserves	931.9	32.9%	22.1%	1 438.7	1 525.0	1 616.5	20.2%	33.3%	
Finance lease	1.6	38.6%	0.0%	0.3	0.3	0.3	-40.2%	0.0%	
Trade and other payables	73.4	12.7%	2.5%	46.0	48.7	51.7	-11.0%	1.4%	
Taxation	94.3	173.9%	0.7%	99.9	105.9	106.2	4.0%	2.5%	
Provisions	357.2	4.7%	12.2%	378.4	401.1	425.2	6.0%	9.5%	
Total equity and liabilities	3 647.6	20.7%	100.0%	4 159.6	4 299.3	4 320.6	5.8%	100.0%	

Personnel information

Table 7.38 Public Investment Corporation personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019		Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number			
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/Total (%)		
		2017/18		Unit cost	2018/19		Unit cost	2019/20			2020/21			2021/22					2018/19 - 2021/22	
Public Investment Corporation	Salary level	Number	Cost		Unit cost	Number		Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
		394	394	367	549.0	1.5	394	762.9	1.9	370	811.1	2.2	370	906.7	2.5	370	981.9	2.7	8.8%	100.0%
1-6	13	13	13	2.1	0.2	13	5.1	0.4	13	3.2	0.2	13	3.6	0.3	13	3.9	0.3	-8.5%	3.5%	
7-10	164	164	155	73.4	0.5	164	210.4	1.3	155	221.0	1.4	155	251.0	1.6	155	273.9	1.8	9.2%	41.8%	
11-12	50	50	47	73.2	1.6	50	50.2	1.0	50	61.5	1.2	50	69.8	1.4	50	76.2	1.5	15.0%	13.3%	
13-16	129	129	114	242.8	2.1	129	306.0	2.4	114	350.0	3.1	114	397.5	3.5	114	433.8	3.8	12.3%	31.3%	
17-22	38	38	38	157.4	4.1	38	191.2	5.0	38	175.4	4.6	38	184.8	4.9	38	194.2	5.1	0.5%	10.1%	

1. Rand million.

South African Revenue Service

Mandate

In terms of the South African Revenue Service Act (1997), the South African Revenue Service is mandated to collect all revenues due to the state and administer trade to support government in meeting its key growth developmental objectives. This involves facilitating legitimate trade, protecting South African ports of entry, and eliminating illegal trade and tax evasion. The organisation's purpose is to contribute to the economic and social development of the country by collecting the resources needed by government to meet its policy and delivery priorities.

Selected performance indicators

Table 7.39 South African Revenue Service performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Percentage of compliance of personal income tax filing per year	Business and individual tax	Outcome 12: An efficient, effective and development-oriented public service	92% (R4.2m/R4.6m)	91.5% (R5.2m/R5.7m)	94% (R5.3m/R5.6m)	92%	92%	92%	92%
Percentage uptake of personal income tax eFiling channel per year	Digital information services and technology		- ¹	53% (R2.5m/R4.7m)	52% (R2.5m/R4.8m)	52%	53%	53%	53%

1. No historical data available.

Expenditure analysis

Over the medium term, the South African Revenue Service will continue to focus on providing government with more than 90 per cent of the revenue it requires to meet its objectives. It aims to do this by improving systems to encourage the use of eFiling and improve the experience of taxpayers, monitoring taxpayer compliance, and optimising tax collections. Accordingly, over the MTEF period, the modernisation of the revenue service's IT infrastructure is expected to result in savings on future maintenance costs and help it keep pace with the evolving tax and customs legislative environment. Modernised IT infrastructure is expected to lead to changes in compliance behaviour, and will be designed to be responsive to the needs and expectations of taxpayers.

The number of personnel is expected to decrease from 13 985 in 2018/19 to 13 333 in 2021/22 due to natural attrition. The revenue service requires a diverse skill set to expand its footprint, improve compliance and revenue collection, and drive focused initiatives. As such, through stringent cost containment measures and reprioritisation within the operational budget, the organisation plans to fill critical vacancies and recruit scarce skills in key areas. Accordingly, spending on compensation of employees is expected to increase at an average annual rate of 5.8 per cent, from R7.4 billion in 2018/19 to R8.8 billion in 2021/22.

Total expenditure is expected to increase at an average annual rate of 4 per cent, from R10.9 billion in 2018/19 to R12.3 billion in 2021/22. Total revenue is expected to increase at an average annual rate of 5.2 per cent, from R9.4 billion in 2018/19 to R11 billion in 2021/22. The revenue service expects to receive R30.3 billion in transfers from National Treasury, comprising an estimated 97 per cent of total revenue.

Programmes/Objectives/Activities

Table 7.40 South African Revenue Service expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21		
Administration	4 426.2	4 500.6	4 501.7	4 510.5	0.6%	42.0%	4 593.3	4 657.7	4 811.8	2.2%	40.3%
Business and individual tax enforcement	1 596.4	1 775.8	2 306.9	2 254.6	12.2%	18.5%	2 320.8	2 459.7	2 606.9	5.0%	20.9%
Customs and excise	1 691.6	1 647.5	1 291.9	1 376.3	-6.6%	14.1%	1 454.1	1 541.0	1 633.0	5.9%	13.0%
Digital information services and technology	1 070.8	1 190.1	1 275.7	1 277.2	6.1%	11.3%	1 349.3	1 430.3	1 516.3	5.9%	12.1%
Projects	1 166.5	1 278.6	1 306.5	1 319.6	4.2%	11.9%	1 422.8	1 536.4	1 659.6	7.9%	12.9%
Office of the tax ombud	252.9	258.7	62.6	146.7	-16.6%	1.7%	–	–	–	-100.0%	0.3%
African Tax Administration Forum	25.2	29.4	33.9	45.8	22.1%	0.3%	48.5	51.4	54.5	5.9%	0.4%
Davis tax committee	13.1	13.6	14.5	12.1	-2.6%	0.1%	12.8	13.5	14.2	5.4%	0.1%
South African Revenue Service advisory board	2.9	1.7	1.1	0.0	-81.6%	0.0%	0.0	0.0	0.0	5.4%	0.0%
	1.0	0.0	–	–	-100.0%	0.0%	–	–	–	–	–
Total	10 246.6	10 696.0	10 794.9	10 942.9	2.2%	100.0%	11 201.5	11 689.9	12 296.4	4.0%	100.0%

Statements of historical financial performance and position

Table 7.41 South African Revenue Service statements of historical financial performance and position

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
Revenue									
Non-tax revenue	473.9	565.0	535.6	1 185.4	469.2	548.6	307.8	427.8	152.6%
Sale of goods and services other than capital assets	297.4	320.5	305.6	925.1	308.6	346.3	307.8	307.8	155.8%
<i>of which:</i>									
Administrative fees	297.4	320.5	305.6	925.1	308.6	346.3	307.8	307.8	155.8%
Other non-tax revenue	176.4	244.5	230.0	260.2	160.6	202.3	–	120.0	145.9%
Transfers received	9 334.4	9 334.4	9 363.7	10 009.2	10 218.2	10 218.2	9 007.2	9 007.2	101.7%
Total revenue	9 808.3	9 899.4	9 899.3	11 194.5	10 687.4	10 766.8	9 315.0	9 435.0	104.0%
Expenses									
Current expenses	10 740.0	10 246.6	11 317.6	10 696.0	11 711.9	10 794.9	10 764.1	10 942.9	95.8%
Compensation of employees	6 718.8	6 742.9	7 285.7	7 174.5	7 731.2	7 433.0	7 380.6	7 381.7	98.7%
Goods and services	3 383.1	2 883.2	3 299.7	2 993.8	3 340.2	2 768.9	2 811.3	2 985.7	90.6%
Depreciation	633.3	615.8	729.5	524.4	637.3	589.0	569.8	575.3	89.7%
Interest, dividends and rent on land	4.8	4.7	2.7	3.2	3.2	4.0	2.5	0.2	91.3%
Total expenses	10 740.0	10 246.6	11 317.6	10 696.0	11 711.9	10 794.9	10 764.1	10 942.9	95.8%
Surplus/(Deficit)	(932.0)	(347.0)	(1 418.0)	499.0	(1 025.0)	(28.0)	(1 449.0)	(1 508.0)	
Statement of financial position									
Carrying value of assets	3 830.0	2 586.4	3 561.5	3 229.6	3 421.5	3 144.5	2 949.7	3 539.6	90.8%
<i>of which:</i>									
Acquisition of assets	(1 750.4)	(487.1)	(1 704.7)	(1 238.6)	(829.2)	(539.2)	(97.9)	(970.4)	73.8%
Inventory	–	–	–	–	–	38.3	–	38.3	–
Loans	71.0	80.5	70.5	80.5	70.5	42.2	60.5	2.2	75.4%
Accrued investment interest	41.3	5.5	15.7	–	–	–	–	–	9.6%
Receivables and prepayments	131.5	143.0	135.7	129.7	132.7	260.4	136.2	262.0	148.3%
Cash and cash equivalents	1 228.6	3 370.2	955.7	2 454.2	1 116.5	2 476.6	159.2	92.8	242.6%
Total assets	5 302.4	6 185.5	4 739.1	5 894.1	4 741.3	5 962.0	3 305.7	3 935.0	121.5%
Accumulated surplus/(deficit)	3 683.6	4 272.5	2 854.2	3 148.3	2 123.8	3 120.3	1 651.9	2 589.8	127.3%
Capital and reserves	397.6	224.2	224.5	262.2	433.0	324.6	433.0	326.3	76.4%
Finance lease	12.3	13.1	11.8	13.8	7.3	26.3	2.2	26.3	236.8%
Deferred income	–	0.3	–	977.5	977.2	977.4	–	–	200.1%
Trade and other payables	591.0	922.3	847.6	732.6	334.3	806.2	703.4	728.7	128.8%
Provisions	617.9	753.0	800.9	759.8	865.7	707.1	515.2	263.9	88.7%
Total equity and liabilities	5 302.4	6 185.5	4 739.1	5 894.1	4 741.3	5 962.0	3 305.7	3 935.0	121.5%

Statements of estimates of financial performance and position

Table 7.42 South African Revenue Service statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate				2019/20	2020/21	2021/22	2018/19 - 2021/22	
R million	2018/19	2015/16 - 2018/19						
Revenue								
Non-tax revenue	427.8	-8.9%	6.5%	312.2	315.3	318.5	-9.4%	3.4%
Sale of goods and services other than capital assets	307.8	-1.3%	4.5%	312.2	315.3	318.5	1.1%	3.1%
of which:								
Administrative fees	307.8	-1.3%	4.5%	312.2	315.3	318.5	1.1%	3.1%
Other non-tax revenue	120.0	-21.1%	2.0%	-	-	-	-100.0%	0.3%
Transfers received	9 007.2	-1.2%	93.5%	9 529.0	10 110.0	10 673.1	5.8%	96.6%
Total revenue	9 435.0	-1.6%	100.0%	9 841.2	10 425.3	10 991.6	5.2%	100.0%
Expenses								
Current expenses	10 942.9	2.2%	100.0%	11 201.5	11 689.9	12 296.4	4.0%	100.0%
Compensation of employees	7 381.7	3.1%	67.3%	7 787.6	8 254.8	8 750.1	5.8%	69.7%
Goods and services	2 985.7	1.2%	27.3%	2 861.7	3 017.5	3 215.8	2.5%	26.2%
Depreciation	575.3	-2.2%	5.4%	552.0	417.3	330.2	-16.9%	4.1%
Interest, dividends and rent on land	0.2	-65.0%	0.0%	0.2	0.2	0.2	5.4%	0.0%
Total expenses	10 942.9	2.2%	100.0%	11 201.5	11 689.9	12 296.4	4.0%	100.0%
Surplus/(Deficit)	(1 508.0)			(1 360.0)	(1 265.0)	(1 305.0)		
Statement of financial position								
Carrying value of assets	3 539.6	11.0%	59.8%	2 987.7	2 570.3	2 240.1	-14.1%	1 886.8%
of which:								
Acquisition of assets	(970.4)	25.8%	-15.6%	-	-	-	-100.0%	-6.2%
Inventory	38.3	-	0.4%	38.3	38.3	38.3	-	31.9%
Loans	2.2	-69.8%	0.9%	2.2	2.2	2.2	-	1.8%
Receivables and prepayments	262.0	22.4%	3.9%	265.5	265.5	267.9	0.7%	222.9%
Cash and cash equivalents	92.8	-69.8%	35.0%	(762.3)	(1 582.4)	(2 517.2)	-400.5%	-2 043.5%
Total assets	3 935.0	-14.0%	100.0%	2 531.4	1 294.0	31.4	-80.0%	100.0%
Accumulated surplus/(deficit)	2 589.8	-15.4%	60.2%	1 229.5	(35.0)	(1 339.9)	-180.3%	-1 039.8%
Capital and reserves	326.3	13.3%	5.5%	326.3	326.3	326.3	-	271.6%
Finance lease	26.3	26.1%	0.4%	4.2	-	-	-100.0%	0.2%
Trade and other payables	728.7	-7.6%	14.8%	703.9	735.1	774.7	2.1%	643.2%
Provisions	263.9	-29.5%	10.9%	267.5	267.7	270.2	0.8%	224.8%
Total equity and liabilities	3 935.0	-14.0%	100.0%	2 531.4	1 294.0	31.4	-80.0%	100.0%

Personnel information

Table 7.43 South African Revenue Service personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019		Number and cost ¹ of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2017/18		Unit cost	2018/19		Unit cost	2019/20		2020/21		2021/22				Unit cost			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
South African Revenue Service		13 985	13 985	0.6	13 333	7 381.7	0.6	13 333	7 787.6	0.6	13 333	8 254.8	0.6	13 333	8 750.1	0.7	5.8%	100.0%	
Salary level																			
1 - 6	618	618	618	132.5	0.2	499	110.1	0.2	499	116.4	0.2	499	147.4	0.3	499	156.7	0.3	12.5%	3.7%
7 - 10	8 977	8 977	8 788	3 226.9	0.4	8 697	3 282.5	0.4	8 697	3 454.8	0.4	8 697	3 585.9	0.4	8 697	3 799.3	0.4	5.0%	65.2%
11 - 12	2 450	2 450	2 297	1 804.0	0.8	2 358	1 801.2	0.8	2 358	1 904.8	0.8	2 358	2 005.6	0.9	2 358	2 126.8	0.9	5.7%	17.7%
13 - 16	1 896	1 896	1 674	2 146.5	1.3	1 740	2 079.7	1.2	1 740	2 197.2	1.3	1 740	2 386.3	1.4	1 740	2 529.6	1.5	6.7%	13.1%
17 - 22	44	44	44	123.2	2.8	39	108.2	2.8	39	114.3	2.9	39	129.7	3.3	39	137.6	3.5	8.3%	0.3%

1. Rand million.

South African Special Risks Insurance Association

Mandate

The South African Special Risks Insurance Association was established in 1979 and was registered in terms of section 21 of the Companies Act (1973). In line with the amendments of the South African Special Risks Insurance Association Act (1998) and the Companies Act (2008), government became the company's sole shareholder. The association is mandated to support the insurance industry by providing cover for special risks such as riots, strikes, political unrest, terrorist attacks, civil commotion, public disorder and labour disturbances.

Selected performance indicators

Table 7.44 South African Special Risks Insurance Association performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Value of gross written premium per year	Sustainable revenue growth: Gross written premium income growth	Outcome 4: Decent employment through inclusive growth	R1.7bn	R1.7bn	R1.7bn	R1.9bn	R2bn	R2.1bn	R2.3bn
Value of net underwriting profit per year	Sustainable revenue growth: Net underwriting profit growth		R431.7m	R458.9m	R489.8m	R525.8m	R569.4m	R600.7m	R655.5m
Percentage of all fast-tracked claims to be settled within 30 days from the date of submission per year	Customer centricity: Provide superior customer service to external stakeholders by reducing the internal claim turnaround time per year	Entity mandate	86.5% (1 686/1 949)	87.2% (2 157/2 479)	86.5% (3 148/3 639)	90%	90%	90%	90%
Percentage of large loss claims per year finalised within 60 days	Customer centricity: Provide superior customer service to external stakeholders by reducing the internal claim turnaround time		68.1% (273/400)	79.1% (410/518)	88.5% (3 220/3 639)	70%	70%	70%	70%
Average number of days per year for processing claims less than R250 000	Customer centricity: Provide superior customer service to external stakeholders by reducing the internal claim turnaround time		30 days	30 days	30 days	30 days	30 days	30 days	30 days
Average number of days per year for processing large claims	Customer centricity: Provide superior customer service to external stakeholders by reducing the internal claim turnaround time		60 days	60 days	70 days	70 days	70 days	70 days	70 days

Expenditure analysis

Over the medium term, the South African Risks Insurance Association will focus on the sustainability of its business by establishing new distribution channels; enhancing customer services by conducting a needs analysis to understand its clients better; and improving brand awareness and product development by creating awareness of the industry, collating market intelligence and conducting research.

Over the MTEF period, expenditure is expected to increase at an average annual rate of 3.4 per cent, from R2.4 billion in 2018/19 to R2.6 billion in 2021/22. This is mainly due to increases in administrative, marketing and underwriting expenses. Over the MTEF period, the association aims to reduce its reliance on external consultants and increase its number of personnel, from 104 in 2018/19 to 128 in 2021/22. Accordingly, spending on goods and services is expected to decrease at an average annual rate of 2.7 per cent, from R2.5 billion in 2018/19 to R2.3 billion in 2021/22.

As the association expects an increase in personnel, it anticipates increases in the number of claims it receives, the monitoring of compliance with additional regulatory requirements and the development of new products. As a result, spending on compensation of employees is expected to increase at an average annual rate of 8.4 per cent, from R72.2 million in 2018/19 to R91.9 million in 2021/22. The association derives most of its revenue from underwriting premiums. Total revenue is expected to increase at an average annual rate of 10.3 per cent, from R2.4 billion in 2017/18 to R3.2 billion in 2020/21.

Programmes/Objectives/Activities

Table 7.45 South African Special Risks Insurance Association expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2018/19	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		Average Expenditure/Total (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2018/19 - 2021/22	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22		
Administration	542.3	534.3	647.9	232.9	-24.5%	29.3%	823.4	700.4	750.2	47.7%	25.2%		
Sustainable revenue growth: Gross written premium income growth	205.5	236.9	271.1	310.3	14.7%	14.4%	318.9	337.8	358.0	4.9%	13.4%		
Sustainable revenue growth: Net underwriting profit growth	759.2	786.5	748.6	1 782.7	32.9%	54.8%	1 288.4	1 377.3	1 459.7	-6.4%	60.0%		
Capital management: Ensure compliance with statutory capital requirements and the calculation of an economic risk basis for capital value	-	4.7	5.8	5.9	-	0.2%	6.8	7.2	7.7	9.7%	0.3%		

Table 7.45 South African Special Risks Insurance Association expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22		
R million											
Customer centricity: Provide superior customer service to external stakeholders as part of the Customers Fairly project	2.9	4.6	4.9	5.3	22.2%	0.2%	5.7	6.1	6.5	7.0%	0.2%
Customer centricity: Provide superior customer service to external stakeholders by reducing the internal claim turnaround time	6.7	-	-	-	-100.0%	0.1%	-	-	-	-	-
People, capacity and capability: Attract retain and develop skills	4.8	9.7	11.8	12.6	38.3%	0.5%	13.6	14.5	15.4	7.0%	0.6%
Brand development: Create a trusted brand that resonates with customers	5.5	5.5	5.4	7.3	9.8%	0.3%	7.7	8.1	8.5	5.5%	0.3%
Regulatory environment: Proactively manage compliance	0.2	0.0	0.1	0.0	-61.4%	0.0%	0.0	0.0	0.0	30.9%	0.0%
Total	1 527.0	1 582.2	1 695.6	2 356.9	15.6%	100.0%	2 464.5	2 451.4	2 606.2	3.4%	100.0%

Statements of historical financial performance and position

Table 7.46 South African Special Risks Insurance Association statements of historical financial performance and position

Statement of financial performance									
	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	Budget	2015/16	Budget	2016/17	Budget	2017/18			
R million									
Revenue									
Non-tax revenue	2 076.8	2 031.1	2 230.8	2 125.4	2 695.0	2 720.8	2 786.3	2 369.0	94.5%
Sale of goods and services other than capital assets	1 639.7	1 710.0	1 760.4	1 687.3	2 044.1	1 887.1	2 205.7	2 110.3	96.7%
<i>of which:</i>									
Administrative fees	-	-	-	0.6	-	0.2	-	-	-
Sales by market establishment	1 639.7	1 710.0	1 760.4	1 686.8	2 044.1	1 886.9	2 205.7	2 110.3	96.7%
Other non-tax revenue	437.1	321.1	470.4	438.1	650.8	833.7	580.6	258.8	86.6%
Total revenue	2 076.8	2 031.1	2 230.8	2 125.4	2 695.0	2 720.8	2 786.3	2 369.0	94.5%
Expenses									
Current expenses	1 343.8	1 321.7	1 350.3	1 381.1	1 882.1	1 353.3	2 149.4	2 538.5	98.1%
Compensation of employees	53.4	57.8	58.8	56.9	72.9	78.8	80.1	72.2	100.2%
Goods and services	1 281.8	1 256.8	1 283.0	1 316.9	1 804.3	1 269.6	2 062.5	2 462.2	98.0%
Depreciation	8.6	7.1	8.5	7.2	5.0	5.0	6.7	4.1	81.2%
Total expenses	1 549.1	1 527.0	1 601.0	1 582.2	2 132.8	1 695.6	2 348.1	2 356.9	93.8%
Surplus/(Deficit)	528.0	504.0	630.0	543.0	562.0	1 025.0	438.0	12.0	
Statement of financial position									
Carrying value of assets	60.5	60.1	59.7	62.2	66.5	66.8	127.6	134.7	103.0%
<i>of which:</i>									
Acquisition of assets	(8.6)	(5.2)	(6.2)	(1.5)	(10.7)	(3.3)	(11.0)	(2.9)	35.6%
Investments	5 135.3	4 591.3	5 091.2	4 031.6	7 882.9	5 769.5	7 989.6	1 968.3	62.7%
Receivables and prepayments	131.5	179.4	78.9	186.2	417.3	201.3	433.8	375.9	88.8%
Cash and cash equivalents	784.2	1 767.1	1 561.8	2 790.3	1 336.5	1 940.8	1 636.8	5 983.0	234.6%
Taxation	-	-	-	26.8	-	38.1	-	-	-
Total assets	6 111.4	6 597.9	6 791.6	7 097.1	9 703.1	8 016.4	10 187.7	8 461.9	92.0%
Accumulated surplus/(deficit)	2 899.6	4 937.8	2 427.0	5 284.3	5 846.4	6 097.1	6 284.7	6 209.2	129.0%
Capital and reserves	2 428.2	434.8	3 438.7	480.3	2 472.9	529.7	2 393.2	495.5	18.1%
Deferred income	6.3	6.0	2.7	7.2	3.8	4.3	4.2	4.2	128.0%
Trade and other payables	723.5	1 110.1	861.9	1 295.9	1 273.7	1 274.2	1 503.8	1 713.3	123.6%
Taxation	44.8	94.3	54.8	18.2	102.8	91.9	-	14.8	108.3%
Provisions	9.0	15.0	6.5	11.2	3.4	19.2	1.9	24.9	337.3%
Total equity and liabilities	6 111.4	6 597.9	6 791.6	7 097.1	9 703.1	8 016.4	10 187.7	8 461.9	92.0%

Statements of estimates of financial performance and position

Table 7.47 South African Special Risks Insurance Association statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate	2018/19	2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
R million								
Revenue								
Non-tax revenue	2 369.0	5.3%	100.0%	2 813.5	2 989.1	3 174.8	10.3%	100.0%
Sale of goods and services other than capital assets	2 110.3	7.3%	80.5%	2 225.6	2 359.1	2 500.7	5.8%	81.5%
<i>of which:</i>								
Sales by market establishment	2 110.3	7.3%	80.5%	2 225.6	2 359.1	2 500.7	5.8%	81.5%
Other non-tax revenue	258.8	-6.9%	19.5%	587.9	630.0	674.2	37.6%	18.5%
Total revenue	2 369.0	5.3%	100.0%	2 813.5	2 989.1	3 174.8	10.3%	100.0%
Expenses								
Current expenses	2 538.5	24.3%	90.3%	2 083.3	2 271.6	2 408.0	-1.7%	94.3%
Compensation of employees	72.2	7.7%	3.8%	79.0	87.7	91.9	8.4%	3.3%
Goods and services	2 462.2	25.1%	86.2%	1 988.9	2 142.3	2 269.8	-2.7%	89.9%
Depreciation	4.1	-16.4%	0.3%	15.4	41.6	46.3	123.4%	1.1%
Total expenses	2 356.9	15.6%	100.0%	2 464.5	2 451.4	2 606.2	3.4%	100.0%
Surplus/(Deficit)	12.0			349.0	538.0	569.0		
Statement of financial position								
Carrying value of assets	134.7	30.9%	1.1%	144.6	130.6	124.4	-2.6%	1.5%
<i>of which:</i>								
Acquisition of assets	(2.9)	-17.6%	-0.0%	(3.4)	(3.8)	(4.1)	11.6%	-0.0%
Investments	1 968.3	-24.6%	55.4%	5 855.6	6 336.0	7 936.7	59.2%	59.7%
Receivables and prepayments	375.9	28.0%	3.1%	400.6	429.5	311.9	-6.0%	4.2%
Cash and cash equivalents	5 983.0	50.2%	40.3%	2 078.4	2 228.1	1 946.0	-31.2%	34.6%
Total assets	8 461.9	8.6%	100.0%	8 479.2	9 124.2	10 319.0	6.8%	100.0%
Accumulated surplus/(deficit)	6 209.2	7.9%	74.7%	6 701.6	7 246.6	8 227.0	9.8%	77.9%
Capital and reserves	495.5	4.5%	6.5%	495.5	495.5	522.8	1.8%	5.5%
Deferred income	4.2	-11.4%	0.1%	4.5	4.9	5.1	6.8%	0.1%
Trade and other payables	1 713.3	15.6%	17.8%	1 261.7	1 358.9	1 547.0	-3.3%	16.3%
Taxation	14.8	-46.0%	0.8%	13.2	16.6	16.8	4.4%	0.2%
Provisions	24.9	18.4%	0.2%	2.8	1.7	0.3	-77.3%	0.1%
Total equity and liabilities	8 461.9	8.6%	100.0%	8 479.2	9 124.2	10 319.0	6.8%	100.0%

Personnel information

Table 7.48 South African Special Risks Insurance Association personnel numbers and cost by salary level

Number of posts estimated for 31 March 2019			Number and cost ¹ of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22						
Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
South African Special Risks Insurance Association																			
Salary level	101	101	105	78.8	0.8	104	72.2	0.7	112	79.0	0.7	118	87.7	0.7	128	91.9	0.7	8.4%	100.0%
1-6	16	16	21	5.2	0.2	19	4.3	0.2	27	7.2	0.3	30	9.3	0.3	37	7.7	0.2	21.6%	24.2%
7-10	43	43	44	21.9	0.5	43	18.4	0.4	43	19.7	0.5	46	21.7	0.5	49	23.6	0.5	8.8%	39.3%
1-12	23	23	22	20.7	0.9	23	18.3	0.8	23	18.7	0.8	23	20.9	0.9	23	22.3	1.0	6.9%	20.0%
3-16	13	13	12	16.7	1.4	13	15.7	1.2	13	16.8	1.3	13	17.9	1.4	13	19.1	1.5	6.8%	11.3%
7-22	6	6	6	14.3	2.4	6	15.6	2.6	6	16.7	2.8	6	17.9	3.0	6	19.1	3.2	7.0%	5.2%

1. Rand million.

Other entities

Comprehensive coverage of the following public entities is provided with more detailed information for the vote at www.treasury.gov.za under the budget information link.

- The **Accounting Standards Board** develops uniform standards of generally recognised accounting practice for all spheres of government in terms of section 216(1)(a) of the Constitution, and the Public Finance Management Act (1999). A further function of the board is to promote transparency in and the effective management of revenue, expenditure, assets and liabilities of the entities to which the standards apply. The board's total budget for 2019/20 is R14.7 million.

- The **Cooperative Banks Development Agency** was established in terms of the Cooperative Banks Act (2007), as amended, with the South African Reserve Bank as the sole supervisor of cooperative banks. The agency is mandated to provide for the registration and supervision of deposit taking financial services cooperatives, and savings and credit cooperatives, collectively referred to as cooperative financial institutions. The agency also facilitates, promotes and funds the education and training of these institutions. Its total budget for 2019/20 is R23 million.
- The **Financial and Fiscal Commission** derives its mandate from the Financial and Fiscal Commission Act (1997). The commission's legislative mandate is to advise the relevant legislative authorities on the financial and fiscal requirements for the national, provincial and local spheres of government in terms of section 220 of the Constitution. The commission's total budget for 2019/20 is R54.4 million.
- The **Financial Intelligence Centre** was established by the Financial Intelligence Centre Act (2001) and began operations in 2003. The act mandates the centre to identify the proceeds of unlawful activities, combat activities related to money laundering, combat the financing of terrorist and related activities, exchange information with law enforcement and other local and international agencies, supervise and enforce compliance with the act, and facilitate effective supervision and enforcement by supervisory bodies. The organisation's total budget for 2019/20 is R311.5 million.
- The **Financial Sector Conduct Authority** is an independent institution established by statute to oversee the South African non-banking financial services industry in the public interest. The board's legislative mandate is primarily derived from the Financial Regulations Act (2017). Its total budget for 2019/20 is R829.3 million.
- The **Financial Services Board** was an independent institution established by statute to oversee the South African non-banking financial services industry in the public interest. The board's legislative mandate was primarily derived from the Financial Services Board Act (1990), committing it to promote and maintain a sound financial investment environment in South Africa. The board was also responsible for ensuring that entities comply with relevant legislation and capital adequacy requirements. The board ceased to exist on the 31 March 2018 upon the passing of the Financial Sector Regulation Bill to implement the Twin Peaks model for financial regulation and supervision.
- The **Government Technical Advisory Centre** is mandated to assist organs of state in building their capacity for efficient, effective and transparent financial management. Its overarching objectives are to: render consulting services to government departments and other organs of state; provide specialised procurement support for high-impact government initiatives; render advice on the feasibility of infrastructure projects; and provide knowledge management for projects undertaken and any ancillary support. The centre's total budget for 2019/20 is R381.3 million.
- The **Independent Regulatory Board for Auditors** develops and maintains auditing and ethical standards that are internationally comparable, provides an appropriate framework for the education and training of properly qualified auditors, inspects and reviews the work of registered auditors, and investigates and takes appropriate action against registered auditors who do not comply with standards and are guilty of improper conduct. The board's total budget for 2019/20 is R142.2 million.
- The **Office of the Ombud for Financial Services Providers** is mandated to consider and dispose of complaints against financial services providers, primarily intermediaries selling investment products. The organisation's total budget for 2019/20 is R58.1 million.
- The **Office of the Pension Funds Adjudicator** investigates and determines complaints lodged in terms of the Pension Funds Act (1956). The office ensures a procedurally fair, economical and expeditious resolution of complaints in terms of the act. The office has jurisdiction only over funds that are registered under the Pension Funds Act (1956). The organisation's total budget for 2019/20 is R70.4 million.

Additional table: Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R million										
Infrastructure transfers to other spheres, agencies and departments										
Mega projects (total project cost of at least R1 billion over the project life cycle)										
Neighbourhood development partnership grant	Long-term township regeneration planning, catalytic and third-party nodal development	Various	9 000.0	583.6	591.9	657.8	601.9	621.2	654.9	704.1
Total			9 000.0	583.6	591.9	657.8	601.9	621.2	654.9	704.1

