

Estimates of National Expenditure 2020

Abridged version

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The Estimates of National Expenditure e-publications for individual notes are available at www.treasury.gov.za. Compared to this Estimates of National Expenditure publication, the e-publications for each vote contain more comprehensive coverage of all public entities, transfers and subsidies and information on programme specific personnel expenditure.

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2020

Abridged Version

**National Treasury
Republic of South Africa**



Foreword

The Estimates of National Expenditure (ENE) publications remain an integral part of the annual budgeting process. In light of the prevailing economic climate, which requires careful consideration around the management of public funds, it has become necessary to focus our efforts on reprioritising existing government resources to areas where the most value can be derived for the benefit of all South Africans. To alleviate fiscal pressures, reductions have been effected on the baseline budgets of departments and public entities. The budgets unpacked in this document reflect the outcome of a robust negotiation process, which was led by a committee of senior officials in central government departments under the political guidance of the Ministers' Committee on the Budget. There was also wide-ranging intergovernmental consultation on budgets in the provincial and local spheres of government. Ultimately, the budgetary proposals emanating from these negotiations and consultations were considered and approved by Cabinet.

The abridged ENE provides a comprehensive account of the priorities, spending plans and service delivery commitments of the 41 national government votes, and for selected public entities. The e-publications for each vote, which are available on National Treasury's website, contain further details on goods and services, transfers and subsidies, other public entities, and lower-level spending information on service delivery. In addition, the Vulekamali online portal serves as a transparent, user-friendly source of information that includes supplementary detailed data as contained in the ENE publications. The portal is a valuable resource for anyone to learn about how government compiles its budget and spends public funds.

The Open Budget Survey, which is published biannually by the International Budget Partnership, assesses and ranks countries based on the availability of 8 key budget documents and the comprehensiveness of the data presented in these documents. In the latest survey, published in 2017, South Africa ranked joint first out of 102 countries with a score of 89 per cent. The next survey is expected to be published in 2020/21 and hopefully South Africa will retain that first position.

All information presented in the ENE publications and Vulekamali promotes a culture of public engagement, accountability in state institutions, and the appropriate spending of public funds to achieve the outcomes as envisaged in the National Development Plan.

A special thanks is extended to all contributors and government colleagues who assisted in making this possible, especially the political leadership shown by the executive and the spirited efforts of the National Treasury team.



Dondo Mogajane
Director-General: National Treasury

Contents

Introduction	i
Information contained in the chapters of the Estimates of National Expenditure	xxxvii
1. The Presidency	1
2. Parliament	11
3. Cooperative Governance.....	13
4. Government Communication and Information System	31
5. Home Affairs.....	47
6. International Relations and Cooperation.....	63
7. National School of Government.....	77
8. National Treasury	87
9. Planning, Monitoring and Evaluation.....	133
10. Public Enterprises.....	143
11. Public Service and Administration.....	153
12. Public Service Commission	173
13. Public Works and Infrastructure	181
14. Statistics South Africa.....	199
15. Traditional Affairs.....	213
16. Basic Education	221
17. Higher Education and Training.....	237
18. Health	267
19. Social Development.....	293
20. Women, Youth and Persons with Disabilities	313
21. Civilian Secretariat for the Police Service.....	325
22. Correctional Services	335
23. Defence	347
24. Independent Police Investigative Directorate.....	369
25. Justice and Constitutional Development	379
26. Military Veterans.....	395
27. Office of the Chief Justice.....	403
28. Police	411
29. Agriculture, Land Reform and Rural Development	423
30. Communications and Digital Technologies	447
31. Employment and Labour	475
32. Environment, Forestry and Fisheries	495
33. Human Settlements.....	521
34. Mineral Resources and Energy.....	539
35. Science and Innovation	565
36. Small Business Development	595
37. Sports, Arts and Culture	605
38. Tourism.....	625
39. Trade, Industry and Competition	639
40. Transport	675
41. Water and Sanitation	713

Introduction

Estimates of National Expenditure publications

The Minister of Finance tables the Budget annually in Parliament. Parliament's authorisation to spend the allocations detailed in the Budget is sought through the tabling of an Appropriation Bill. Each year, the Appropriation Bill sets out the proposed amounts to be appropriated from the National Revenue Fund for the first year of the three-year medium-term expenditure framework (MTEF) period. The 2020 Appropriation Bill sets out allocations to national government votes by programme and main economic classification¹ for 2020/21.

The ENE abridged budget document is tabled together with the Appropriation Bill. It contains detailed information regarding the allocations set out in the Appropriation Bill, for the current financial year. Government's proposed spending plans for the full MTEF period, 2020/21 to 2022/23, are shown. Information on how government institutions have spent their budgets in previous years is also included. Explanations are provided on how institutions intend to use their allocations over the medium term to achieve their goals, and the outputs and outcomes to which their spending is expected to lead. Tables present non-financial performance indicators and targets, departmental receipts, and detailed expenditure trends and estimates by programme, subprogramme and economic classification for each vote and for selected entities. Brief explanatory narratives set out the institution's purpose (and that of its programmes), mandate, programme-level objectives and descriptions of subprogrammes. An in-depth narrative analyses the institution's expected expenditure over the MTEF period.

In addition, a more detailed e-publication for each vote is available online. These e-publications contain programme personnel data tables and detailed information for all entities. Additional data tables containing information on provincial and municipal conditional grants, public-private partnerships, donor funding, infrastructure spending and information at the level of site service delivery, where applicable, are available on the National Treasury website and the Vulekamali online portal.

National macro organisation of government and budgeting by function

The reconfiguration of Cabinet has led to changes to the previous configuration of the national executive and departments. One of the aims of the national macro organisation of government (NMOG) is to promote coherence, better coordination and the optimisation of resources for efficient and effective administration. In some instances, departmental structures remain unchanged, whereas others have been merged or split, or have had certain functions transferred to or from other departments.

Budget discussions take place within function groups. The NMOG process strives to improve the clustering of homogeneous or related functions to ensure that functional areas of responsibility are clearly demarcated to avoid ambiguity, or the overlapping or duplication of functions. Function groups are made up of various institutions across the three spheres of government, grouped together according to the objectives or activities they are mandated to perform. Different programmes within the same department may be categorised across different functions depending on their assigned tasks. For example, the *Water Infrastructure Development* programme in the Department of Water and Sanitation is categorised under the Community Development function, whereas the other programmes in this department are categorised under the Economic Development function. These function groups are strategically grouped to facilitate subject-specific discussions targeting service delivery requirements and policy priorities.

1. Allocations are made by economic classification. The main categories of economic classification are: current payments (payments made for operational requirements such as those for compensation of employees and goods and services); transfers and subsidies; payments for capital assets (assets that can be used for more than one year); and payments for financial assets (loans or equity investments in public corporations).

Table 1.1 shows the 7 function budget areas by national department (vote) and selected entities.

Table 1.1 Function groups

Function group	National department	Selected entities
General Public Services	The Presidency	
	Government Communication and Information System	
	Parliament	
	Planning, Monitoring and Evaluation	
	National Treasury (all programmes except programme 7, and 9)	Development Bank of Southern Africa Government Pensions Administration Agency Land and Agricultural Development Bank of South Africa Public Investment Corporation South African Revenue Service South African Special Risks Insurance Association
	National School of Government	
	Public Enterprises	
	Statistics South Africa	
	Cooperative Governance (except the local government equitable share and the municipal infrastructure grant)	
	Public Service and Administration	
	Public Service Commission	
	Public Works and Infrastructure (programmes 1, 2, and 5)	
	International Relations and Cooperation	
	Traditional Affairs	
Learning and Culture	Basic Education	
	Higher Education and Training	National Skills Fund National Student Financial Aid Scheme Sector education and training authorities (consolidated)
	Sports, Arts and Culture	
Health	Health	South African Medical Research Council National Health Laboratory Service
Economic Development	Trade, Industry and Competition	Companies and Intellectual Property Commission Export Credit Insurance Corporation of South Africa Industrial Development Corporation of South Africa
	Tourism	South African Tourism
	Small Business Development	
	Public Works and Infrastructure (Programme 4)	Property Management Trading Entity
	Employment and Labour	Compensation Fund, including Reserve Fund Unemployment Insurance Fund
	Public Works and Infrastructure (Programme 3)	
	National Treasury (Programme 7)	
	All expanded public works programmes in other national departments	
	Science and Innovation	Council for Science and Industrial Research National Research Foundation

Function group	National department	Selected entities
Economic Development	Environment, Forestry and Fisheries	South African National Parks
	Agriculture, Land Reform and Rural Development	Agricultural Land Holding Account Agricultural Research Council
	Mineral Resources and Energy (except Programme 5)	Central Energy Fund South African Nuclear Energy Corporation
	Communications and Digital Technologies	Sentech South African Broadcasting Corporation South African Post Office State Information Technology Agency
	Transport (except Programme 7)	Airports Company of South Africa Air Traffic and Navigation Services Company Road Accident Fund South African National Roads Agency
	Water and Sanitation (except Programme 3)	Rand Water Trans-Caledon Tunnel Authority Umgeni Water Water boards (consolidated) Water Services Trading Entity
Social Development	Social Development Women, Youth and Persons with Disabilities	South African Social Security Agency
Peace and Security	Defence	Armaments Corporation of South Africa
	National Treasury (Programme 9)	
	Police	
	Independent Police Investigative Directorate	
	Civilian Secretariat for the Police Service	
	Justice and Constitutional Development	Legal Aid South Africa
	Correctional Services	
	Military Veterans	
	Office of the Chief Justice	
	Home Affairs	Electoral Commission Government Printing Works
Community Development	Human Settlements	National Housing Finance Corporation
	Water and Sanitation (Programme 3)	
	Transport (Programme 7)	Passenger Rail Agency of South Africa
	Mineral Resources and Energy (Programme 5)	
	Cooperative Governance (local and provincial conditional grants)	

The 2020 Budget determination process and expenditure reductions

In the technical guidelines issued by National Treasury at the start of the budget determination process, institutions were informed that there were no additional resources available for allocation over the MTEF period, and that the expenditure ceiling set in the 2019 Budget would not be raised. This meant that priority allocations were to be funded through reductions in other areas. To do this, institutions were tasked with scaling down non-priority programmes and projects, and changing service delivery models through measures such as containing costs, and improving efficiency by undertaking appropriate operational changes and using technology more effectively.

Institutions were also informed that deteriorating economic circumstances and a focus on priority programmes would require them to present a budget scenario in which proposals were made for expenditure reductions in each year. Budget proposals put forward by institutions were examined within function groups, culminating in recommendations on how institutional policies, practices and arrangements could be adapted to best achieve the function's outcomes. These recommendations were presented to the Ministers' Committee on the Budget technical committee (MTEC). This committee, comprising the directors-general of central national government departments, considered the inevitable trade-offs and priorities for government as a whole, and put forward its

recommendations to the Ministers' Committee on the Budget, which tabled its recommendations for approval by Cabinet. This formed the basis for the fiscal framework, the division of revenue across the three spheres of government, and the detail of allocations tabled in the 2019 Medium-Term Budget Policy Statement and the 2020 Budget.

Budget baseline reallocations are effected across departments from various economic classification items, including compensation of employees, conditional grants to provinces and municipalities, and other transfers to institutions. Reductions to budget baselines amount to R53.6 billion in 2020/21, R57.5 billion in 2021/22 and R68.6 billion in 2022/23, as shown by economic classification in Table 1.2a.

Table 1.2a Total general budget baseline reductions

R million	2020/21	2021/22	2022/23
Programme specific reductions	-10 227	-10 035	-15 070
Provincial equitable share	-2 349	-2 452	-2 524
Provincial conditional grants	-5 447	-10 938	-13 089
Local equitable share	-1 000	-1 100	-1 100
Local conditional grants	-4 507	-2 020	-2 211
Cross cutting reductions (mainly Goods and services)	-4 708	-6 674	-5 348
Total	-28 238	-33 219	-39 341

Further provisionally allocated compensation measures to reduce growth in the public sector wage bill and improve the composition of spending, are also included in the fiscal framework. These proposed allocations will be finalised after negotiations through the Public Service Coordinating Bargaining Council.

Table 1.2b Compensation of employees adjustment

R million	2020/21	2021/22	2022/23
Compensation of employees adjustment	-37 807	-54 929	-67 460
Total	-37 807	-54 929	-67 460

Aggregate budget baseline reductions lead to lowered expenditure ceilings being tabled in the 2020 Budget.

Main budget expenditure ceiling

Expenditure ceilings apply to main budget non-interest expenditure², as well as on the portion of vote budgets that is allocated for compensation of employees. Aggregate allocations approved for the vote for the MTEF period provide an upper limit within which budgets are to be managed. The expenditure ceiling figures differ slightly from those for main budget non-interest expenditure because the ceiling excludes payments directly financed by dedicated revenue flows, as well as payments not subject to policy oversight. These include:

- payments for government financial assets financed by the sale of financial assets
- payment transactions linked to the management of government debt
- direct charges related to specific payments made in terms of legislation, such as the provincial equitable share.

Table 1.3 reflects the aggregate expenditure ceiling as tabled in the Budget Review and the Medium-Term Budget Policy Statement (MTBPS). The expenditure ceiling for compensation of employees for national government departments is R187.7 billion for 2020/21, R200.1 billion for 2021/22 and R208.8 billion for 2022/23.

Table 1.3 Expenditure ceiling at the main budget levelⁱ for 2016/17 to 2022/23

R million	2016/17	2017/18	2018/19	2019/20	2020/21	2021/21	2022/23
2017 MTBPS	1 141 978	1 233 722	1 316 553	1 420 408	1 524 222		
2018 Budget Review		1 232 678	1 315 002	1 416 597	1 523 762		
2018 MTBPS		1 225 455	1 314 865	1 416 597	1 523 762	1 630 025	
2019 Budget Review			1 310 156	1 407 595	1 502 052	1 607 758	
2019 MTBPS			1 307 235	1 404 675	1 493 029	1 591 287	1 673 601
2020 Budget Review				1 409 244	1 457 703	1 538 590	1 605 098

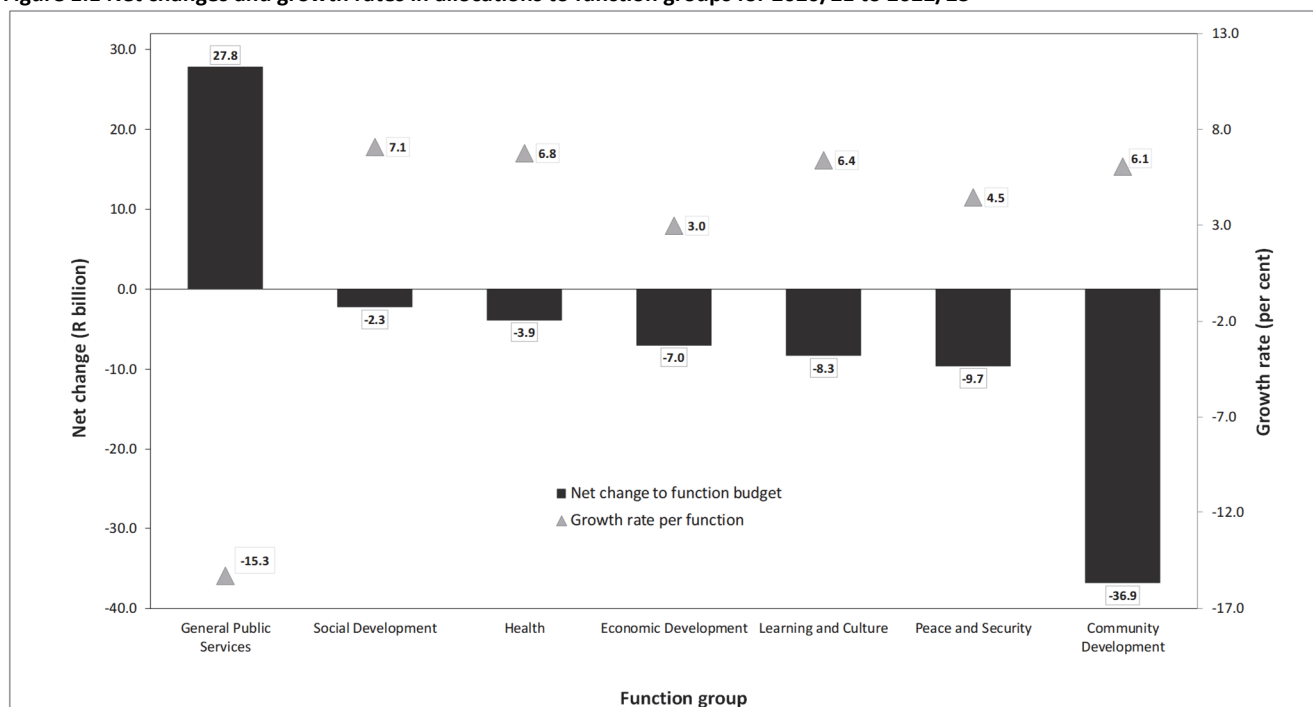
i. Non-interest spending financed from the National Revenue Fund, excluding skills development levy, debt management, gold and foreign exchange contingency reserve account transactions, the International Oil Pollution Compensation Fund and financial support for Eskom.

Composition of changes to government spending by function

Consolidated expenditure² amounts to R2 trillion in 2020/21, R2 trillion in 2021/22, and R2.1 trillion in 2022/23, and is expected to increase at an average annual rate of 0.5 per cent in real terms over the MTEF period. Main budget expenditure, excluding the contingency reserve, is set to decrease at an average annual rate of 0.8 per cent in real terms over the MTEF period, from R1.5 trillion in 2020/21 to R1.7 trillion in 2022/23.

The effects on main budget spending per function group emanating from the 2020 Budget process are shown in Figure 1.1 alongside spending growth rates. The functions largely retain positive growth rates as the reductions implemented have lowered growth rates, but aggregate planned spending levels have generally not been reduced.

Figure 1.1 Net changes and growth rates in allocations to function groups for 2020/21 to 2022/23



2. Main budget-level expenditure refers to expenditure financed through revenue collected by national government, which is deposited in the National Revenue Fund. Consolidated expenditure consists of main budget expenditure, as well as expenditure financed from revenue raised by government entities, provinces and social security funds. Consolidated government spending forms the basis for discussion in the Budget Review.

The changes are summarised below:

- **General Public Services:** The R27.8 billion net increase to the function, excluding adjustments to service debt, is mainly due to the financial support provided to Eskom and South African Airways.
- **Social Development:** The R2.3 billion net decrease is mainly due to reduced estimates of social assistance grant requirements and a reduced transfer to the South African Social Security Agency.
- **Health:** The R3.9 billion net decrease is mainly due to the reduction in the *national health insurance indirect grant* and a reduction in the *HIV, TB, malaria and community outreach grant*.
- **Economic Development:** The R7 billion net decrease is mainly due to reductions effected on the *provincial roads maintenance grant*, manufacturing development incentives, special economic zones, and the South African National Roads Agency's non-toll network.
- **Learning and Culture:** The R8.3 billion net decrease is mainly in the infrastructure and efficiency grant component transfer to technical and vocational education and training colleges, the *education infrastructure grant* for school infrastructure, and reductions in the technical and vocational education and training colleges component of the transfer to the National Student Financial Aid Scheme.
- **Peace and Security:** The R9.7 billion net decrease mainly comprises reductions in the compensation of employees and goods and services budget items in the function.
- **Community Development:** The R36.9 billion net decrease is mainly due to reductions in the budget for the Passenger Rail Agency of South Africa, the *public transport network grant*, the *municipal infrastructure grant*, the local government equitable share, and the *human settlements grant to provinces* and the *urban settlements grant to municipalities*.

Baseline adjustments by function and by vote

Adjustments to the main budget non-interest expenditure over the MTEF period are presented in the tables that follow, by function and for each vote within the function. The estimated³ function split of the changes in the provincial equitable share, where relevant, is also shown in the tables as provinces have key service delivery mandates aligned with the functions they share with national departments.

All changes are shown relative to the initial function planning baseline allocations for the MTEF period, which originate from the previous year's budget baselines. All changes made to baselines are shown in the tables to account comprehensively for the budget allocation decisions taken throughout the 2020 Budget process. Most budget amendments have been effected through the reduction and reallocation of budget baseline funds.

General Public Services

The General Public Services function aims to build a capable, ethical and developmental state in order to achieve government's objectives. The function is allocated R106.9 billion in 2020/21, R78.3 billion in 2021/22 and R72.4 billion in 2022/23. The function's baseline is increased by a net amount of R27.8 billion (12.1 per cent) over the MTEF period, from R229.8 billion to R257.6 billion.

3. An aggregate monetary amount is allocated from the National Revenue Fund for the provincial equitable share. These funds are then allocated to specific function areas through separate provincial budgetary processes and legislative approval. The details of the function allocations of the funds by each of the provinces are not known with certainty at present.

Table 1.4 General Public Services

Function¹ by vote				
R million	2020/21	2021/22	2022/23 ³	MTEF total
2019 MTEF function baseline²	73 580.2	78 818.1	77 366.7	229 765.0
2020 MTEF function baseline²	106 884.8	78 319.0	72 387.7	257 591.5
Annual growth rate (percentage)	-11.6%	-26.7%	-7.6%	-15.3%
Net change from the 2019 baseline (percentage)	45.3%	-0.6%	-6.4%	12.1%
Cooperative Governance	27.2	-2.8	-0.4	24.0
Goods and services: Municipal services payment awareness campaigns	30.0	–	–	30.0
Municipal Demarcation Board: Operational support	7.7	8.2	8.8	24.7
Reprioritisation of compensation of employees within programmes	4.9	5.0	5.0	14.9
Machinery and equipment	-0.1	-0.1	-0.1	-0.4
Non-profit institutions	-0.3	-0.3	-0.3	-0.9
Municipal Demarcation Board	-0.5	-0.6	-0.6	-1.7
South African Local Government Association	-0.7	-0.8	-0.8	-2.3
Compensation of employees: Inflation adjustment	-2.4	-2.5	–	-4.9
Municipal Infrastructure Support Agent	-2.9	-3.1	-3.2	-9.2
Goods and services	-8.4	-8.7	-9.2	-26.3
Government Communication and Information System	249.1	262.8	275.0	786.9
NMOG: Brand South Africa: Baseline shifted from Department of Communications	219.4	231.5	240.2	691.1
NMOG: Media Development and Diversity Agency shifted from Department of Communications	33.6	35.4	36.7	105.7
NMOG: Entity oversight unit and media policy shifted from Department of Communications	4.7	4.9	5.2	14.7
Media Development and Diversity Agency	-0.5	-0.5	-0.5	-1.6
Compensation of employees: Inflation adjustment	-2.0	-2.1	–	-4.1
Non-compensation of employees: Reductions	-2.7	-2.9	-2.9	-8.5
Brand South Africa	-3.3	-3.5	-3.6	-10.4
International Relations and Cooperation	-75.9	-79.7	-63.1	-218.7
African Renaissance and International Cooperation Fund	-1.0	-1.0	-1.1	-3.1
Machinery and equipment	-2.3	-2.3	-2.5	-7.1
Buildings and other fixed structures	-5.9	-6.4	-6.7	-19.0
Compensation of employees: Inflation adjustment	-18.5	-19.7	–	-38.3
Goods and services	-48.2	-50.2	-52.8	-151.3
National School of Government	-2.3	-2.6	-2.2	-7.0
Compensation of employees: Inflation adjustment	-0.4	-0.4	–	-0.8
Non-compensation of employees: Reductions	-1.9	-2.2	-2.2	-6.3
National Treasury	-3 985.9	-4 281.4	-6 366.7	-14 633.9
Common Monetary Area compensation	340.0	390.0	490.0	1 220.0
South African Revenue Service: Infrastructure-related projects	400.0	300.0	300.0	1 000.0
Auditor-General of South Africa: Creation of direct charge	120.0	125.0	129.0	374.0
Development Bank of Southern Africa	40.0	160.0	100.0	300.0
1% audit fees to the Auditor-General of South Africa	66.8	68.9	70.8	206.5
Direct charge: National Revenue Fund payments	97.9	–	–	97.9
Financial and Fiscal Commission	9.0	9.0	9.0	27.0
Finance and Accounting Services Sector Education and Training Authority	-0.0	-0.0	-0.0	-0.1
Software and other intangible assets	-0.0	-0.0	-0.1	-0.1
Accounting Standards Board	-0.1	-0.1	-0.1	-0.3
Cooperative Banks Development Agency	-0.4	-0.4	-0.4	-1.1
Machinery and equipment	-0.5	-0.6	-0.7	-1.8
Independent Regulatory Board for Auditors	-0.9	-1.0	-1.0	-2.9
Compensation of employees: Inflation adjustment	-5.6	-6.0	–	-11.6
Goods and services	-33.6	-36.2	-38.3	-108.0
Operating leases	-46.8	-43.9	-41.9	-132.6
Auditor-General of South Africa: Reduction in voted baseline	-120.0	-125.0	-129.0	-374.0
New Development Bank	–	–	-4 729.9	-4 729.9
Provincial equitable share – compensation of employees: Inflation adjustment	-2 503.2	-2 668.6	–	-5 171.8
Provincial equitable share: Reduction	-2 348.5	-2 452.5	-2 524.1	-7 325.1

Table 1.4 General Public Services**Function¹ by vote**

R million	2020/21	2021/22	2022/23 ³	MTEF total
Parliament	-33.2	-35.4	-26.9	-95.5
Machinery and equipment	-0.3	-0.3	-0.3	-0.8
Compensation of employees: Inflation adjustment	-9.1	-9.7	–	-18.8
Non-profit institutions	-9.8	-10.4	-10.8	-31.0
Goods and services	-14.0	-15.0	-15.8	-44.9
Planning, Monitoring and Evaluation	-515.3	-545.4	-561.8	-1 622.4
Software and other intangible assets	-0.0	-0.0	-0.0	-0.1
NMOG: Youth Development function: Payments for Capital Assets: Shifted to Women, Youth and Persons with Disabilities	-0.0	-0.0	-0.0	-0.1
NMOG: Socio-Economic Impact Assessment function: Payments for capital assets: Shifted to The Presidency	-0.1	-0.1	-0.1	-0.2
Machinery and equipment	-0.2	-0.2	-0.2	-0.5
NMOG: Socio-Economic Impact Assessment function: Goods and services: Shifted to The Presidency	-1.2	-1.3	-1.3	-3.9
Compensation of employees: Inflation adjustment	-2.1	-2.3	–	-4.4
NMOG: Youth Development function: Goods and services: Shifted to Women, Youth and Persons with Disabilities	-5.3	-5.6	-5.8	-16.7
NMOG: Socio-Economic Impact Assessment function: Compensation of employees: Shifted to The Presidency	-7.0	-7.5	-8.0	-22.5
NMOG: Youth Development function: Compensation of employees: Shifted to Women, Youth and Persons with Disabilities	-7.4	-7.8	-8.3	-23.5
Goods and services	-7.1	-10.3	-8.6	-26.0
NMOG: National Youth Development Agency: Shifted to Women, Youth and Persons with Disabilities	-484.8	-510.4	-529.3	-1 524.5
Public Enterprises	37 536.5	4 305.4	1 774.6	43 616.5
Eskom	33 000.0	–	–	33 000.0
South African Airways	3 800.0	4 309.0	1 777.2	9 886.2
Denel	576.0	–	–	576.0
South African Express Airways	164.0	–	–	164.0
Machinery and equipment	-0.1	-0.1	-0.1	-0.2
Compensation of employees: Inflation adjustment	-1.2	-1.3	–	-2.5
Goods and services	-2.2	-2.3	-2.4	-7.0
Public Service and Administration	-9.1	-9.2	-11.5	-29.8
Software and other intangible assets	-0.0	-0.0	-0.0	-0.1
Centre for Public Service Innovation: Compensation of employees - Technical inflation adjustment	-0.1	-0.1	–	-0.3
Machinery and equipment	-0.1	-0.1	-0.1	-0.3
Compensation of employees: Inflation adjustment	-2.0	-2.2	–	-4.2
Goods and services: Reductions	-6.8	-6.7	-11.3	-24.9
Public Works and Infrastructure	-35.4	-42.8	-39.0	-117.1
Machinery and equipment	-0.4	-0.5	-0.5	-1.4
Goods and services: Travel and subsistence	-0.7	-0.8	-0.9	-2.4
Compensation of employees: Inflation adjustment	-5.0	-5.3	–	-10.3
Goods and services: Contractors	-4.0	-4.0	-4.0	-12.0
Goods and services: Reductions	-9.4	-10.5	-11.0	-30.9
Non-profit institutions	-15.9	-21.7	-22.5	-60.1
Statistics South Africa	148.0	-68.9	38.5	117.6
Compensation of employees	45.0	49.4	60.0	154.4
Income and Expenditure survey	150.0	–	–	150.0
Software and other intangible assets	-0.3	-0.1	-0.1	-0.5
Machinery and equipment	-0.6	-0.6	-0.4	-1.5
Buildings and other fixed structures	-5.4	-5.8	-6.1	-17.2
Compensation of employees: Inflation adjustment	-9.5	-10.2	–	-19.7
Goods and services	–	-45.8	–	-45.8
Goods and services: Reduction	-31.3	-55.9	-14.9	-102.1

Table 1.4 General Public Services

Function¹ by vote				
R million	2020/21	2021/22	2022/23 ³	MTEF total
The Presidency	1.3	1.5	4.3	7.1
NMOG: Socioeconomic impact assessment function: Compensation of employees shifted from Department of Planning, Monitoring and Evaluation	7.0	7.5	8.0	22.5
NMOG: Socioeconomic impact assessment function: Goods and services shifted from Department of Planning, Monitoring and Evaluation	1.2	1.3	1.3	3.9
NMOG: Socioeconomic impact assessment function: Payments for capital assets shifted from Department of Planning, Monitoring and Evaluation	0.1	0.1	0.1	0.2
Goods and services: Socioeconomic impact assessment function	-0.1	-0.1	-0.1	-0.3
Machinery and equipment	-0.3	-0.3	-0.3	-0.9
Compensation of employees: Inflation adjustment	-2.3	-2.5	–	-4.8
Goods and services	-4.3	-4.4	-4.7	-13.4
Traditional Affairs	-0.5	-0.5	–	-1.1
Compensation of employees: Inflation adjustment	-0.5	-0.5	–	-1.1
Net change to function baseline	33 304.6	-499.0	-4 979.1	27 826.6

1. The estimate of the provincial equitable share allocated to this function is included. This amount is determined by provincial budgetary and legislative processes and is thus subject to change.
2. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline shown in the Budget Review, which includes revenue generated from other sources.
3. The modifications made to the 2022/23 function planning baseline throughout the 2020 Budget process are shown. The first estimates for 2022/23 are shown in italics. The fiscal framework shown in the Budget Review depicts the budget baseline as it stands at the end of the process.

Learning and Culture

The Learning and Culture function aims to develop the capabilities of citizens from early childhood by providing access to education, training and skills development, and strengthen social cohesion. The function is allocated R398.3 billion in 2020/21, R425.1 billion in 2021/22 and R448.3 billion in 2022/23. The function's baseline is decreased by a net amount of R8.3 billion (0.7 per cent) over the MTEF period, from R1.28 trillion to R1.27 trillion.

Table 1.5 Learning and Culture

Function¹ by vote				
R million	2020/21	2021/22	2022/23 ³	MTEF total
2019 MTEF function baseline²	400 634.6	428 006.9	451 415.9	1 280 057.4
2020 MTEF function baseline²	398 303.6	425 108.3	448 302.2	1 271 714.1
Annual growth rate (percentage)	7.0%	6.7%	5.5%	6.4%
Net change from the 2019 baseline (percentage)	-0.6%	-0.7%	-0.7%	-0.7%
Basic Education	-659.4	-856.4	-1 050.8	-2 566.6
Machinery and equipment	-0.1	-0.2	-0.2	-0.4
Umalusi Council for Quality Assurance in General and Further Education and Training	-2.8	-3.0	-1.2	-7.1
Compensation of employees: Inflation adjustment	-3.5	-3.8	–	-7.3
Non-profit institutions	-2.4	-2.5	-2.6	-7.4
South African Council for Educators	-3.4	-3.4	-3.4	-10.1
Annual national assessment: Goods and services	-10.0	-10.0	-10.0	-30.0
Maths, science and technology grant	-12.4	-13.1	-13.7	-39.2
Matric Second Chance programme	-20.0	-22.0	-25.0	-67.0
HIV and AIDS (life skills education) grant	-23.9	-27.0	-33.9	-84.9
Goods and services: Workbooks	-20.0	-30.0	-43.0	-93.0
School infrastructure backlogs: Indirect grant (buildings and other fixed structures)	-32.6	-43.8	-46.3	-122.8
National school nutrition programme grant	-30.0	-40.0	-53.1	-123.1
Goods and services	-39.5	-41.4	-43.2	-124.2
Education infrastructure grant	-458.7	-616.3	-775.1	-1 850.1

Table 1.5 Learning and Culture

Function ¹ by vote				
R million	2020/21	2021/22	2022/23 ³	MTEF total
Higher Education and Training	-1 295.3	-1 625.9	-1 631.9	-4 553.2
Compensation of employees	-1.3	-1.6	-1.8	-4.7
NMOG: Ministry: Goods and services shifted to Department of Science and Innovation	-7.0	-7.0	-7.3	-21.3
NMOG: Ministry: Compensation of employees shifted to Department of Science and Innovation	-16.0	-17.0	-17.8	-50.8
Technical and vocational education and training: Non-profit institutions – operationalisation of new campuses	-12.9	-24.5	-16.2	-53.6
Goods and services	-17.1	-18.4	-19.9	-55.4
Higher education institutions: Academic clinical training grant	-25.6	-30.4	-25.9	-81.9
Compensation of employees: Inflation adjustment	-62.2	-66.2	–	-128.4
University of Mpumalanga and Sol Plaatje University: Capital	-88.1	-102.5	-113.2	-303.9
University infrastructure and efficiency grant	-154.2	-220.4	-246.7	-621.3
National Student Financial Aid Scheme: Technical and vocational education and training colleges	-223.1	-319.0	-357.0	-899.2
Technical and vocational education and training: Non-profit institutions – infrastructure and efficiency grant	-687.8	-818.8	-826.2	-2 332.7
Sports, Arts and Culture	-376.3	-416.3	-431.1	-1 223.6
Upgrading of public spaces	-0.0	-0.0	-0.0	-0.1
Saigen (Pty) Ltd	-0.0	-0.0	-0.0	-0.1
Human languages technologies projects (Council for Scientific and Industrial and Research)	-0.1	-0.1	-0.1	-0.2
Boxing South Africa	-0.1	-0.1	-0.1	-0.3
Amazwi South African Museum of Literature: Makhanda (formerly Grahamstown)	-0.2	-0.2	-0.2	-0.6
William Humphreys Art Gallery: Kimberley	-0.2	-0.2	-0.2	-0.7
Machinery and equipment	-0.2	-0.2	-0.3	-0.7
Upgrading of community arts centres	-0.8	-0.2	-0.2	-1.3
South African Institute for Drug-Free Sport	-0.4	-0.4	-0.4	-1.3
Arts, youth and social development	-0.6	-0.5	-0.4	-1.5
South African Library for the Blind	-0.6	-0.4	-0.4	-1.5
Arts and culture industries: Local market development and promotion	-0.5	-0.6	-0.6	-1.7
Nelson Mandela Museum: Mthatha	-0.6	-0.5	-0.6	-1.7
Performing Arts Centre of the Free State	-0.8	-0.8	-0.8	-2.4
National Museum: Bloemfontein	-1.0	-0.9	-1.0	-3.0
South African State Theatre	-1.1	-1.0	-1.0	-3.0
National Heritage Council	-1.1	-1.0	-1.1	-3.2
Robben Island Museum: Cape Town	-1.4	-1.3	-1.4	-4.1
Freedom Park	-1.6	-1.5	-1.6	-4.7
Compensation of employees: Inflation adjustment	-2.5	-2.6	–	-5.1
National Arts Council	-1.8	-1.6	-1.7	-5.2
Pan South African Language Board	-1.9	-1.7	-1.8	-5.4
National Film and Video Foundation	-2.2	-2.0	-2.1	-6.2
Afrivibe Entertainment (incubator)	-2.0	-2.1	-2.2	-6.3
Non-profit institutions	-3.9	-4.1	-4.2	-12.1
Steve Biko Foundation	-2.8	-4.6	-4.8	-12.2
Non-profit institutions: Cultural and creative industries	-4.9	-5.0	-5.2	-15.1
Artscape	-5.2	-6.0	-7.1	-18.3
South African Heritage Resources Agency	-10.7	-5.6	-6.3	-22.5
Non-profit institutions: loveLife	-6.1	-7.7	-9.4	-23.2
Market Theatre	-6.0	-7.9	-10.9	-24.8
Playhouse Company	-6.1	-11.0	-11.1	-28.2
Iziko Museums of Cape Town: Capital	-9.5	-10.0	-10.4	-29.8
National Library of South Africa	-6.4	-16.4	-9.3	-32.2
Compensation of employees	-12.2	-15.5	-18.7	-46.3
Ditsong Museums: Capital	-10.0	-20.0	-20.0	-50.0
Mzansi golden economy strategy	-18.6	-23.5	-25.7	-67.8

Table 1.5 Learning and Culture

Function ¹ by vote				
R million	2020/21	2021/22	2022/23 ³	MTEF total
Goods and services	-25.2	-29.0	-32.8	-87.0
Mass participation and sport development grant	-57.3	-69.1	-75.1	-201.5
Heritage assets	-64.6	-65.5	-79.2	-209.3
Community library services grant	-105.0	-95.1	-82.9	-283.1
Net change to function baseline	-2 331.0	-2 898.5	-3 113.8	-8 343.3

1. The estimate of the provincial equitable share allocated to this function is included. This amount is determined by provincial budgetary and legislative processes and is thus subject to change.
2. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline shown in the Budget Review, which includes revenue generated from other sources.
3. The modifications made to the 2022/23 function planning baseline throughout the 2020 Budget process are shown. The first estimates for 2022/23 are shown in *italics*. The fiscal framework shown in the Budget Review depicts the budget baseline as it stands at the end of the process.

Health

The Health function aims to ensure access to high-quality healthcare services for all residents. The function is allocated R229.2 billion in 2020/21, R246.4 billion in 2021/22 and R260 billion in 2022/23. The function's baseline is decreased by a net amount of R3.9 billion (0.5 per cent) over the MTEF period, from R739.5 billion to R735.6 billion.

Table 1.6 Health

Function ¹ by vote				
R million	2020/21	2021/22	2022/23 ³	MTEF total
2019 MTEF function baseline²	230 386.9	247 694.0	261 398.4	739 479.3
2020 MTEF function baseline²	229 216.6	246 392.4	259 980.9	735 589.9
Annual growth rate (percentage)	7.2%	7.5%	5.5%	6.8%
Net change from the 2019 baseline (percentage)	-0.5%	-0.5%	-0.5%	-0.5%
Health	-1 170.3	-1 301.6	-1 417.6	-3 889.4
Statutory Human Resources and Training and Development grant: HPTD component	3 102.2	3 240.0	3 360.1	9 702.3
Statutory Human Resources and Training and Development grant: HRC component	1 052.5	1 093.4	1 133.7	3 279.6
National health insurance grant (from HP Contracting)	288.8	300.1	311.1	900.1
HIV, TB, malaria and community outreach grant: Community outreach services component (shift from HIV/AIDS component)	800.0	–	–	800.0
HIV, TB, malaria and community outreach grant: New human papillomavirus vaccination component	222.8	235.1	243.8	701.7
HIV, TB, Malaria and Community Outreach grant: Mental health services component (new component)	–	110.4	115.7	226.0
HIV, TB, malaria and community outreach grant: Oncology services component (new component)	–	110.4	115.7	226.0
Health facility revitalisation grant (Pietersburg conversion)	198.9	5.7	–	204.6
National Health Insurance Interim Fund	5.0	24.2	26.4	55.6
National health insurance indirect grant: Non-personal services component (implementation of Quality Improvement Plan)	25.0	–	–	25.0
Council for Medical Schemes	-0.1	-0.1	-0.1	-0.4
Traditional Health Practitioners Council	-0.3	-0.3	-0.4	-0.9
Electronic Medicine Stock Management System	-0.6	-0.7	-0.9	-2.1
Health Information, including district health information system programme	-0.8	-1.0	-1.2	-3.0
Health Systems Research including Health Systems Trust	-0.9	-1.1	-1.4	-3.4
South African National AIDS Council	-1.0	-1.2	-1.5	-3.6
Medico-legal experts (medical and legal) and financial management support programme for provinces	-1.2	-1.5	-1.9	-4.6
Malaria elimination programme (regional co-financing project)	-1.5	-1.8	-2.2	-5.5
Improve infrastructure management, infrastructure unit support systems programme and hospital revitalisation	-1.7	-2.2	-2.6	-6.5
Compensation of employees: Inflation adjustment	-5.5	-5.8	–	-11.3

Table 1.6 Health

Function ¹ by vote				
R million	2020/21	2021/22	2022/23 ³	MTEF total
Compensation Commission for Occupational Diseases	-3.7	-4.7	-5.7	-14.1
South African Medical Research Council	-7.2	-7.6	-7.9	-22.7
National health insurance indirect grant: Health facility revitalisation component (shift towards Non-Personal services component for implementation of quality improvement plan)	-25.0	–	–	-25.0
Forensic Chemistry Laboratories	-7.5	-9.5	-11.6	-28.6
South African Health Products Regulatory Authority	-8.4	-9.3	-11.4	-29.1
Health professions training and development grant	–	-32.7	-34.3	-67.0
Human resources capacitation grant	-10.6	-33.8	-35.4	-79.9
Accelerating HIV prevention and management including Soul City, Lifeline, loveLife, and other NGOs	-23.0	-29.1	-35.6	-87.6
Goods and services	-26.6	-33.5	-41.0	-101.1
Compensation of employees	-35.3	-43.7	-26.4	-105.4
Accelerating HIV prevention and management: condoms	-42.2	-50.1	-58.4	-150.7
National health insurance indirect grant: Health facility revitalisation component (Pietersburg conversion)	-198.9	-5.7	–	-204.6
Chronic disease prevention and health promotion	-60.3	-71.3	-80.9	-212.5
National Health Laboratory Service	-66.9	-72.9	-79.2	-219.0
National health insurance indirect grant: Personal services component (mental services sub-component)	–	-110.4	-115.7	-226.0
National health insurance indirect grant: Personal services component (oncology sub-component)	–	-110.4	-115.7	-226.0
National health insurance indirect grant: Health facility revitalisation component	-79.8	-93.7	-116.9	-290.5
National tertiary services grant	–	-148.4	-155.6	-304.0
National health insurance indirect grant: Non-personal services component	-116.6	-131.5	-158.0	-406.1
Health facility revitalisation grant	-190.8	-205.7	-215.6	-612.1
Human papillomavirus vaccine grant	-222.8	-235.1	-243.8	-701.7
HIV, TB, malaria and community outreach grant: HIV/AIDS component (shift to COS component)	-800.0	–	–	-800.0
HIV, TB, malaria and community outreach grant	-244.1	-277.5	-290.8	-812.5
National health insurance indirect grant: Personal services component (including health professionals contracting sub-component)	-527.7	-355.0	-378.3	-1 260.9
Human resources capacitation grant (now a component of new grant)	-1 052.5	-1 093.4	-1 133.7	-3 279.6
Health professions training and development grant (now a component of new grant)	-3 102.2	-3 240.0	-3 360.1	-9 702.3
Net change to function baseline	-1 170.3	-1 301.6	-1 417.6	-3 889.4

1. The estimate of the provincial equitable share allocated to this function is included. This amount is determined by provincial budgetary and legislative processes and is thus subject to change.
2. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline shown in the Budget Review, which includes revenue generated from other sources.
3. The modifications made to the 2022/23 function planning baseline throughout the 2020 Budget process are shown. The first estimates for 2022/23 are shown in italics. The fiscal framework shown in the Budget Review depicts the budget baseline as it stands at the end of the process.

Economic Development

The Economic Development function promotes faster and sustained inclusive economic growth to address the challenges of unemployment, poverty and inequality. The function is allocated R157.7 billion in 2020/21, R163.3 billion in 2021/22 and R168.1 billion in 2022/23. The function's baseline is decreased by a net amount of R7 billion (1.4 per cent) over the MTEF period, from R496.1 billion to R489.1 billion.

Table 1.7 Economic development

Function¹ by vote				
R million	2020/21	2021/22	2022/23 ³	MTEF total
2019 MTEF function baseline²	159 826.1	164 380.1	171 907.2	496 113.4
2020 MTEF function baseline²	157 687.6	163 269.7	168 110.7	489 068.0
Annual growth rate (percentage)	2.5%	3.5%	3.0%	3.0%
Net change from the 2019 baseline (percentage)	-1.3%	-0.7%	-2.2%	-1.4%
Agriculture, Land Reform and Rural Development	-1 783.1	-1 834.3	-1 905.3	-5 522.7
Restitution grants	100.0	100.0	300.0	500.0
Goods and services: Capacity to respond to biosecurity threats, revitalise laboratories, revitalise quarantine stations and strengthen inspection services at ports of entry	70.0	100.0	147.3	317.3
Strengthen animal and plant health, inspection and laboratory services, and food safety to increase capacity to respond to biosecurity threats	40.0	55.0	82.8	177.8
Ilima/Letsema projects grant	35.9	–	–	35.9
South African Geomatics Council	-0.1	-0.1	-0.1	-0.2
Non-profit institutions	-0.1	-0.1	-0.1	-0.3
National Agricultural Marketing Council	-0.3	-0.3	-0.4	-1.0
KwaZulu-Natal Ingonyama Trust Board	-0.4	-0.4	-0.4	-1.2
Office of the Valuer-General	-3.0	-3.1	-3.2	-9.3
Landcare programme grant: Poverty relief and infrastructure development	-4.3	-5.5	-6.7	-16.5
Buildings and other fixed structures	-6.2	-6.7	-7.1	-20.0
Land and Agricultural Development Bank of South Africa	-6.8	-7.4	-7.7	-21.9
Machinery and equipment	-11.5	-12.5	-13.7	-37.6
Agricultural land holding account	-19.7	-21.3	-22.1	-63.1
Compensation of employees: Inflation adjustment	-31.3	-33.2	–	-64.5
Agricultural Research Council	-22.5	-23.4	-21.9	-67.9
Ilima/Letsema projects grant	-66.6	-39.2	-47.9	-153.7
Goods and services	-67.0	-70.6	-75.1	-212.7
Comprehensive agricultural support programme grant: Infrastructure	-70.0	-85.0	-100.1	-255.1
NMOG: Administration function for forestry and fisheries functions shifted to Department of Environmental Affairs	-82.0	-86.6	-91.6	-260.2
Comprehensive agricultural support programme grant	-83.8	-108.8	-133.1	-325.7
Land reform	-130.0	-70.0	-130.0	-330.0
Rural development	-250.0	-270.0	-480.0	-1 000.0
NMOG: Fisheries function shifted to Department of Environmental Affairs	-440.8	-465.8	-486.5	-1 393.0
NMOG: Forestry function shifted to Department of Environmental Affairs	-732.6	-779.2	-808.0	-2 319.8
Communications and Digital Technologies	412.9	1 007.2	-377.3	1 042.9
Universal Service and Access Fund: New model for broadcasting digital migration	522.0	1 103.5	–	1 625.5
Universal Service and Access Agency of South Africa: Distribution costs for South African Post Office for broadcasting digital migration	178.0	97.0	–	275.0
Sentech: Dual illumination	–	100.0	–	100.0
Machinery and equipment	-0.2	-0.1	-0.2	-0.5
Software and other intangible assets	-0.2	-0.2	-0.2	-0.5
Compensation of employees: Inflation adjustment	-0.4	-0.4	–	-0.7
South African Broadcasting Corporation: Programme productions	-0.3	-0.3	-0.3	-1.0
Universal Service and Access Agency of South Africa	-0.6	-0.6	-0.7	-1.9
Film and Publication Board	-0.9	-0.9	-0.9	-2.7
Compensation of employees: Inflation adjustment	-1.6	-1.7	–	-3.2
Universal Service and Access Fund	-1.3	-1.4	-1.4	-4.1
South African Broadcasting Corporation: Channel Africa	-1.3	-1.4	-1.4	-4.1
National Electronic Media Institute of South Africa	-1.4	-1.5	-1.5	-4.3
South African Broadcasting Corporation: Public broadcaster	-2.6	-2.7	-2.8	-8.2

Table 1.7 Economic development

Function¹ by vote				
R million	2020/21	2021/22	2022/23 ³	MTEF total
NMOG: Entity oversight unit and media policy shifted to Government Communication and Information System	-4.7	-4.9	-5.2	-14.7
South African Post Office	-8.6	-5.3	-5.5	-19.5
Goods and services	-9.2	-4.3	-9.5	-23.1
Sentech: Migration of digital signals	-1.1	-0.7	-70.7	-72.5
NMOG: Media Development and Diversity Agency shifted to Government Communication and Information System	-33.6	-35.4	-36.7	-105.7
NMOG: Brand South Africa shifted to Government Communication and Information System	-219.4	-231.5	-240.2	-691.1
Cooperative Governance	-133.4	-150.3	-128.1	-411.8
Community work programme	-133.4	-150.3	-128.1	-411.8
Employment and Labour	-32.8	-36.2	-29.7	-98.7
National Economic Development and Labour Council	6.6	5.3	4.0	16.0
Buildings and other fixed structures	-0.3	-0.4	-0.4	-1.1
Productivity South Africa	-0.5	-0.6	-0.6	-1.7
National Economic Development and Labour Council	-0.8	-0.8	-0.9	-2.5
Machinery and equipment	-0.9	-1.0	-1.0	-2.9
Non-profit institutions	-4.1	-4.3	-4.5	-12.8
Compensation of employees: Inflation adjustment	-9.0	-9.6	–	-18.6
Commission for Conciliation, Mediation and Arbitration	-9.6	-10.1	-10.8	-30.4
Goods and services	-14.2	-14.9	-15.6	-44.7
Environment, Forestry and Fisheries	993.4	1 044.3	1 086.4	3 124.0
NMOG: Forestry function shifted to Department of Environmental Affairs	732.6	779.2	808.0	2 319.8
NMOG: Fisheries function shifted to Department of Environmental Affairs	440.8	465.8	486.5	1 393.0
NMOG: Administration function for forestry and fisheries functions shifted to Department of Environmental Affairs	82.0	86.6	91.6	260.2
Waste Bureau	62.0	67.0	71.0	200.0
Youth environmental programme in municipalities: Goods and services	55.0	60.0	65.0	180.0
Chemicals and waste economy: Operation Phakisa – goods and services	35.0	39.0	43.0	117.0
Biodiversity economy: Operation Phakisa – goods and services	56.5	30.0	21.0	107.5
Forestry function: Forest Sector Charter Council	-0.1	-0.1	-0.1	-0.3
Non-profit institutions	-0.1	-0.1	-0.1	-0.4
Software and other intangible assets	-0.2	-0.2	-0.2	-0.5
National Regulator for Compulsory Specifications	-0.3	-0.3	-0.3	-0.8
Machinery and equipment	-0.4	-0.4	-0.4	-1.2
Development Bank of Southern Africa	-1.6	–	–	-1.6
Recycling enterprise support programme	-1.5	-1.5	-1.6	-4.6
Buildings and other fixed structures	-3.3	-3.6	-3.8	-10.7
Compensation of employees: Inflation adjustment	-8.0	-8.5	0.0	-16.5
Fisheries function: Marine Living Resources Fund	-5.8	-6.1	-6.3	-18.2
South African Weather Service	-7.1	-7.4	-7.7	-22.2
South African National Parks	-8.1	-8.6	-8.9	-25.6
South African National Biodiversity Institute	-9.2	-9.9	-10.3	-29.4
Chemicals and Waste Management programme (asbestos programme)	–	-17.0	-19.0	-36.0
Green Fund	-51.0	–	–	-51.0
Oceans and Coasts programme: Goods and services	-35.0	-39.0	-43.0	-117.0
Working for Water	-39.5	-70.0	-70.0	-179.5
Environmental programmes: Goods and services	-55.0	-60.0	-65.0	-180.0
Goods and services	-99.3	-100.2	-105.2	-304.7
Expanded public works programme: Goods and services	-145.0	-150.5	-157.7	-453.2
Mineral Resources and Energy	23.7	77.4	107.7	208.7
Geological mapping for exploration of mining	70.0	128.0	147.8	345.8
Energy and Water Sector Education and Training Authority	-0.0	-0.0	-0.0	-0.1

Table 1.7 Economic development

Function¹ by vote				
R million	2020/21	2021/22	2022/23 ³	MTEF total
Mining Qualifications Authority	-0.0	-0.0	-0.0	-0.1
Buildings and other fixed structures	-0.0	-0.0	-0.0	-0.1
Mine Health and Safety Council	-0.0	-0.1	-0.1	-0.2
Petroleum Agency South Africa	-0.3	-0.3	-0.3	-1.0
Machinery and equipment	-0.3	-0.4	-0.4	-1.1
Industrial Development Corporation	-0.5	-0.6	-0.2	-1.3
Mintek	-1.0	-1.1	-1.2	-3.3
South African Diamond and Precious Metals Regulator	-1.3	-1.4	-1.4	-4.1
Compensation of employees: Inflation adjustment	-6.7	-7.2	–	-13.9
Council for Geoscience	-6.0	-8.0	-1.2	-15.1
Goods and services: Reduction	-8.5	-8.8	-11.3	-28.6
Energy efficiency and demand-side management grant	-21.6	-22.7	-23.8	-68.1
National Treasury	-49.8	653.2	1 063.3	1 666.8
Post-retirement medical assistance	803.9	1 565.1	2 028.3	4 397.3
Early retirement costs: Government Pensions Administration Agency	80.0	80.0	80.0	240.0
Employment Creation Facilitation Fund	-214.6	-125.3	-136.9	-476.8
Non-statutory forces	-719.0	-866.6	-908.2	-2 493.8
Public Works and Infrastructure	-131.6	-119.0	-123.7	-374.3
NMOG: Industrial Development Corporation: Presidential	60.8	91.6	95.1	247.5
Infrastructure Coordinating Commission (Technical Unit and Technical Project Management Unit): Shifted from Trade, Industry and Competition				
Agrément South Africa	-0.2	-0.2	-0.2	-0.6
Council for the Built Environment	-0.5	-0.5	-0.5	-1.5
Construction Industry Development Board	-1.6	-1.7	-1.8	-5.1
Expanded public works programme integrated grant for municipalities	-23.1	-24.4	-25.6	-73.2
Social sector expanded public works programme incentive grant for provinces	-40.9	-47.9	-50.3	-139.1
Expanded public works programme integrated grant for provinces	-41.6	-48.9	-51.2	-141.7
Property Management Trading Entity	-84.5	-87.0	-89.2	-260.6
Science and Innovation	174.2	474.6	447.4	1 096.1
Sovereign Innovation Fund	200.0	500.0	500.0	1200.0
Council for Scientific and Industrial Research infrastructure programme	56.1	61.1	64.9	182.1
South African National Space Agency: Space science programme	33.8	46.7	18.9	99.3
NMOG: Ministry: Compensation of employees shifted from	16.0	17.0	17.8	50.8
Department of Higher Education and Training				
NMOG: Ministry: Goods and services shifted from Department of Higher Education and Training	7.0	7.0	7.3	21.3
National Research Foundation: Research and development in indigenous knowledge systems	0.0	0.0	-0.1	-0.1
Machinery and equipment	-0.1	-0.1	-0.1	-0.2
National Research Foundation: Research information management system	-0.1	-0.1	-0.1	-0.2
Various institutions: Local systems of innovation for cold chain technologies project	-0.1	-0.1	-0.1	-0.3
Human Science Research Council: Develop and monitor science and technology indicators	-0.1	-0.1	-0.1	-0.3
International Centre for Genetic Engineering and Biotechnology	-0.1	-0.1	-0.1	-0.3
National Research Foundation: Bilateral cooperation for global science development	-0.1	-0.1	-0.1	-0.4
National Research Foundation: Human resources development for science and engineering: Economic competitiveness and support package	-0.2	-0.1	-0.1	-0.4
Various institutions: Economic competitiveness and support package:	-0.4	–	–	-0.4
Local systems of innovation for the cold chain technologies project				

Table 1.7 Economic development

Function ¹ by vote				
R million	2020/21	2021/22	2022/23 ³	MTEF total
Various institutions: Economic competitiveness and support package:	-0.6	–	–	-0.6
Local manufacturing capacity research and technical support				
Various institutions: Research in HIV and AIDS prevention and treatment technologies	-0.2	-0.2	-0.2	-0.6
Various institutions: Local manufacturing capacity research and technical support	-0.2	-0.2	-0.2	-0.7
Various institutions: Space science research-Economic competitiveness and support package	-0.2	-0.2	-0.2	-0.7
Various institutions: Environmental innovation	-0.2	-0.2	-0.2	-0.7
Various institutions: Policy development on human and social development dynamics	-0.2	-0.3	-0.3	-0.7
Various institutions: Innovation projects research	-0.2	-0.3	-0.3	-0.8
Various institutions: Astronomy research and development	-0.2	-0.3	-0.3	-0.8
Various institutions: Energy grand challenge research	-0.3	-0.3	-0.3	-0.9
Various institutions: Innovative research and development	-0.3	-0.3	-0.4	-1.0
Academy of Science of South Africa	-0.6	-0.3	-0.3	-1.1
Various institutions: Science awareness, research and initiatives to encourage youth participation in science	-0.6	-0.6	-0.7	-1.9
Various institutions: Information Communication Technology	-0.8	-0.9	-0.9	-2.6
Various institutions: Resource-based industries research and development	-1.1	-1.2	-1.3	-3.6
Various institutions: Advanced manufacturing technology strategy implementation	-1.3	-1.3	-1.4	-4.0
Council for Scientific and Industrial Research: Mining research and development	-1.3	-1.4	-1.4	-4.0
Various institutions: Strategic science platforms for research and development	-1.5	-1.7	-1.8	-4.9
Compensation of employees: Inflation adjustment	-2.5	-2.6	–	-5.1
Various institutions: Emerging research areas	-2.4	-2.5	-2.6	-7.4
South African National Space Agency	-3.0	-3.1	-3.3	-9.4
National Research Foundation: South African research chairs initiative to develop human resources in science	-3.9	-4.2	-4.4	-12.6
Goods and services	-4.2	-4.2	-4.4	-12.8
Various institutions: Infrastructure projects for research and development	-4.9	-5.2	-5.5	-15.6
Council for Scientific and Industrial Research: Cyberinfrastructure research and development	-5.3	-5.6	-5.8	-16.8
National Research Foundation: Square Kilometre Array: Capital contribution to research	-5.4	-5.8	-6.1	-17.2
Human Sciences Research Council	-6.6	-6.9	-7.1	-20.6
National Research Foundation: Human resources development for science and engineering	-6.6	-7.0	-7.4	-21.0
Non-profit institutions	-7.7	-8.1	-8.4	-24.3
Technology Innovation Agency	-9.3	-9.6	-10.0	-28.9
National Research Foundation	-19.7	-20.7	-21.4	-61.8
Council for Scientific and Industrial Research	-20.4	-21.0	-21.8	-63.3
Square Kilometre Array	-26.0	-40.0	-42.0	-108.0
Small Business Development	-306.5	-167.2	-209.3	-683.0
Small Enterprise Finance Agency:	–	500.0	500.0	1 000.0
Township Entrepreneurship Fund				
Machinery and equipment	-0.1	-0.1	-0.1	-0.3
Compensation of employees: Inflation adjustment	-1.0	-1.0	–	-2.0
Goods and services	-1.8	-1.9	-2.0	-5.7
Various institutions: National informal business upliftment scheme	-5.1	-5.4	-5.6	-16.0
Various institutions: Cooperatives incentive scheme	-5.6	-5.9	-6.1	-17.5
Various institutions: Black business supplier development programme	-18.1	-19.1	-19.8	-57.0
Small Enterprise Development Agency	-19.8	-20.8	-21.3	-61.9
Small Enterprise Finance Agency: Small business and innovation fund	-255.0	-613.0	-654.4	-1 522.4

Table 1.7 Economic development

Function ¹ by vote				
R million	2020/21	2021/22	2022/23 ³	MTEF total
Tourism	-55.2	-62.3	-62.4	-179.9
Machinery and equipment	-0.1	-0.1	-0.1	-0.3
Compensation of employees: Inflation adjustment	-2.2	-2.3	–	-4.5
Tourism incentive programme	-3.3	-2.7	-2.8	-8.8
Buildings and other fixed structures	-2.9	-3.0	-3.2	-9.0
Goods and services	-7.6	-8.0	-8.5	-24.1
South African Tourism	-19.2	-20.1	-20.9	-60.2
Tourism incentive programme	-20.0	-26.0	-27.0	-73.0
Trade, Industry and Competition	-641.1	-594.1	-608.1	-1 843.3
Manufacturing support programmes (aquaculture development and enhancement programme, agro-processing support programme, black industrialists scheme)	402.8	200.0	211.5	814.3
Coega special economic zone return effluent scheme	52.9	189.8	494.5	737.2
Establishment of basic economic infrastructure in zones 3, 5, 6 and 7 of the Coega special economic zone to unlock gas-to-power, aquaculture development and bulk water demand	97.8	208.2	63.6	369.6
Critical infrastructure programme: Industrial parks	53.9	26.3	26.9	107.1
Competition Commission	20.0	20.0	20.0	60.0
South African Bureau of Standards	12.0	12.0	12.0	36.0
Proudly South African	5.0	5.0	5.0	15.0
Council for Scientific and Industrial Research – aerospace industry	2.5	2.5	2.5	7.6
Competition Tribunal	-0.8	-0.8	4.2	2.6
Council for Geoscience	-0.0	-0.0	-0.0	-0.1
Council for Scientific and Industrial Research	-0.0	-0.0	-0.0	-0.1
Companies Tribunal	-0.1	-0.1	-0.1	-0.2
National Productivity Institute	-0.2	-0.1	-0.2	-0.5
National Consumer Commission	-0.2	-0.2	-0.2	-0.7
Software and other intangible assets	-0.3	-0.3	-0.3	-1.0
Machinery and equipment	-0.4	-0.4	-0.4	-1.2
International Trade Administration Commission	-0.4	-0.4	-0.4	-1.3
National Gambling Board	-0.6	-0.3	-0.8	-1.7
South African National Accreditation System	-0.7	-0.7	-0.7	-2.1
National Consumer Tribunal	-0.2	-1.2	-1.2	-2.5
Broad-Based Black Economic Empowerment Commission	-1.1	-0.6	-1.4	-3.1
National Credit Regulator	-1.7	-1.8	-1.8	-5.3
National Metrology Institute of South Africa: Operations	-2.0	-1.1	-2.7	-5.8
National Metrology Institute of South Africa	-2.1	-2.2	-2.2	-6.5
National Regulator for Compulsory Specifications	-2.9	-3.1	-3.2	-9.3
Non-profit institutions	-3.2	-3.4	-3.6	-10.2
Various institutions: Support programme for industrial innovation	-4.5	-4.8	-4.9	-14.2
Compensation of employees: Inflation adjustment	-7.1	-7.5	–	-14.6
Trade and industrial policy strategies	-5.0	-5.0	-5.0	-15.0
Small Enterprise Finance Agency	-7.8	-8.2	-8.6	-24.6
Various institutions: Critical infrastructure programme	-14.1	-14.9	-15.4	-44.4
Council for Scientific and Industrial Research National Cleaner Production Centre, national foundry technology network and Industrial Development Corporation	-15.0	-15.0	-15.0	-45.0
Various institutions: Export market and investment assistance	-15.2	-16.1	-16.7	-47.9
Goods and services	-24.5	-25.1	-25.9	-75.6
Industrial Development Corporation: Clothing and textiles	-52.9	-36.8	-38.2	-127.8
Various institutions: Services sector development incentives	-44.6	-47.0	-48.8	-140.4
NMOG: Industrial Development Corporation: Presidential	-60.8	-91.6	-95.1	-247.5
Infrastructure Coordinating Commission (Technical Unit and Technical Project Management Unit): Shifted to Public Works and Infrastructure				
Various institutions: Special economic zones	-224.9	-495.3	-659.1	-1 379.4
Various institutions: Manufacturing development incentives	-794.7	-473.6	-496.1	-1 764.5

Table 1.7 Economic development

Function ¹ by vote				
R million	2020/21	2021/22	2022/23 ³	MTEF total
Transport	-510.5	-1 100.0	-2 661.4	-4 271.9
Goods and services: Maritime transport	5.0	–	–	5.0
Compensation of employees: Inflation adjustment	-3.4	-3.7	–	-7.1
Rural roads asset management systems grant	-12.0	-12.7	-13.3	-38.1
South African National Roads Agency	–	–	-378.8	-378.8
South African National Roads Agency: Non-toll network	–	–	-1 011.8	-1 011.8
Provincial roads maintenance grant	-500.0	-1 083.6	-1 257.6	-2 841.2
Water and Sanitation	-98.7	-303.7	-395.9	-798.4
Machinery and equipment	15.8	19.2	21.4	56.5
Compensation of employees	10.0	10.0	10.0	30.0
Software and other intangible assets	1.3	4.3	1.8	7.4
Komati River Basin Authority	1.1	1.0	1.0	3.1
Provinces: Licence fees	0.0	0.0	0.0	0.1
Energy and Water Services Sector Education and Training Authority	-0.1	-0.1	-0.1	-0.2
Administration: Goods and services	-0.2	-0.2	-0.2	-0.7
Households	-0.3	-0.3	-0.3	-0.8
Compensation of employees: Inflation adjustment	-11.9	-12.7	–	-24.7
Buildings and other fixed structures	-8.3	-8.7	-9.2	-26.2
Goods and services: Water sector regulation	-22.4	-28.9	-28.1	-79.5
Goods and services: Reduction	-33.8	-34.9	-36.7	-105.4
Water Trading Entity	-49.9	-252.6	-355.5	-658.1
Net change to function baseline	-2 138.5	-1 110.4	-3 796.5	-7 045.4

1. The estimate of the provincial equitable share allocated to this function is included. This amount is determined by provincial budgetary and legislative processes and is thus subject to change.
2. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline shown in the Budget Review, which includes revenue generated from other sources.
3. The modifications made to the 2022/23 function planning baseline throughout the 2020 Budget process are shown. The first estimates for 2022/23 are shown in italics. The fiscal framework shown in the Budget Review depicts the budget baseline as it stands at the end of the process.

Social Development

The Social Development function aims to reduce poverty and inequality by providing social welfare services and grants, and to empower women, youth and persons with disability. The function is allocated R220.1 billion in 2020/21, R235.7 billion in 2021/22 and R252.1 billion in 2022/23. The function's baseline is decreased by a net amount of R2.3 billion (0.3 per cent) over the MTEF period, from R710.1 billion to R707.9 billion.

Table 1.8 Social Development

Function ¹ by vote				
R million	2020/21	2021/22	2022/23 ³	MTEF total
2019 MTEF function baseline²	220 932.7	236 526.5	252 683.8	710 143.0
2020 MTEF function baseline²	220 112.9	235 656.3	252 120.2	707 889.4
Annual growth rate (percentage)	7.2%	7.1%	7.0%	7.1%
Net change from the 2019 baseline (percentage)	-0.4%	-0.4%	-0.2%	-0.3%
Social Development	-1 753.3	-1 882.2	-1 617.1	-5 252.6
Early childhood development grant	362.2	473.3	582.0	1 417.5
Compensation of employees: Inflation adjustment	-3.3	-3.6	–	-6.9
NMOG: Rights of persons with disabilities function (administration support) shifted to Department of Women, Youth and Persons with Disabilities	-5.1	-5.3	-5.6	-16.0
Inspectorate: Compensation of employees	-9.7	-9.7	-9.6	-29.0
NMOG: Rights of persons with disabilities function shifted to Department of Women, Youth and Persons with Disabilities	-19.9	-21.5	-22.5	-63.9
Goods and services	-27.5	-28.9	-30.4	-86.7
HIV and AIDS subprogramme	-93.1	-108.8	-114.0	-315.9

Table 1.8 Social Development

Function ¹ by vote				
R million	2020/21	2021/22	2022/23 ³	MTEF total
Social worker scholarships	-112.6	-139.4	-146.1	-398.1
South African Social Security Agency: Administration of social grants	-406.2	-517.3	-626.0	-1 549.5
Social grants	-1 438.0	-1 521.0	-1 245.0	-4 204.0
Women, Youth and Persons with Disabilities	518.8	546.5	567.8	1 633.2
NMOG: National Youth Development Agency shifted from Department of Planning, Monitoring and Evaluation	484.8	510.4	529.3	1 524.5
NMOG: Rights of persons with disabilities function shifted from Department of Social Development	19.9	21.5	22.5	63.9
NMOG: Youth development function: Compensation of employees shifted from Department of Planning, Monitoring and Evaluation	7.4	7.8	8.3	23.5
NMOG: Youth development function: Goods and services shifted from Department of Planning, Monitoring and Evaluation	5.3	5.6	5.8	16.7
NMOG: Rights of persons with disabilities function (administration support) shifted from Department of Social Development	5.1	5.3	5.6	16.0
Goods and services: Gender-Based Violence and Femicide Council	5.0	5.0	5.0	15.0
NMOG: Youth development function: Payments for capital assets shifted from Department of Planning, Monitoring and Evaluation	0.0	0.0	0.0	0.1
Software and other intangible assets	-0.0	-0.0	-0.0	-0.1
Machinery and equipment	-0.0	-0.1	-0.1	-0.2
Goods and services: Youth development function	-0.1	-0.2	-0.1	-0.4
Compensation of employees: Inflation adjustment	-0.6	-0.6	–	-1.2
Goods and services	-1.9	-1.9	-2.0	-5.8
National Youth Development Agency	-6.1	-6.4	-6.6	-19.1
National Treasury	414.7	465.5	485.7	1 365.8
Sanitary dignity programme	209.0	217.3	225.6	651.8
Employment of social worker graduates that benefitted from the scholarship programme	112.6	139.4	146.1	398.1
Gender-based violence	93.1	108.8	114.0	315.9
Net change to function baseline	-819.7	-870.2	-563.7	-2 253.6

1. The estimate of the provincial equitable share allocated to this function is included. This amount is determined by provincial budgetary and legislative processes and is thus subject to change.
2. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline shown in the Budget Review, which includes revenue generated from other sources.
3. The modifications made to the 2022/23 function planning baseline throughout the 2020 Budget process are shown. The first estimates for 2022/23 are shown in italics. The fiscal framework shown in the Budget Review depicts the budget baseline as it stands at the end of the process.

Peace and Security

The Peace and Security function aims to ensure the safety of the country, in particular through an efficient and effective criminal justice system. The function is allocated R222.9 billion in 2020/21, R232.4 billion in 2021/22 and R242.2 billion in 2022/23. The function's baseline is reduced by a net amount of R9.7 billion (1.4 per cent) over the MTEF period, from R707.1 billion to R697.4 billion.

Table 1.9 Peace and security

Function ¹ by vote				
R million	2020/21	2021/22	2022/23 ³	MTEF total
2019 MTEF function baseline²	226 000.0	236 007.7	245 094.9	707 102.6
2020 MTEF function baseline²	222 912.4	232 356.5	242 177.9	697 446.8
Annual growth rate (percentage)	4.9%	4.2%	4.2%	4.5%
Net change from the 2019 baseline (percentage)	-1.4%	-1.5%	-1.2%	-1.4%
Civilian Secretariat for the Police Service	-0.7	-0.7	–	-1.4
Compensation of employees: Inflation adjustment	-0.7	-0.7	–	-1.4
Correctional Services	-377.2	-396.9	-284.1	-1 058.2
Transfers: Households	478.3	513.8	551.0	1 543.2
Biometrics at correctional centres and equipment to jam cellphones	20.0	22.0	24.0	66.0
Other machinery and equipment	19.1	–	–	19.1
Goods and services	-19.1	–	–	-19.1

Table 1.9 Peace and security

Function¹ by vote				
R million	2020/21	2021/22	2022/23 ³	MTEF total
Payments for capital assets	-13.3	-13.7	-14.4	-41.4
Compensation of employees: Inflation adjustment	-117.6	-125.7	–	-243.2
Compensation of employees	-744.6	-793.4	-844.7	-2 382.7
Defence	-684.7	-681.3	-498.5	-1 864.5
Prime mission equipment for border safeguarding	65.0	75.0	85.0	225.0
Non-profit institutions	-0.2	-0.2	-0.2	-0.6
Software and other intangible assets	-2.9	-0.1	-0.1	-3.0
Specialised military assets	-1.3	-1.5	-1.7	-4.6
Machinery and equipment	-5.5	-5.6	-5.9	-17.0
Buildings and other fixed structures	-8.0	-8.2	-8.6	-24.8
Special defence account	-28.0	-16.3	-16.9	-61.3
Armaments Corporation of South Africa	-30.9	-32.5	-33.8	-97.3
Compensation of employees: Inflation adjustment	-188.2	-200.4	–	-388.6
Goods and services	-484.7	-491.5	-516.2	-1 492.4
Home Affairs	286.1	47.2	67.6	401.0
Procurement of passenger name recognition system	180.0	210.0	216.0	606.0
Procurement of voter registration devices	255.0	–	–	255.0
Compensation of employees	90.0	90.0	52.0	232.0
Machinery and equipment	-0.3	-0.3	-0.3	-0.8
Represented Political Parties' Fund	-1.8	-1.9	-2.2	-5.8
Compensation of employees: Inflation adjustment	-23.0	-24.4	–	-47.4
Electoral Commission	-20.9	-26.1	-29.7	-76.7
Goods and services	-193.0	-200.1	-168.2	-561.2
Independent Police Investigative Directorate	-3.7	-3.9	-2.5	-10.1
Compensation of employees: Inflation adjustment	-1.5	-1.6	–	-3.1
Compensation of employees	-2.2	-2.3	-2.5	-7.0
Justice and Constitutional Development	194.0	247.9	357.0	798.8
National Prosecuting Authority: Investigative directorate	115.3	126.6	130.5	372.3
National Prosecuting Authority: Asset forfeiture unit and special commercial crimes unit capacity	94.8	101.4	104.0	300.2
National Prosecuting Authority: National prosecution service capacity (critical posts)	91.5	93.6	97.0	282.1
Special Investigating Unit	70.0	75.0	80.0	225.0
National Prosecuting Authority: Aspirant prosecutor programme	30.0	60.0	70.0	160.0
Integrated criminal justice strategy	40.0	40.0	43.3	123.3
Specialised commercial crime courts	37.4	40.0	42.8	120.2
Legal Aid South Africa	20.0	25.0	30.0	75.0
Information Regulator	15.0	25.0	30.0	70.0
National Prosecuting Authority: Witness protection	21.4	22.9	24.5	68.8
National Prosecuting Authority: Support services (safety and security)	16.1	17.2	18.4	51.6
Machinery and equipment	-7.2	-7.5	-8.0	-22.7
Transfer to the Office of the Chief Justice and Judicial Administration: Day-to-day maintenance (buildings and other fixed structures)	-10.5	-11.0	-11.6	-33.1
Transfer to the Office of the Chief Justice and Judicial Administration: Direct charge against the National Revenue Fund: Magistrates' salaries	-10.0	-11.0	-13.0	-34.0
Buildings and other fixed structures	-17.8	-18.7	-19.8	-56.3
Compensation of employees: Inflation adjustment	-76.5	-81.5	–	-158.1
Integrated justice system programme	-107.3	-112.9	-118.3	-338.5
Goods and services	-128.2	-136.2	-142.8	-407.3
Military Veterans	-18.7	-32.8	-37.3	-88.8
Increased provision of health care benefit to military veterans	30.0	32.0	35.0	97.0
Compensation of employees: Inflation adjustment	-0.8	-0.9	–	-1.8
Goods and services	-17.9	-31.9	-37.3	-87.0
Reduce empowerment and skills development	-30.0	-32.0	-35.0	-97.0

Table 1.9 Peace and security

Function ¹ by vote				
R million	2020/21	2021/22	2022/23 ³	MTEF total
National Treasury	-15.4	-14.0	-15.6	-45.0
Secret services: Operations	23.1	25.9	26.2	75.1
Financial Intelligence Centre: Operations	-4.9	-5.0	-5.3	-15.2
Secret Services: Machinery and equipment	-7.7	-7.9	-8.4	-24.1
Secret Services: Operations	-25.9	-27.0	-28.0	-80.9
Office of The Chief Justice	-12.0	-12.2	1.1	-23.1
Direct charge against the National Revenue Fund: Judges' salaries	10.0	11.0	13.0	34.0
Mpumalanga High Court: Compensation of employees	7.0	7.4	7.9	22.3
Mpumalanga High Court: Goods and services	-7.0	-7.4	-7.9	-22.3
Compensation of employees: Inflation adjustment	-11.2	-11.9	–	-23.1
Goods and services	-10.8	-11.3	-11.9	-34.0
Police	-2 455.2	-2 804.4	-2 504.8	-7 764.5
Compensation of employees	327.6	333.8	323.5	985.0
Early retirement costs	380.0	120.0	–	500.0
Biological assets	-0.1	-0.1	-0.2	-0.4
Buildings and other fixed structures	-18.3	-19.7	-20.8	-58.9
Machinery and equipment	-52.6	-55.5	-57.9	-166.1
Compensation of employees: Inflation adjustment	-491.3	-523.2	–	-1 014.5
Projected early retirement savings: Compensation of employees	-607.3	-500.0	-500.0	-1 607.3
Strategic reallocation to various departments in the Peace and Security function group to implement the integrated criminal justice strategy	-824.4	-939.7	-996.6	-2 760.7
Goods and services	-1 168.7	-1 219.9	-1 252.9	-3 641.4
Net change to function baseline	-3 087.6	-3 651.2	-2 917.0	-9 655.8

1. The estimate of the provincial equitable share allocated to this function is included. This amount is determined by provincial budgetary and legislative processes and is thus subject to change.
2. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline shown in the Budget Review, which includes revenue generated from other sources.
3. The modifications made to the 2022/23 function planning baseline throughout the 2020 Budget process are shown. The first estimates for 2022/23 are shown in italics. The fiscal framework shown in the Budget Review depicts the budget baseline as it stands at the end of the process.

Community Development

The Community Development function funds access to affordable housing, basic services and public transport, and facilitates spatial transformation and urban development. The function is allocated R204.4 billion in 2020/21, R222.2 billion in 2021/22 and R236.9 billion in 2022/23. The function's baseline is reduced by a net amount of R36.9 billion (5.3 per cent) over the MTEF period, from R700.3 billion to R663.4 billion.

Table 1.10 Community development

Function ¹ by vote				
R million	2020/21	2021/22	2022/23 ³	MTEF total
2019 MTEF function baseline²	215 739.0	235 017.3	249 534.5	700 290.8
2020 MTEF function baseline²	204 392.6	222 160.6	236 887.4	663 440.6
Annual growth rate (percentage)	2.9%	8.7%	6.6%	6.1%
Net change from the 2019 baseline (percentage)	-5.3%	-5.5%	-5.1%	-5.3%
Cooperative Governance	-1 980.0	-1 992.2	-2 035.0	-6 007.2
Integrated urban development grant	8.9	1.8	4.3	15.0
Municipal infrastructure grant	-988.8	-894.0	-939.3	-2 822.2
Local government equitable share	-1 000.0	-1 100.0	-1 100.0	-3 200.0
Human Settlements	-3 807.1	-4 882.3	-5 937.5	-14 626.9
National Housing Finance Corporation: Finance-linked individual subsidy programme (operational)	-0.3	-0.4	-0.4	-1.1
Compensation of employees: Inflation adjustment	-2.6	-2.8	–	-5.4
Housing Development Agency	-4.8	-5.1	-5.3	-15.2
Community Schemes Ombud Services	-11.0	-11.4	-12.0	-34.4
Social housing capital restructuring grant	-37.0	-40.0	-51.0	-128.0
Urban settlements development grant	1 565.1	-1 968.3	-2 554.0	-2 957.2
Human settlements development grant	684.1	-1 983.6	-2 402.4	-3 701.9

Table 1.10 Community development

Function ¹ by vote				
R million	2020/21	2021/22	2022/23 ³	MTEF total
Informal settlements upgrading partnership grant: Municipalities	-2 985.3	-438.4	-459.4	-3 883.1
Informal settlements upgrading partnership grant: Provinces	-3 015.3	-432.2	-452.9	-3 900.4
Mineral Resources and Energy	-184.4	-959.0	-418.3	-1 561.6
Various Institutions: Integrated national electrification programme	-4.5	-4.7	-4.9	-14.1
Integrated national electrification programme (municipal) grant	-118.6	-127.9	-134.0	-380.5
Integrated national electrification programme: Eskom (indirect grant)	-61.3	-826.4	-279.4	-1 167.0
National Treasury	232.7	322.2	337.5	892.5
Municipal revenue management improvement programme	329.6	433.0	453.6	1 216.3
Neighbourhood development partnership grant (indirect)	30.0	60.0	70.0	160.0
Infrastructure skills development grant	-4.7	-5.0	-5.2	-15.0
Integrated city development grant	-9.8	-10.6	-11.1	-31.4
Local government financial management grant	-16.9	-17.8	-18.6	-53.3
Neighbourhood development partnership grant (direct)	-95.5	-137.4	-151.2	-384.1
Transport	-5 541.2	-4 367.4	-3 392.5	-13 301.0
Goods and services: Reallocation to maritime events	-5.0	–	–	-5.0
Goods and services	-17.9	-17.5	-19.6	-55.0
Public transport operations grant	–	–	-295.1	-295.1
Public transport network grant	-1 049.3	-1 570.4	-1 726.9	-4 346.5
Passenger Rail Agency of South Africa	-4 468.9	-2 779.5	-1 351.0	-8 599.4
Water and Sanitation	-66.5	-978.0	-1 201.4	-2 245.9
Vaal River system pollution	750.0	–	–	750.0
Project management unit	0.2	0.2	0.2	0.7
Magalies water board: Regional bulk infrastructure	-2.0	-2.1	-2.2	-6.3
Sedibeng water board: Regional bulk infrastructure	-2.7	-2.8	-3.0	-8.6
Water services infrastructure grant (indirect)	-100.0	–	–	-100.0
Umgeni water board: Regional bulk infrastructure	-11.8	-72.5	-113.2	-197.5
Regional bulk infrastructure grant (indirect)	-100.0	-172.4	-189.0	-461.4
Regional bulk infrastructure grant	-174.4	-187.5	-196.5	-558.4
Water services infrastructure grant (direct)	-425.8	-541.0	-697.8	-1 664.5
Net change to function baseline	-11 346.4	-12 856.6	-12 647.1	-36 850.2

1. The estimate of the provincial equitable share allocated to this function is included. This amount is determined by provincial budgetary and legislative processes and is thus subject to change.
2. This table shows only the allocation of revenue from the National Revenue Fund for the function group. This differs from the presentation of the consolidated function group baseline shown in the Budget Review, which includes revenue generated from other sources.
3. The modifications made to the 2022/23 function planning baseline throughout the 2020 Budget process are shown. The first estimates for 2022/23 are shown in italics. The fiscal framework shown in the Budget Review depicts the budget baseline as it stands at the end of the process.

Provisional allocations

A total net negative amount of R58.8 billion is provisionally allocated, pending the successful negotiation and implementation of the wage bill measures, further work being undertaken, including impact evaluations and the development of business plans, as applicable. The specific details of these allocations will be finalised during the course of the 2020 Budget and thereafter allocated to specific votes.

Table 1.11 Provisional allocations

R million	2020/21	2021/22	2022/23	Total
Provisional allocation not assigned to votes	7 021	1 853	3 573	12 447
Provisional wage bill reductions (Already reflected in Table 1.2b)	-37 807	-54 929	-67 460	-160 196
Infrastructure fund not assigned to votes	–	4 000	6 000	10 000
Provisional allocation for Eskom	23 000	33 000	23 000	79 000
Total	-7 786	-16 077	-34 887	-58 750

An additional R5 billion per year over the MTEF period is set aside as a contingency reserve for expenditure related to possible changes in the economic environment or to meet unforeseen spending pressures.

Overview of expenditure for the MTEF period

The table below shows medium-term expenditure projections in three classification categories: consolidated government expenditure, main budget non-interest expenditure and the expenditure ceiling.

Table 1.12 Expenditure for the MTEF period

R million	2020/21	2021/22	2022/23	Total	Average real growth (%)
Consolidated government expenditure	1 954 445	2 040 339	2 141 040	6 135 824	0.5%
<i>of which</i>					
Debt-service costs	229 270	258 482	290 145	777 897	
Contingency reserve	5 000	5 000	5 000	15 000	
Main budget non-interest expenditure	1 536 724	1 592 186	1 650 080	4 778 991	-0.8%
<i>of which</i>					
National government	757 725	768 870	797 832	2 324 427	
Provincial government	649 256	691 951	730 690	2 071 898	
Local government	132 529	142 442	151 445	426 416	
Provisional allocations	-7 786	-16 077	-34 887	-58 750	
Contingency reserve	5 000	5 000	5 000	15 000	
Expenditure ceiling	1 457 703	1 538 590	1 605 098	4 601 390	-0.1%
<i>of which</i>					
National government	678 704	715 273	752 850	2 146 827	
Provincial government	649 256	691 951	730 690	2 071 98	
Local government	132 529	142 442	151 445	426 416	
Provisional allocations	-7 786	-16 077	-34 887	-58 750	
Contingency reserve	5 000	5 000	5 000	15 000	

The details of main budget expenditure allocated to a vote are discussed in the ENE publications, with a summary provided in the tables that follow.

Summary tables

Table 1:	Main budget framework, 2016/17 to 2022/23
Table 2:	Expenditure by national vote, 2016/17 to 2022/23
Table 3:	Expenditure by economic classification, 2016/17 to 2022/23
Table 4:	Amounts to be appropriated from the National Revenue Fund for 2020/21
Table 5a:	Conditional grants to provinces, 2016/17 to 2022/23
Table 5b:	Conditional grants to municipalities, 2016/17 to 2022/23
Table 6:	Training expenditure per vote, 2016/17 to 2022/23
Table 7a:	Infrastructure expenditure per vote, 2016/17 to 2022/23
Table 7b:	Type of infrastructure investment, 2016/17 to 2022/23
Table 8:	Personnel expenditure per vote, 2016/17 to 2022/23
Table 9:	Personnel numbers and unit cost per vote, 2018/19 to 2022/23
Table 10:	Departmental receipts per vote, 2016/17 to 2022/23

Table 1 Main budget framework: 2016/17 to 2022/23

R million	Audited outcome			Revised estimate	Medium-term estimates		
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Revenue (National Revenue Fund)							
Tax revenue (gross)	1 144 081.0	1 216 463.9	1 287 690.2	1 358 934.6	1 425 417.6	1 512 193.8	1 609 656.6
Departmental and other receipts, and repayments	33 271.8	35 849.3	35 868.7	36 142.0	35 973.2	32 663.3	34 586.3
Less: Southern African Customs Union (SACU) payments ¹	39 448.3	55 950.9	48 288.6	50 280.3	63 395.2	60 563.0	63 365.7
Total revenue	1 137 904.4	1 196 362.3	1 275 270.3	1 344 796.3	1 397 995.6	1 484 294.1	1 580 877.1
<i>Percentage of GDP</i>	25.7%	25.5%	25.9%	26.1%	25.8%	25.8%	25.8%
Expenditure							
Debt-service costs	146 496.7	162 644.6	181 849.1	205 005.0	229 270.0	258 482.1	290 145.1
<i>Percentage of GDP</i>	3.3%	3.5%	3.7%	4.0%	4.2%	4.5%	4.7%
Current payments ²	213 389.9	222 643.2	232 435.4	250 629.7	265 720.0	283 922.3	293 535.5
Transfers and subsidies	923 264.5	985 429.7	1 063 332.9	1 149 078.8	1 215 936.1	1 294 038.7	1 367 497.7
Payments for capital assets ²	15 598.5	15 232.9	14 469.2	13 573.2	15 302.8	15 809.0	16 509.7
Payments for financial assets	6 640.5	18 989.5	14 526.0	64 017.4	42 551.6	9 493.0	2 423.9
Provisional allocation not assigned to votes	—	—	—	—	7 020.6	1 852.6	3 573.5
Infrastructure fund not assigned to votes	—	—	—	—	—	4 000.0	6 000.0
Provisional allocation for Eskom restructuring	—	—	—	—	23 000.0	33 000.0	23 000.0
Compensation of employees adjustment	—	—	—	—	-37 806.7	-54 929.1	-67 460.4
Total	1 305 390.1	1 404 939.9	1 506 612.5	1 682 304.1	1 760 994.4	1 845 668.5	1 935 224.9
Contingency reserve	—	—	—	—	5 000.0	5 000.0	5 000.0
Total expenditure	1 305 390.1	1 404 939.9	1 506 612.5	1 682 304.1	1 765 994.4	1 850 668.5	1 940 224.9
<i>Percentage of GDP</i>	29.5%	29.9%	30.6%	32.6%	32.5%	32.1%	31.7%
Main budget balance³	-167 485.7	-208 577.7	-231 342.2	-337 507.8	-367 998.9	-366 374.3	-359 347.8
<i>Percentage of GDP</i>	-3.8%	-4.4%	-4.7%	-6.5%	-6.8%	-6.4%	-5.9%
GDP	4 419 437.0	4 698 724.0	4 921 494.0	5 157 347.4	5 428 211.8	5 758 993.4	6 126 301.9

1. Payments in terms of SACU agreements.

2. Excludes conditional grants to provinces and local government. These are included in transfers and subsidies.

3. A positive number reflects a surplus and a negative number reflects a deficit.

Table 2 Expenditure by national vote: 2016/17 to 2022/23

R million	Audited outcome			Adjusted appropriation
	2016/17	2017/18	2018/19	2019/20
1 The Presidency	478.1	485.2	465.2	699.3
2 Parliament	1 738.9	1 711.9	1 872.7	1 993.5
3 Cooperative Governance	69 718.2	76 209.5	81 755.1	90 178.2
4 Government Communication and Information System	585.1	619.3	643.7	683.6
5 Home Affairs	8 143.5	8 401.7	9 047.2	9 527.7
6 International Relations and Cooperation	6 844.9	5 996.9	6 370.2	6 508.5
7 National School of Government	87.7	153.7	166.8	187.9
8 National Treasury	28 120.7	39 595.8	28 554.6	30 628.9
9 Planning, Monitoring and Evaluation	367.4	425.6	384.6	479.5
10 Public Enterprises	253.8	250.4	6 474.8	56 883.0
11 Public Service and Administration	463.0	454.9	492.7	527.2
12 Public Service Commission	229.1	247.4	263.9	278.2
13 Public Works and Infrastructure	6 403.4	6 942.3	7 463.5	7 967.0
14 Statistics South Africa	2 461.2	2 195.5	2 311.1	2 514.4
15 Traditional Affairs	130.7	139.6	154.3	168.4
16 Basic Education	21 476.1	22 932.0	23 414.8	24 464.5
17 Higher Education and Training	49 098.0	52 256.8	72 866.3	89 013.6
18 Health	38 496.2	42 424.7	46 594.6	51 195.2
19 Social Development	147 325.0	159 379.0	172 562.6	184 697.8
20 Women, Youth and Persons with Disabilities	623.5	659.8	723.9	738.0
21 Civilian Secretariat for the Police Service	99.4	118.3	123.9	143.1
22 Correctional Services	21 542.2	22 757.3	23 776.9	25 316.9
23 Defence	46 599.5	48 355.1	47 865.0	50 235.6
24 Independent Police Investigative Directorate	241.7	255.3	314.8	336.7
25 Justice and Constitutional Development	16 039.0	16 607.2	17 182.1	18 781.5
26 Military Veterans	504.6	601.5	542.0	652.6
27 Office of the Chief Justice	855.6	997.5	1 092.0	1 197.7
28 Police	80 874.2	86 480.4	90 297.5	96 684.2
29 Agriculture, Land Reform and Rural Development	15 357.2	15 175.8	16 600.2	17 228.9
30 Communications and Digital Technologies	2 821.2	5 684.1	4 826.6	5 774.1
31 Employment and Labour	2 761.6	2 844.0	3 086.7	3 433.2
32 Environment, Forestry and Fisheries	7 581.6	7 906.3	7 992.0	8 695.7
33 Human Settlements	30 587.2	33 370.5	32 195.4	33 861.9
34 Mineral Resources and Energy	9 173.9	9 721.3	8 970.4	9 185.8
35 Science and Innovation	7 423.2	7 528.6	7 949.3	8 172.3
36 Small Business Development	1 197.0	1 459.5	1 419.5	2 268.6
37 Sports, Arts and Culture	4 981.6	5 201.9	5 314.0	5 723.1
38 Tourism	1 919.6	2 134.0	2 234.8	2 392.7
39 Trade, Industry and Competition	11 014.5	10 145.3	10 519.3	11 014.4
40 Transport	56 403.7	54 670.7	59 193.5	64 205.1
41 Water and Sanitation	15 635.4	15 106.3	16 619.4	16 467.3
Total appropriation by vote	716 658.5	768 602.9	820 697.8	941 105.7
Plus:				
Direct charges against the National Revenue Fund				
President and deputy president salaries (The Presidency)	5.7	5.7	5.7	7.3
Members' remuneration (Parliament)	436.5	556.3	493.2	600.5
Debt-service costs (National Treasury)	146 496.7	162 644.6	181 849.1	203 730.8
Provincial equitable share (National Treasury)	410 698.6	441 331.1	470 286.5	505 553.8
General fuel levy sharing with metropolitan municipalities (National Treasury)	11 223.8	11 785.0	12 468.6	13 166.8
National Revenue Fund payments (National Treasury)	1 778.0	587.1	161.6	359.5
Auditor-General of South Africa (National Treasury)	79.1	196.3	97.7	62.8
Skills levy and sector education and training authorities (Higher Education and Training)	15 233.0	16 293.6	17 479.9	18 576.3
Magistrates' salaries (Justice and Constitutional Development)	1 845.7	1 933.5	2 047.4	2 263.7
Judges' salaries (Office of the Chief Justice and Judicial Administration)	930.7	998.4	1 022.2	1 098.5
International Oil Pollution Compensation Fund (Transport)	3.8	5.6	3.0	10.4
Total direct charges against the National Revenue Fund	588 731.7	636 337.0	685 914.8	745 430.4
Provisional allocation not assigned to votes	—	—	—	—
Infrastructure fund not assigned to votes	—	—	—	—
Provisional allocation for Eskom restructuring	—	—	—	—
Compensation of employees adjustment	—	—	—	—
Total	1 305 390.1	1 404 939.9	1 506 612.5	1 686 536.1
Contingency reserve	—	—	—	—
National government projected underspending	—	—	—	-1 183.8
Local government repayment to the National Revenue Fund	—	—	—	-2 000.0
Total	1 305 390.1	1 404 939.9	1 506 612.5	1 683 352.3

Table 2 Expenditure by national vote: 2016/17 to 2022/23

Revised estimate	Medium-term expenditure estimates				
2019/20	2020/21	2021/22	2022/23	R million	
699.3	611.6	648.8	676.0	1	The Presidency
1 993.5	2 180.5	2 331.5	2 429.4	2	Parliament
88 168.2	96 234.0	104 262.1	111 656.6	3	Cooperative Governance
683.6	720.5	763.2	794.0	4	Government Communication and Information System
9 527.7	9 029.6	9 659.9	10 041.5	5	Home Affairs
6 508.5	6 850.2	7 038.5	7 328.9	6	International Relations and Cooperation
187.9	206.6	227.3	236.3	7	National School of Government
30 432.0	33 123.2	35 822.5	32 911.9	8	National Treasury
464.0	500.0	524.3	547.9	9	Planning, Monitoring and Evaluation
56 883.0	37 849.4	4 637.4	2 119.1	10	Public Enterprises
527.2	565.7	606.6	627.5	11	Public Service and Administration
278.2	297.6	316.3	328.2	12	Public Service Commission
7 927.0	8 070.8	8 757.3	9 089.7	13	Public Works and Infrastructure
2 514.4	3 452.2	4 843.9	2 862.6	14	Statistics South Africa
166.2	173.4	184.7	192.3	15	Traditional Affairs
24 064.7	25 328.2	27 333.0	28 592.4	16	Basic Education
88 859.3	97 444.0	102 753.0	107 373.4	17	Higher Education and Training
50 695.0	55 516.0	60 638.3	63 491.0	18	Health
184 697.8	197 718.3	211 810.9	226 890.8	19	Social Development
738.0	778.5	821.5	853.0	20	Women, Youth and Persons with Disabilities
143.1	156.3	166.3	173.3	21	Civilian Secretariat for the Police Service
25 316.9	26 800.0	28 565.6	29 779.2	22	Correctional Services
50 235.6	52 438.6	50 852.5	52 993.6	23	Defence
336.7	355.7	377.7	393.4	24	Independent Police Investigative Directorate
18 581.5	19 860.6	21 168.8	22 083.9	25	Justice and Constitutional Development
652.6	683.1	711.0	735.0	26	Military Veterans
1 197.7	1 259.8	1 335.9	1 398.3	27	Office of the Chief Justice
96 684.2	101 711.0	108 208.8	112 683.6	28	Police
17 228.9	16 810.1	17 946.9	18 520.9	29	Agriculture, Land Reform and Rural Development
4 648.9	3 394.5	3 918.6	2 643.0	30	Communications and Digital Technologies
3 381.7	3 637.7	3 857.2	4 009.8	31	Employment and Labour
8 695.7	8 954.7	9 287.8	9 640.5	32	Environment, Forestry and Fisheries
33 861.9	31 324.9	31 788.6	32 790.8	33	Human Settlements
9 036.7	9 337.0	9 570.0	10 583.4	34	Mineral Resources and Energy
8 172.3	8 797.4	9 377.8	9 681.5	35	Science and Innovation
2 268.6	2 406.8	2 696.1	2 760.7	36	Small Business Development
5 687.1	5 720.2	6 035.5	6 269.6	37	Sports, Arts and Culture
2 392.7	2 481.0	2 586.2	2 687.7	38	Tourism
11 014.4	11 082.1	10 098.3	10 489.1	39	Trade, Industry and Competition
63 976.1	62 036.3	69 034.6	72 228.0	40	Transport
16 062.2	17 216.2	17 270.4	17 924.9	41	Water and Sanitation
935 590.9	963 114.2	988 835.6	1 029 512.7	Total appropriation by vote	
				Plus:	
				Direct charges against the National Revenue Fund	
7.3	7.8	8.3	8.6	President and deputy president salaries (The Presidency)	
600.5	507.2	541.0	561.2	Members' remuneration (Parliament)	
205 005.0	229 270.0	258 482.1	290 145.1	Debt-service costs (National Treasury)	
505 553.8	538 471.5	573 989.5	607 553.5	Provincial equitable share (National Treasury)	
13 166.8	14 026.9	15 182.5	16 085.0	General fuel levy sharing with metropolitan municipalities (National Treasury)	
468.1	97.9	–	–	National Revenue Fund payments (National Treasury)	
62.8	120.0	125.0	129.0	Auditor-General of South Africa (National Treasury)	
18 576.3	19 412.9	20 585.0	21 969.8	Skills levy and sector education and training authorities (Higher Education and Training)	
2 163.7	2 550.2	2 715.6	2 816.0	Magistrates' salaries (Justice and Constitutional Development)	
1 098.5	1 190.9	1 268.7	1 318.9	Judges' salaries (Office of the Chief Justice and Judicial Administration)	
10.4	11.0	11.6	12.0	International Oil Pollution Compensation Fund (Transport)	
746 713.2	805 666.3	872 909.4	940 599.1	Total direct charges against the National Revenue Fund	
–	7 020.6	1 852.6	3 573.5	Provisional allocation not assigned to votes	
–	–	4 000.0	6 000.0	Infrastructure fund not assigned to votes	
–	23 000.0	33 000.0	23 000.0	Provisional allocation for Eskom restructuring	
–	-37 806.7	-54 929.1	-67 460.4	Compensation of employees adjustment	
1 682 304.1	1 760 994.4	1 845 668.5	1 935 224.9	Total	
–	5 000.0	5 000.0	5 000.0	Contingency reserve	
–	–	–	–	National government projected underspending	
–	–	–	–	Local government repayment to the National Revenue Fund	
1 682 304.1	1 765 994.4	1 850 668.5	1 940 224.9	Total	

Table 3 Expenditure by economic classification: 2016/17 to 2022/23

R million	Audited outcome			Adjusted appropriation
	2016/17	2017/18	2018/19	2019/20
Current payments				
Compensation of employees	147 435.6	156 613.9	165 517.3	175 505.4
Salaries and wages	123 567.4	130 982.3	138 633.0	146 983.7
Social contributions	23 868.3	25 631.6	26 884.3	28 521.7
Goods and services	65 837.9	65 869.2	66 741.2	75 991.4
Interest and rent on land	146 613.0	162 804.7	182 026.0	203 889.0
Interest (incl. interest on unitary payments)	146 612.6	162 795.0	182 002.1	203 879.6
Rent on land	0.4	9.7	24.0	9.4
Total current payments	359 886.6	385 287.8	414 284.5	455 385.8
Transfers and subsidies to:				
Provinces and municipalities	603 420.8	649 928.6	690 745.5	740 272.0
Provinces	500 383.8	538 552.6	571 953.6	612 816.8
Provincial revenue funds	500 383.8	538 552.6	571 953.6	612 816.8
Provincial agencies and funds	0.0	–	–	–
Municipalities	103 037.0	111 376.0	118 791.9	127 455.1
Municipal bank accounts	103 036.3	111 375.2	118 791.0	127 454.3
Municipal agencies and funds	0.7	0.8	0.9	0.9
Departmental agencies and accounts	97 673.1	103 021.0	117 623.8	134 281.3
Social security funds	31.4	22.3	19.9	44.2
Departmental agencies (non-business entities)	97 641.7	102 998.8	117 603.9	134 237.2
Higher education institutions	28 163.6	31 589.9	36 903.8	42 371.3
Foreign governments and international organisations	2 205.0	1 971.1	2 345.5	2 335.5
Public corporations and private enterprises	36 782.0	32 461.4	32 868.8	35 651.6
Public corporations	31 354.8	28 191.4	28 172.6	30 061.4
Subsidies on products or production	24 652.5	20 700.1	21 426.9	22 041.7
Other transfers to public corporations	6 702.3	7 491.3	6 745.7	8 019.7
Private enterprises	5 427.2	4 269.9	4 696.2	5 590.2
Subsidies on products or production	4 441.7	3 258.2	3 631.0	4 197.2
Other transfers to private enterprises	985.5	1 011.7	1 065.1	1 393.0
Non-profit institutions	3 874.2	4 266.4	7 330.5	8 239.0
Households	151 145.8	162 191.4	175 514.9	188 045.4
Social benefits	144 650.3	156 665.0	169 462.5	182 161.4
Other transfers to households	6 495.5	5 526.4	6 052.3	5 884.1
Total transfers and subsidies	923 264.5	985 429.7	1 063 332.9	1 151 196.2
Payments for capital assets				
Buildings and other fixed structures	10 908.3	9 995.9	9 624.2	9 898.5
Buildings	5 463.7	7 218.3	6 864.7	5 859.1
Other fixed structures	5 444.7	2 777.6	2 759.5	4 039.3
Machinery and equipment	3 718.0	4 636.2	4 272.3	4 355.2
Transport equipment	1 881.0	2 541.6	2 484.2	2 155.9
Other machinery and equipment	1 837.0	2 094.6	1 788.1	2 199.3
Heritage assets	98.3	43.4	68.6	213.8
Specialised military assets	7.6	–	0.0	1.8
Biological assets	7.2	8.8	10.1	11.7
Land and subsoil assets	104.4	111.1	25.3	0.4
Software and other intangible assets	754.7	437.4	468.7	262.3
Total payments for capital assets	15 598.5	15 232.9	14 469.2	14 743.6
Payments for financial assets	6 640.5	18 989.5	14 526.0	65 210.6
Provisional allocation not assigned to votes	–	–	–	–
Infrastructure fund not assigned to votes	–	–	–	–
Provisional allocation for Eskom restructuring	–	–	–	–
Compensation of employees adjustment	–	–	–	–
Total	1 305 390.1	1 404 939.9	1 506 612.5	1 686 536.1
Contingency reserve	–	–	–	–
National government projected underspending	–	–	–	-1 183.8
Local government repayment to the National Revenue Fund	–	–	–	-2 000.0
Total	1 305 390.1	1 404 939.9	1 506 612.5	1 683 352.3

Table 3 Expenditure by economic classification: 2016/17 to 2022/23

Revised estimate	Medium-term expenditure estimates			R million
2019/20	2020/21	2021/22	2022/23	
175 015.3	187 668.1	200 116.5	208 736.4	Current payments
146 537.2	157 249.8	167 751.3	175 119.7	Compensation of employees
28 478.1	30 418.3	32 365.1	33 616.7	Salaries and wages
				Social contributions
75 456.2	77 891.4	83 642.8	84 630.8	Goods and services
205 163.2	229 430.5	258 645.1	290 313.3	Interest and rent on land
205 153.8	229 420.5	258 634.6	290 302.5	Interest (incl. interest on unitary payments)
9.4	9.9	10.4	10.8	Rent on land
455 634.7	494 990.0	542 404.4	583 680.5	Total current payments
738 083.0	781 933.8	834 549.9	882 297.4	Transfers and subsidies to:
612 816.8	649 256.3	691 951.1	730 690.2	Provinces and municipalities
612 816.8	649 256.3	691 951.1	730 690.2	Provinces
–	–	–	–	Provincial revenue funds
				Provincial agencies and funds
125 266.1	132 677.5	142 598.9	151 607.2	Municipalities
125 265.3	132 676.6	142 598.0	151 606.3	Municipal bank accounts
0.9	0.9	0.9	0.9	Municipal agencies and funds
134 296.3	143 295.9	145 935.3	149 526.7	Departmental agencies and accounts
44.2	21.9	23.0	23.8	Social security funds
134 252.2	143 274.0	145 912.2	149 502.9	Departmental agencies (non-business entities)
42 371.3	44 802.9	47 196.6	49 445.3	Higher education institutions
2 541.5	2 829.2	2 784.6	2 974.0	Foreign governments and international organisations
35 502.6	32 524.8	37 691.7	41 268.7	Public corporations and private enterprises
30 061.4	26 819.2	33 290.3	36 700.1	Public corporations
22 041.7	18 615.1	24 670.7	27 978.4	Subsidies on products or production
8 019.7	8 204.1	8 619.6	8 721.7	Other transfers to public corporations
5 441.1	5 705.6	4 401.3	4 568.6	Private enterprises
4 197.2	4 248.1	2 901.1	3 012.4	Subsidies on products or production
1 243.9	1 457.4	1 500.2	1 556.2	Other transfers to private enterprises
8 239.0	9 072.7	9 813.5	10 218.7	Non-profit institutions
188 045.2	201 476.9	216 067.1	231 766.9	Households
182 161.2	195 775.6	210 032.2	225 362.6	Social benefits
5 884.1	5 701.2	6 035.0	6 404.2	Other transfers to households
1 149 078.8	1 215 936.1	1 294 038.7	1 367 497.7	Total transfers and subsidies
8 843.4	10 681.2	11 175.5	11 704.2	Payments for capital assets
5 209.0	6 182.8	7 105.9	7 409.1	Buildings and other fixed structures
3 634.4	4 498.4	4 069.7	4 295.1	Buildings
4 275.9	4 262.2	4 321.2	4 505.7	Machinery and equipment
2 155.9	2 117.5	2 192.4	2 277.5	Transport equipment
2 119.9	2 144.7	2 128.8	2 228.2	Other machinery and equipment
177.7	202.8	205.8	194.7	Heritage assets
1.8	1.8	2.1	0.2	Specialised military assets
11.7	8.7	9.2	9.5	Biological assets
0.4	–	–	–	Land and subsoil assets
262.3	146.1	95.3	95.4	Software and other intangible assets
13 573.2	15 302.8	15 809.0	16 509.7	Total payments for capital assets
64 017.4	42 551.6	9 493.0	2 423.9	Payments for financial assets
–	7 020.6	1 852.6	3 573.5	Provisional allocation not assigned to votes
–	–	4 000.0	6 000.0	Infrastructure fund not assigned to votes
–	23 000.0	33 000.0	23 000.0	Provisional allocation for Eskom restructuring
–	-37 806.7	-54 929.1	-67 460.4	Compensation of employees adjustment
1 682 304.1	1 760 994.4	1 845 668.5	1 935 224.9	Total
–	5 000.0	5 000.0	5 000.0	Contingency reserve
–	–	–	–	National government projected underspending
–	–	–	–	Local government repayment to the National Revenue Fund
1 682 304.1	1 765 994.4	1 850 668.5	1 940 224.9	Total

Table 4 Amounts to be appropriated from the National Revenue Fund for 2020/21

	Appropriated (including direct charges)	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	To be appropriated	Increase/ Decrease ¹
R million	2019/20	2020/21					
1 The Presidency	706.4	606.1	0.0	13.3	—	619.4	-87.0
2 Parliament ²	2 521.0	2 192.5	481.3	13.8	—	2 687.6	166.6
3 Cooperative Governance	90 554.4	4 955.9	91 272.8	5.3	—	96 234.0	5 679.6
4 Government Communication and Information System	688.7	467.4	249.2	4.0	—	720.5	31.9
5 Home Affairs	8 339.7	6 627.0	2 389.6	13.0	—	9 029.6	689.9
6 International Relations and Cooperation	6 508.5	5 559.2	914.9	376.1	—	6 850.2	341.7
7 National School of Government	187.9	109.5	93.7	3.4	—	206.6	18.7
8 National Treasury	751 834.8	232 184.1	577 879.3	34.4	5 011.6	815 109.5	63 274.7
9 Planning, Monitoring and Evaluation	478.4	491.8	—	8.2	—	500.0	21.5
10 Public Enterprises	17 945.0	305.9	0.0	3.5	37 540.0	37 849.4	19 904.3
11 Public Service and Administration	536.0	519.6	43.2	2.9	—	565.7	29.7
12 Public Service Commission	278.2	295.7	0.5	1.4	—	297.6	19.4
13 Public Works and Infrastructure	7 869.0	1 054.5	6 996.1	20.2	—	8 070.8	201.8
14 Statistics South Africa	2 514.4	3 136.9	0.5	314.7	—	3 452.2	937.8
15 Traditional Affairs	163.4	122.9	47.7	2.9	—	173.4	10.0
16 Basic Education	24 504.5	2 668.8	21 150.2	1 509.2	—	25 328.2	823.7
17 Higher Education and Training	108 213.0	10 989.4	105 851.2	16.3	—	116 856.9	8 643.9
18 Health	51 460.7	3 008.7	51 271.9	1 235.4	—	55 516.0	4 055.3
19 Social Development	184 767.8	939.6	196 766.8	11.9	—	197 718.3	12 950.4
20 Women, Youth and Persons with Disabilities	739.3	206.0	568.8	3.7	—	778.5	39.2
21 Civilian Secretariat for the Police Service	146.7	154.3	0.2	1.8	—	156.3	9.6
22 Correctional Services	25 407.6	25 324.5	665.6	809.9	—	26 800.0	1 392.3
23 Defence	49 850.4	44 573.9	7 091.0	773.7	—	52 438.6	2 588.2
24 Independent Police Investigative Directorate	336.7	349.4	0.8	5.5	—	355.7	19.0
25 Justice and Constitutional Development	21 100.8	18 096.5	3 250.2	1 064.2	—	22 410.8	1 310.1
26 Military Veterans	662.6	405.5	260.9	16.7	—	683.1	20.5
27 Office of the Chief Justice	2 296.2	2 212.4	128.1	110.2	—	2 450.8	154.5
28 Police	97 448.6	96 876.1	1 497.7	3 337.3	—	101 711.0	4 262.4
29 Agriculture, Land Reform and Rural Development	17 398.7	8 033.6	8 411.0	365.4	—	16 810.1	-588.6
30 Communications and Digital Technologies	2 572.0	780.0	2 582.8	31.8	—	3 394.5	822.6
31 Employment and Labour	3 435.1	2 177.6	1 391.4	68.8	—	3 637.7	202.6
32 Environment, Forestry and Fisheries	8 742.1	6 969.1	1 749.5	236.0	—	8 954.7	212.6
33 Human Settlements	33 879.2	947.7	30 373.6	3.6	—	31 324.9	-2 554.3
34 Mineral Resources and Energy	9 445.2	1 684.0	7 634.6	18.4	—	9 337.0	-108.2
35 Science and Innovation	8 194.6	632.5	8 162.2	2.8	—	8 797.4	602.8
36 Small Business Development	2 568.6	251.4	2 151.1	4.3	—	2 406.8	-161.8
37 Sports, Arts and Culture	5 771.1	1 018.7	4 492.1	209.3	—	5 720.2	-51.0
38 Tourism	2 392.7	998.7	1 478.5	3.8	—	2 481.0	88.3
39 Trade, Industry and Competition	11 044.4	1 976.6	9 071.4	34.1	—	11 082.1	37.7
40 Transport	64 204.6	1 450.4	60 591.6	5.3	—	62 047.2	-2 157.4
41 Water and Sanitation	16 440.4	3 635.7	8 974.1	4 606.4	—	17 216.2	775.9
Total	1 644 149.4	494 990.0	1 215 936.1	15 302.8	42 551.6	1 768 780.5	124 631.1

1. A positive number reflects an increase and a negative number reflects a decrease.

2. This is the executive's proposal for Parliament's budget, as such the economic classification disaggregation of the vote is not appropriated in the Appropriation Bill (2020).

Table 5a Conditional grants to provinces: 2016/17 to 2022/23¹

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates		
	2016/17	2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
3 Cooperative Governance	–	82.3	139.0	130.9	130.9	138.5	146.1	153.0
13 Public Works and Infrastructure	761.7	781.2	824.0	868.2	868.2	834.3	871.4	902.8
16 Basic Education	16 579.6	17 570.1	17 690.2	18 569.2	18 569.2	19 564.3	20 773.3	21 737.9
18 Health	33 981.0	37 570.2	41 364.1	45 524.1	45 524.1	49 267.2	53 916.6	56 537.0
19 Social Development	85.5	524.4	776.9	518.2	518.2	915.1	1 056.7	1 191.9
29 Agriculture, Land Reform and Rural Development	2 202.5	2 241.7	2 845.9	2 158.7	2 158.7	2 153.4	2 319.7	2 392.0
33 Human Settlements	18 284.0	19 969.3	18 990.0	19 604.4	19 604.4	17 493.5	17 614.4	18 317.4
37 Sports, Arts and Culture	1 912.5	2 005.8	2 011.1	2 121.2	2 121.2	2 075.7	2 204.9	2 307.5
40 Transport	15 878.5	16 476.5	17 026.0	17 768.2	17 768.2	18 342.8	19 058.3	19 597.2
Total	89 685.2	97 221.5	101 667.1	107 263.1	107 263.1	110 784.8	117 961.5	123 136.7

1. Details provided in the Division of Revenue Bill (2020).

Table 5b Conditional grants to municipalities: 2016/17 to 2022/23¹

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates		
	2016/17	2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
3 Cooperative Governance	15 469.5	16 398.5	16 462.3	16 141.7	16 141.7	15 973.1	17 325.2	18 318.4
8 National Treasury	1 454.4	1 592.7	1 508.8	1 594.0	1 594.0	1 575.0	1 644.4	1 717.5
13 Public Works and Infrastructure	664.0	691.4	692.9	730.0	730.0	748.0	790.0	819.1
33 Human Settlements	10 839.5	11 382.2	11 343.9	12 194.5	12 194.5	11 440.7	11 517.7	11 708.2
34 Mineral Resources and Energy	2 131.9	2 290.3	2 119.5	2 090.4	2 090.4	2 076.7	2 233.1	2 362.0
40 Transport	5 694.2	6 214.4	6 394.2	6 582.1	6 393.1	6 554.3	6 911.0	7 240.2
41 Water and Sanitation	4 680.8	5 134.2	6 740.3	5 735.7	5 735.7	5 450.8	5 776.4	5 981.8
Total	40 934.2	43 703.8	45 261.8	45 068.4	44 879.4	43 818.6	46 197.7	48 147.1

1. Details provided in the Division of Revenue Bill (2020).

Table 6 Training expenditure per vote: 2016/17 to 2022/23

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1 The Presidency	3.5	1.0	2.5	3.4	3.3	3.5	3.6
2 Parliament	4.7	–	–	18.5	18.7	22.2	–
3 Cooperative Governance	2.2	0.8	1.6	3.7	3.9	4.2	4.4
4 Government Communication and Information System	0.6	0.7	1.4	2.0	1.8	1.9	2.0
5 Home Affairs	2.6	5.4	3.9	35.6	38.3	40.7	42.8
6 International Relations and Cooperation	10.2	18.5	2.2	27.0	27.0	31.0	31.3
7 National School of Government	0.7	0.4	1.4	0.6	0.6	0.7	0.7
8 National Treasury	5.9	1.7	2.6	7.7	8.6	9.1	9.0
9 Planning, Monitoring and Evaluation	3.9	4.7	5.4	5.8	6.0	6.2	6.5
10 Public Enterprises	1.3	0.7	0.8	1.2	1.3	1.4	1.4
11 Public Service and Administration	2.4	1.5	1.4	3.2	4.0	4.0	4.2
12 Public Service Commission	0.4	0.4	0.3	1.7	1.8	1.8	2.5
13 Public Works and Infrastructure	6.2	4.8	3.5	5.6	5.9	6.3	6.6
14 Statistics South Africa	7.6	7.5	9.4	16.0	19.8	20.0	23.9
15 Traditional Affairs	0.1	0.1	0.0	0.6	0.5	0.5	0.6
16 Basic Education	1.2	1.8	1.6	1.7	1.9	2.0	2.2
17 Higher Education and Training	2.5	2.4	4.0	3.6	3.7	3.9	4.1
18 Health	5.6	6.2	3.7	8.9	9.1	9.6	9.9
19 Social Development	3.2	4.4	4.8	7.5	7.9	8.4	8.7
20 Women, Youth and Persons with Disabilities	0.4	0.5	0.1	1.2	1.0	1.0	1.1
21 Civilian Secretariat for the Police Service	0.9	1.2	0.8	0.5	0.1	0.2	0.2
22 Correctional Services	169.0	152.0	161.5	195.6	208.3	217.6	226.3
23 Defence	239.7	196.5	178.8	345.1	325.1	307.4	283.8
24 Independent Police Investigative Directorate	0.7	0.9	1.1	2.4	2.3	2.3	2.4
25 Justice and Constitutional Development	5.8	10.1	6.2	95.8	155.9	166.6	173.8
26 Military Veterans	1.4	22.8	1.4	1.0	1.4	1.5	2.0
27 Office of the Chief Justice	1.9	3.6	6.6	7.0	6.9	7.3	7.5
28 Police	2 136.8	2 408.9	2 521.4	2 149.6	2 278.6	2 369.7	2 440.8
29 Agriculture, Land Reform and Rural Development	54.2	50.5	34.3	65.4	74.3	79.9	84.6
30 Communications and Digital Technologies	3.2	2.7	3.4	3.0	3.5	3.7	3.9
31 Employment and Labour	9.1	7.1	18.7	16.0	16.4	16.2	16.7
32 Environment, Forestry and Fisheries	15.4	13.2	13.5	13.1	13.8	14.3	14.4
33 Human Settlements	2.8	2.8	2.5	5.2	5.5	5.8	6.1
34 Mineral Resources and Energy	8.9	8.2	7.5	10.5	10.8	11.4	11.9
35 Science and Innovation	4.9	4.5	2.7	6.2	6.6	6.8	7.0
36 Small Business Development	1.0	2.1	0.6	1.5	1.6	1.7	1.8
37 Sports, Arts and Culture	2.8	1.5	3.0	5.0	5.4	5.7	5.9
38 Tourism	5.8	3.9	0.9	3.3	3.6	3.8	4.0
39 Trade, Industry and Competition	3.7	8.5	8.0	12.7	10.2	10.8	11.3
40 Transport	5.4	7.3	4.1	4.9	5.3	5.6	5.8
41 Water and Sanitation	33.3	581.1	826.9	18.5	19.9	21.2	22.1
Total	2 771.6	3 553.0	3 854.6	3 117.8	3 320.6	3 438.1	3 497.6

Table 7a Infrastructure expenditure per vote: 2016/17 to 2022/23¹

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
3 Cooperative Governance	14 914.0	15 891.6	15 287.7	15 673.0	15 619.1	16 951.8	17 927.4
4 Government Communication and Information System	0.0	0.0	0.1	0.4	–	0.1	0.1
5 Home Affairs	239.5	234.8	15 197.7	206.0	290.8	405.3	46.6
6 International Relations and Cooperation	173.7	1.2	11.6	263.7	244.0	262.7	278.2
8 National Treasury	591.9	657.8	569.1	621.2	559.4	566.6	593.1
9 Planning, Monitoring and Evaluation	0.1	0.1	0.2	–	0.2	0.2	0.2
13 Public Works and Infrastructure	633.0	701.0	798.5	849.7	896.4	945.7	980.7
16 Basic Education	11 345.3	12 450.1	12 410.7	12 635.3	12 899.8	14 169.9	14 731.2
17 Higher Education and Training	3 396.7	3 520.4	5 094.2	5 501.8	4 813.4	4 899.7	5 126.6
18 Health	5 959.2	6 341.6	6 763.4	7 143.4	7 684.8	8 120.6	8 610.3
19 Social Development	5.6	87.1	89.3	–	–	–	–
21 Civilian Secretariat for the Police Service	0.0	–	–	–	–	–	–
22 Correctional Services	748.1	740.6	431.0	718.5	758.0	799.7	838.1
23 Defence	147.9	697.3	614.9	351.3	449.9	470.9	502.3
25 Justice and Constitutional Development	1 023.0	963.8	796.1	510.8	874.4	922.6	966.7
27 Office of the Chief Justice	0.1	–	–	–	–	–	–
28 Police	1 001.3	575.4	685.1	870.7	897.7	946.7	960.9
29 Agriculture, Land Reform and Rural Development	491.2	705.6	61.7	324.8	244.9	232.1	98.3
30 Communications and Digital Technologies	–	53.0	–	63.3	60.6	69.7	–
31 Employment and Labour	29.2	2.4	10.9	16.0	16.5	17.8	18.8
32 Environment, Forestry and Fisheries	136.9	501.4	138.9	159.1	167.3	179.8	191.2
33 Human Settlements	29 547.8	32 203.2	30 316.4	31 563.6	28 628.4	29 418.1	30 315.6
34 Mineral Resources and Energy	5 610.5	6 092.4	5 301.7	5 452.4	5 082.5	5 232.0	6 050.1
35 Science and Innovation	1 011.5	1 300.6	1 016.7	1 013.6	1 112.1	1 159.1	1 208.4
37 Sports, Arts and Culture	381.3	187.5	386.9	526.9	432.6	450.6	555.1
38 Tourism	159.0	214.5	94.2	133.3	–	–	–
39 Trade, Industry and Competition	1 668.4	1 775.4	1 325.8	1 435.5	1 455.4	1 802.4	1 870.7
40 Transport	40 008.9	37 341.3	32 666.9	44 590.4	39 968.9	44 365.0	47 113.2
41 Water and Sanitation	11 897.5	11 309.7	3 081.0	12 607.4	12 939.2	12 737.1	13 203.7
Total	131 121.7	134 549.8	133 150.5	143 232.1	136 096.3	145 126.1	152 187.6

Table 7b Nature of infrastructure investment: 2016/17 to 2022/23¹

R million	Audited outcome			Adjusted appropriation	Medium-term expenditure estimates		
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
New infrastructure assets	3 733.9	4 591.3	4 516.7	5 108.6	4 930.1	6 196.6	6 828.9
Existing infrastructure assets	6 743.8	5 078.8	19 223.6	5 316.1	6 356.9	5 670.8	5 185.0
Upgrading and additions	5 441.9	3 094.4	10 554.6	3 408.6	4 164.5	4 309.6	4 050.8
Rehabilitation, renovations and refurbishment	891.1	1 343.2	694.5	1 149.8	1 519.6	737.2	864.2
Maintenance and repair	410.8	641.2	7 974.6	757.7	672.8	624.0	269.9
Infrastructure transfers	120 644.1	124 879.7	109 410.2	132 807.4	124 809.3	133 258.7	140 173.7
Current	709.8	930.1	798.5	1 446.3	1 264.4	1 069.2	986.9
Capital	119 934.3	123 949.6	108 611.7	131 361.1	123 544.9	132 189.6	139 186.8
Total Infrastructure	131 121.7	134 549.8	133 150.5	143 232.1	136 096.3	145 126.1	152 187.6
<i>Current infrastructure²</i>	<i>1 120.6</i>	<i>1 571.2</i>	<i>8 773.0</i>	<i>2 204.0</i>	<i>1 937.2</i>	<i>1 693.1</i>	<i>1 256.8</i>
<i>Capital infrastructure³</i>	<i>130 001.2</i>	<i>132 978.5</i>	<i>124 377.5</i>	<i>141 028.1</i>	<i>134 159.0</i>	<i>143 433.0</i>	<i>150 930.8</i>

- Amounts include: Mega infrastructure projects and programmes for which the total cost is at least R1 billion over the project lifecycle; large projects and programmes for which the total cost is at least R250 million but less than R1 billion over the project lifecycle; and small projects and programmes for which the total cost is less than R250 million over the project lifecycle. Amounts also include: infrastructure transfers to other spheres, agencies and entities; and maintenance and repair projects.
- Current infrastructure refers to the maintenance and repairs of existing infrastructure assets and is aimed at maintaining the capacity and effectiveness of an asset at the designed level.
- Capital infrastructure refers to the construction, replacement, upgrade, rehabilitation, renovation and refurbishment of infrastructure resulting in a new asset or an increase in the capacity, effectiveness and value of an existing one.

Table 8 Personnel expenditure per vote: 2015/16 to 2021/22

R million	Audited outcome			Adjusted appropriation	Revised estimate	Medium-term expenditure estimates			Average personnel expenditure growth rate (%)
	2016/17	2017/18	018/19	2019/20		2020/21	2021/22	2022/23	2016/17 -2022/23
1 The Presidency	310.9	312.5	306.9	368.1	368.1	394.0	422.1	440.6	6.0%
2 Parliament	1 317.5	1 341.8	1 388.3	1 461.3	1 461.3	1 504.3	1 603.0	1 672.7	4.1%
3 Cooperative Governance	272.4	288.1	306.8	326.4	326.4	395.3	420.8	438.9	8.3%
4 Government Communication and Information System	216.5	225.2	242.5	272.0	271.9	295.4	314.6	328.5	7.2%
5 Home Affairs	3 069.8	3 192.6	3 403.2	3 559.0	3 559.0	3 892.9	4 140.1	4 278.8	5.7%
6 International Relations and Cooperation	3 115.6	3 018.8	3 089.0	2 874.5	2 874.5	3 071.5	3 271.2	3 413.4	1.5%
7 National School of Government	49.1	50.5	54.2	58.4	58.4	62.4	66.5	69.4	5.9%
8 National Treasury	786.4	803.7	790.3	847.2	847.1	928.9	989.3	1 032.3	4.6%
9 Planning, Monitoring and Evaluation	197.8	227.5	257.4	318.1	302.7	339.9	358.6	373.8	11.2%
10 Public Enterprises	148.3	142.2	143.8	170.2	170.2	197.1	209.9	219.1	6.7%
11 Public Service and Administration	254.5	260.4	273.6	303.7	303.7	333.7	360.7	376.4	6.7%
12 Public Service Commission	172.7	179.9	199.8	212.9	212.9	228.9	243.7	252.8	6.6%
13 Public Works and Infrastructure	438.8	445.0	496.4	557.8	535.8	594.7	633.3	662.5	7.1%
14 Statistics South Africa	1 371.8	1 409.5	1 493.2	1 460.1	1 460.6	1 611.5	1 739.7	1 798.9	4.6%
15 Traditional Affairs	58.1	62.5	65.6	79.5	77.3	84.9	90.4	94.4	8.4%
16 Basic Education	454.4	472.5	491.2	546.8	546.9	584.3	622.2	649.2	6.1%
17 Higher Education and Training	7 495.3	8 246.7	8 725.0	9 466.9	9 372.6	10 281.1	10 949.2	11 425.1	7.3%
18 Health	837.3	856.3	793.2	859.3	859.1	905.8	958.7	991.2	2.9%
19 Social Development	443.4	449.7	469.8	512.1	512.1	537.9	573.7	598.8	5.1%
20 Women, Youth and Persons with Disabilities	84.0	86.6	93.9	112.5	112.5	121.2	128.9	134.8	8.2%
21 Civilian Secretariat for the Police Service	66.3	82.7	91.4	101.0	101.2	112.0	119.3	124.5	11.1%
22 Correctional Services	14 066.4	15 192.9	15 836.4	17 681.6	17 681.6	18 732.1	20 028.0	20 882.4	6.8%
23 Defence	27 059.7	28 040.9	30 012.0	29 193.7	29 193.7	31 177.7	33 204.2	34 648.4	4.2%
24 Independent Police Investigative Directorate	169.2	168.8	187.6	228.8	228.8	242.8	258.7	269.9	8.1%
25 Justice and Constitutional Development	9 995.4	10 392.2	10 798.8	11 821.4	11 521.4	12 937.3	13 811.6	14 417.9	6.3%
26 Military Veterans	108.5	116.2	123.8	131.5	131.5	140.6	149.7	156.2	6.3%
27 Office of the Chief Justice	1 418.6	1 519.0	1 619.2	1 755.4	1 755.4	1 871.5	1 993.6	2 081.9	6.6%
28 Police	62 038.1	67 124.5	71 282.4	76 357.7	76 357.7	81 112.2	86 516.2	90 275.1	6.5%
29 Agriculture, Land Reform and Rural Development	3 290.8	3 398.0	3 624.0	4 059.1	4 059.1	4 444.5	4 724.0	4 930.0	7.0%
30 Communications and Digital Technologies	270.7	283.2	292.5	321.9	314.9	348.3	371.0	386.8	6.1%
31 Employment and Labour	1 064.7	1 059.5	1 149.7	1 363.7	1 314.1	1 490.5	1 588.9	1 658.0	7.7%
32 Environment, Forestry and Fisheries	1 705.6	1 810.5	1 851.4	1 951.3	1 951.3	2 060.1	2 193.9	2 288.7	5.0%
33 Human Settlements	325.3	345.9	345.0	402.6	402.6	433.5	461.7	481.7	6.8%
34 Mineral Resources and Energy	880.3	910.5	957.9	1 045.5	1 045.5	1 118.1	1 190.8	1 242.6	5.9%
35 Science and Innovation	340.4	345.1	358.8	389.1	389.1	422.0	449.4	468.9	5.5%
36 Small Business Development	114.0	129.0	133.0	151.5	151.5	162.3	172.9	180.4	7.9%
37 Sports, Arts and Culture	327.7	328.6	338.6	379.2	379.2	407.8	431.8	447.9	5.3%
38 Tourism	266.1	296.2	313.5	334.4	334.4	358.1	381.4	398.0	6.9%
39 Trade, Industry and Competition	1 000.5	1 035.3	1 073.2	1 142.7	1 142.7	1 171.4	1 247.6	1 301.8	4.5%
40 Transport	392.8	427.2	440.1	504.9	504.9	571.4	608.5	635.0	8.3%
41 Water and Sanitation	1 439.9	1 535.6	1 604.0	1 821.3	1 821.2	1 988.3	2 116.8	2 208.5	7.4%
Total	147 435.6	156 613.9	165 517.3	175 505.4	175 015.3	187 668.1	200 116.5	208 736.4	6.0%

Table 9 Personnel numbers and unit cost per vote: 2018/19 to 2022/23

		Number of posts estimated for 31 March 2020		Number and cost of personnel posts filled/ planned for on funded establishment											
		Number of funded posts	Number of posts additional to the establishment	Actual				Medium-term expenditure estimate							
				2018/19				2020/21				2022/23			
				Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Average personnel growth rate (%)	Average unit cost growth rate (%)
1	The Presidency	655	58	627	489	641	574	643	613	646	653	637	692	-0.2%	6.4%
2	Parliament ¹	—	—	—	—	—	—	—	—	—	—	—	—	—	—
3	Cooperative Governance	422	4	451	680	464	703	532	743	531	792	524	838	4.1%	6.0%
4	Government Communication and Information System	498	31	473	513	492	553	501	590	475	662	463	710	-2.0%	8.7%
5	Home Affairs	9 055	107	9 127	373	8 655	411	8 854	440	8 783	471	8 539	501	-0.4%	6.8%
6	International Relations and Cooperation	3 687	114	3 852	802	3 795	757	3 785	812	3 765	869	3 706	921	-0.8%	6.7%
7	National School of Government	90	—	90	603	90	649	90	694	89	747	89	779	-0.4%	6.3%
8	National Treasury	1 030	104	1 048	754	1 041	814	1 074	865	1 076	919	1 059	975	0.6%	6.2%
9	Planning, Monitoring and Evaluation	424	40	422	610	454	667	466	729	464	773	458	816	0.3%	7.0%
10	Public Enterprises	214	22	197	730	202	843	234	842	234	897	231	948	4.6%	4.0%
11	Public Service and Administration	435	55	418	654	459	662	463	721	468	771	459	820	—	7.4%
12	Public Service Commission	294	11	286	698	294	724	296	773	296	823	291	869	-0.3%	6.3%
13	Public Works and Infrastructure	648	125	806	616	840	638	827	719	822	770	769	861	-2.9%	10.5%
14	Statistics South Africa	3 314	—	2 889	517	2 666	548	2 824	571	2 852	610	2 759	652	1.1%	6.0%
15	Traditional Affairs	97	8	95	691	103	751	106	801	105	861	101	934	-0.7%	7.6%
16	Basic Education	856	24	712	690	791	691	791	739	790	788	776	837	-0.6%	6.6%
17	Higher Education and Training	35 316	205	31 730	275	32 766	286	35 019	294	34 782	315	33 660	339	0.9%	5.9%
18	Health	1 466	—	1 468	540	1 488	577	1 465	618	1 465	654	1 434	691	-1.2%	6.2%
19	Social Development	819	132	829	567	860	596	851	632	850	675	833	719	-1.1%	6.5%
20	Women, Youth and Persons with Disabilities	123	11	148	635	152	740	154	787	153	842	151	893	-0.2%	6.4%
21	Civilian Secretariat for the Police Service	157	3	153	598	153	662	158	709	158	755	156	798	0.6%	6.4%
22	Correctional Services	41 480	1 154	38 459	412	37 709	469	37 758	496	38 190	524	36 996	564	-0.6%	6.4%
23	Defence	74 901	—	74 508	403	74 901	390	75 000	416	75 000	443	75 000	462	0.0%	5.8%
24	Independent Police Investigative Directorate	399	8	363	517	399	573	399	609	399	648	399	676	—	5.7%
25	Justice and Constitutional Development	23 284	31	22 050	490	21 927	525	22 932	564	22 950	602	22 538	640	0.9%	6.8%
26	Military Veterans	169	81	139	891	174	756	177	794	176	851	169	924	-1.0%	6.9%
27	Office of the Chief Justice	1 848	8	2 415	670	2 648	663	2 682	698	2 687	742	2 642	788	-0.1%	5.9%
28	Police	189 865	—	192 007	371	192 412	397	191 763	423	190 979	453	187 433	482	-0.9%	6.7%
29	Agriculture, Land Reform and Rural Development	7 496	766	7 505	485	7 784	523	8 080	552	7 981	594	7 762	637	-0.1%	6.8%
30	Communications and Digital Technologies	347	6	360	812	382	824	395	882	395	939	389	994	0.6%	6.4%
31	Employment and Labour	3 013	126	2 965	388	3 350	392	3 527	423	3 529	450	3 368	492	0.2%	7.9%
32	Environment, Forestry and Fisheries	4 829	539	4 177	443	4 226	462	4 090	504	4 075	538	3 980	575	-2.0%	7.6%
33	Human Settlements	631	—	536	644	631	638	635	683	634	728	623	773	-0.4%	6.6%
34	Mineral Resources and Energy	1 648	26	1 865	514	1 917	545	1 924	581	1 920	620	1 882	660	-0.6%	6.6%
35	Science and Innovation	509	2	508	706	526	740	539	783	538	835	527	890	0.1%	6.4%
36	Small Business Development	241	27	200	665	237	639	239	679	234	739	214	843	-3.3%	9.7%
37	Sports, Arts and Culture	694	31	576	588	601	631	595	685	608	710	595	753	-0.3%	6.1%
38	Tourism	476	—	467	671	476	702	475	754	474	805	466	854	-0.7%	6.7%
39	Trade, Industry and Competition	1 375	65	1 422	755	1 432	798	1 389	843	1 387	899	1 364	954	-1.6%	6.1%
40	Transport	862	117	790	557	839	602	855	668	854	713	821	773	-0.7%	8.7%
41	Water and Sanitation	3 800	161	3 195	502	3 324	548	3 400	585	3 393	624	3 332	663	0.1%	6.6%
Total		417 467	4 202	410 328	23 518	412 301	24 664	415 987	26 311	415 207	28 107	407 595	29 993	-0.4%	6.7%

1. Department did not provide all relevant personnel data.

Table 10 Departmental receipts per vote¹: 2016/17 to 2022/23

		Audited outcome			Adjusted estimate	Revised estimate	Medium-term receipts estimates		
R million		2016/17	2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
1	The Presidency	1.4	0.9	1.4	0.6	0.7	0.6	0.6	0.6
2	Parliament	29.0	23.5	10.0	30.0	30.0	25.0	20.0	20.9
3	Cooperative Governance	23.5	1.7	44.6	2.0	2.0	2.3	2.6	2.7
4	Government Communication and Information System	4.0	3.8	3.1	2.7	2.7	2.2	2.3	2.3
5	Home Affairs	1 099.5	1 159.3	1 130.5	1 183.3	1 183.3	1 249.4	1 322.3	1 388.5
6	International Relations and Cooperation	29.0	38.6	34.6	34.5	34.5	37.9	40.2	42.9
7	National School of Government	0.2	0.1	0.2	0.1	0.1	0.1	0.1	0.1
8	National Treasury	19 191.9	21 031.0	19 113.1	14 147.4	17 280.3	12 483.0	11 465.8	12 195.4
9	Planning, Monitoring and Evaluation	1.2	1.2	1.5	7.2	7.2	2.0	1.0	1.0
10	Public Enterprises	5.2	0.2	0.4	0.2	0.2	0.3	0.3	0.3
11	Public Service and Administration	0.8	0.5	0.8	0.8	0.8	0.6	0.6	0.6
12	Public Service Commission	0.4	0.5	0.5	0.4	0.4	0.6	0.6	0.5
13	Public Works and Infrastructure	14.6	10.4	3.5	14.6	14.6	1.5	1.5	1.5
14	Statistics South Africa	8.6	2.0	3.5	1.5	1.5	1.5	1.5	1.5
15	Traditional Affairs	1.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0
16	Basic Education	15.5	25.7	10.3	14.9	14.9	10.0	9.2	8.4
17	Higher Education and Training	25.5	29.7	27.7	30.9	30.7	31.3	36.0	37.7
18	Health	59.2	76.1	6.0	5.8	5.2	6.2	6.8	8.2
19	Social Development	77.5	52.4	50.7	27.3	27.3	31.0	32.0	33.0
20	Women, Youth and Persons with Disabilities	0.6	0.0	0.1	0.1	0.1	0.1	0.1	0.1
21	Civilian Secretariat for the Police Service	0.1	0.1	0.2	0.1	0.1	0.2	0.2	0.2
22	Correctional Services	147.5	165.0	128.2	176.0	138.4	147.9	155.6	161.6
23	Defence	1 387.3	959.4	814.4	1 145.3	1 145.3	1 202.9	1 207.7	1 231.9
24	Independent Police Investigative Directorate	0.3	0.3	0.3	0.4	0.4	0.3	0.3	0.3
25	Justice and Constitutional Development	371.4	339.1	376.2	388.5	388.5	408.3	428.7	449.3
26	Military Veterans	0.3	2.8	0.1	0.3	0.3	0.4	0.4	0.4
27	Office of the Chief Justice	0.9	2.8	1.5	2.6	2.6	2.3	2.4	2.5
28	Police	756.0	677.7	563.1	530.4	530.4	538.0	548.1	556.6
29	Agriculture, Land Reform and Rural Development	244.1	266.7	289.4	300.1	300.1	281.8	300.4	318.8
30	Communications and Digital Technologies	834.0	1 143.3	751.8	601.1	601.1	665.5	665.1	664.7
31	Employment and Labour	11.7	16.8	10.8	19.6	19.6	14.7	15.2	16.1
32	Environment, Forestry and Fisheries	69.5	106.0	64.0	105.8	105.8	56.7	57.2	57.4
33	Human Settlements	0.5	0.6	1.6	0.7	0.7	0.3	0.3	0.4
34	Mineral Resources and Energy	995.0	46.9	88.4	48.1	48.1	48.2	49.7	50.4
35	Science and Innovation	8.2	10.3	32.7	20.1	20.1	0.5	0.6	0.6
36	Small Business Development	0.1	0.6	1.3	23.2	23.2	0.1	0.1	0.1
37	Sports, Arts and Culture	1.4	1.7	1.1	1.2	1.2	1.1	1.2	1.2
38	Tourism	5.3	1.1	2.5	1.5	1.5	2.5	2.6	2.6
39	Trade, Industry and Competition	235.4	274.2	220.1	195.9	203.9	222.7	221.3	244.3
40	Transport	292.3	269.6	230.3	112.1	102.4	92.5	92.7	92.7
41	Water and Sanitation	21.0	12.9	66.4	15.3	11.5	14.5	16.5	18.0
Total departmental receipts as per Vote		25 970.9	26 755.3	24 086.6	19 192.6	22 281.6	17 587.0	16 709.5	17 616.3
Less: Parliament (retained departmental receipts)		29.0	23.5	10.0	30.0	30.0	25.0	20.0	20.9
Plus: Sale of non-core assets		–	–	–	–	–	3 500.0	–	–
Plus: Public entities conduit ² receipts		1 416.6	1 320.4	2 766.9	1 958.8	1 958.8	2 124.2	2 439.2	2 641.4
<i>Independent Communications Authority of South Africa (ICASA)</i>		<i>1 168.6</i>	<i>1 318.4</i>	<i>1 397.6</i>	<i>1 584.6</i>	<i>1 584.6</i>	<i>1 665.4</i>	<i>1 750.3</i>	<i>1 839.6</i>
<i>Competition Commission</i>		<i>248.0</i>	<i>2.0</i>	<i>1 369.2</i>	<i>374.2</i>	<i>374.2</i>	<i>458.8</i>	<i>688.9</i>	<i>801.8</i>
Plus: South African Revenue Service departmental receipts collection		5 913.4	7 797.0	9 025.3	11 556.0	11 931.7	12 787.1	13 534.7	14 349.5
Total departmental and other receipts as per Budget Review		33 271.8	35 849.3	35 868.7	32 677.4	36 142.0	35 973.2	32 663.3	34 586.3

1. Includes the departmental receipts of all the departments within a vote.

2. Receipts for which a department serves as a conduit to deposit funds into the National Revenue Fund and hence included as other receipts for consolidation purposes. These receipts are however accordingly excluded from both departmental and entity financial statements.

Information contained in each vote

The ENE publications describe in detail the planned spending in all national government votes over the MTEF period, which is government's three-year expenditure planning window. The ENE publication is tabled in Parliament by the Minister of Finance alongside the main budget. The publication is the explanatory memorandum to the Appropriation Bill. Through the bill and the publication, the executive seeks Parliament's approval and adoption of its spending plans for the first year of the MTEF period. Once the Appropriation Act has been assented to by the president, funds allocated for the first year of the new MTEF period are then appropriated from the National Revenue Fund in terms of the act. Parliament authorises expenditure annually, thus the spending estimates for the two outer years of the MTEF period are not included in the Appropriation Bill. These forward estimates or indicative allocations do, however, form the basis of the planning of the following year's budget.

The main budget expenditure, determined by the fiscal stance adopted, includes direct charges against the National Revenue Fund. Direct charges, such as debt service costs, constitute spending in terms of a statute, and therefore do not require parliamentary approval. Such spending is, therefore, not contained in the Appropriation Bill, nor is it budgeted for in any particular programme within a vote. Main budget expenditure also includes a contingency reserve and any provisional allocations not assigned to votes for expenditure related to unforeseen circumstances and emerging government policy priorities. Similarly, this expenditure is not contained in the Appropriation Bill.

Information in the Appropriation Bill is divided according to vote. Generally, a vote specifies the total amount appropriated to a department. Each chapter in the ENE publication relates to a vote.

A separate e-publication is also available for each vote. The ENE e-publications for individual votes provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. These publications are available on the National Treasury website.

For each vote, the ENE publications follow the format shown below:

Budget summary

This table shows the budgeted expenditure for the vote for the three-year MTEF period.

R million	2020/21					2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	Total	Total
MTEF allocation							
Programme name							
Subtotal							
Direct charge against the National Revenue Fund							
Item							
Total expenditure estimates							
Executive authority	Minister						
Accounting officer	Director-General/Chief Operating Officer						
Website address							

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

The **2020/21 total** shows the total allocation per programme and the total allocation for the vote for 2020/21, and corresponds with the information in the 2020 Appropriation Bill.

The total vote allocation to be appropriated by Parliament is categorised by economic classification, into **current payments, transfers and subsidies, payments for capital assets** and **payments for financial assets**.

Current payments are payments made by an institution for its operational requirements.

Transfers and subsidies are payments made by an institution for which the institution does not directly receive anything in return.

Payments for capital assets are payments made by an institution for an asset that can be used for more than one year, and from which future economic benefits or service potential are expected to flow.

Payments for financial assets are mainly payments made by institutions as loans to public corporations or as equity investments in public corporations. Payments are reflected as expenditure rather than financing because the purpose of the transaction is not profit oriented. This column is shown only in votes where such payments have been budgeted for. Payments for theft and losses are included in this category. However, it is not possible to budget for these in advance and, if applicable, payments will appear only in the historical information once they are known.

For **2021/22** and **2022/23**, the estimates of expenditure in the vote are shown for the two outer years of the MTEF period.

MTEF allocation shows the expenditure allocation for the upcoming financial year and the expenditure estimates for the two outer years of the MTEF period for each programme.

Direct charge against the National Revenue Fund is an amount spent in terms of a statute and is not budgeted for in any programme in a particular vote. It is shown as a separate item and is not contained in the Appropriation Bill.

Total expenditure estimates is the sum of expenditure on programmes plus direct charges against the National Revenue Fund.

The last three rows of the table provide accountability information: the vote's executive authority, accounting officer and website address.

Vote purpose

The purpose of the vote captures a department's mandate, objectives or administrative functions, as stated in the Appropriation Bill.

Mandate

The institution's mandate, as contained in the relevant act(s) or policy document(s) that govern(s) the institution's establishment and operations, is described.

Selected performance indicators

This table highlights a vote's performance in terms of key indicators for the past three years, the current year, and the projections for the MTEF period.

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23

The table presents only a selected set of a department or entity's performance indicators and is not intended to provide a comprehensive view of institutional performance. The table, however, contains key indicators linked to strategic and annual performance plans, as informed by government's 2019-2024 medium-term strategic framework and ministerial delivery agreements. Managing, monitoring and measuring performance are integral to improving service delivery.

An **Indicator** is a measure that tracks a department's or entity's progress towards meeting the target it has set. An indicator may measure inputs, activities, outputs and outcomes, or, in certain instances, explanatory information relating to the internal or external environment.

The **Programme** links the indicator to the programme associated with it.

The **MTSF priority** links the indicator to one or more of the 7 priorities targeted by government, aimed at addressing poverty, inequality and unemployment.

The **Past** column shows what level of performance the institution achieved in the past three financial years.

The **Current** column shows what the institution projects it will have achieved in the current financial year.

The **Projections** column shows what the institution expects to achieve over the MTEF period.

In the selected performance indicators table, a dash (–) means that information is not available, generally because the indicator was introduced only in subsequent years. However, in all expenditure and revenue tables, a dash (–) indicates that information is either unavailable or equal to zero. Due to rounding off, the line item figures in tables may not necessarily add up to the total of the figures in the table.

Expenditure analysis

This is a narrative discussion that provides an outline of what the institution aims to achieve over the medium term and how it plans to spend its budget in support of this. The discussion centres on the institution's primary focus areas, including its policy and spending focus over the period, as contained in its planning documents. A summary is provided of how the institution's objectives and spending items are aligned with the objectives of the National Development Plan, as set out in the outcomes of government's 2019-2024 medium-term strategic framework.

Significant increases or decreases in expenditure, including in the past, are explained in terms of the institution's performance outcomes, service delivery methods, policies, personnel profiles or any other applicable factors. The average annual estimated growth rates are presented in the tables in nominal, not real, terms.

Programmes

1. Programme name
2. Programme name

Programme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17	2019/20	2020/21	2021/22	2022/23	2019/20	2022/23
Programme 1											
Programme 2											
Subtotal											
Direct charge against the National Revenue Fund											
Total											
Change to 2019 Budget estimate											
Economic classification											
Current payments											
Economic classification item											
Transfers and subsidies											
Economic classification item											
Payments for capital assets											
Economic classification item											
Payments for financial assets											
Total											

1. A summary of key changes to the vote's baseline budget, as approved by Cabinet, is also provided.

Expenditure trends and estimates

This table shows audited expenditure for the past three years, the revised expenditure estimate for the current financial year and expenditure estimates over the MTEF period by programme and economic classification.

Expenditure is set out first by **Programme** and then by **Economic classification**. Expenditure is classified as current payments, transfers and subsidies, payments for capital assets and payments for financial assets. Where programme structures have been changed in recent years, expenditure and budgets have, to the extent possible, been reallocated to the new approved programme structure for all the years shown, for comparability.

Direct charge against the National Revenue Fund is an amount spent in terms of a statute and is not budgeted for in any programme in a particular vote. It is shown as a separate item and is not contained in the Appropriation Bill.

Audited outcomes are presented as they appear in the institution's annual financial statements. However, reallocations are made for any subsequent approved budget changes to the programme structure.

Adjusted appropriation shows the adjusted total amount that is voted in a financial year. Most changes are made mid-year at the time of the adjustments budget. These adjustments can be made only in terms of the circumstances listed in section 30 of the Public Finance Management Act (1999). These adjustments are included in an adjustments appropriation bill, which Parliament approves before expenditure can take place. Particulars are tabled in acts of Parliament and the accompanying Adjusted Estimates of National Expenditure, and other publications.

The **Average growth rate (%)** is the growth rate per year, averaged over the three-year period, expressed as a percentage.

The **Average: Expenditure/Total (%)** shows the proportion of total institutional expenditure an expenditure item comprises, averaged over the three-year period, expressed as a percentage.

The **Medium-term expenditure estimate** shows expenditure estimates for 2020/21, 2021/22 and 2022/23. The estimates for 2020/21 are the appropriations proposed in the 2020 Appropriation Bill considered by Parliament. The estimates for 2021/22 and 2022/23 are indicative allocations, and will form the basis for planning the 2021 Budget.

Significant amounts and trends are discussed in the expenditure analysis section, particularly in relation to performance and spending.

Transfers and subsidies expenditure trends and estimates

This table shows the transfers and subsidies expenditure trends for the past three years, the revised expenditure estimate for the current financial year and expenditure estimates over the MTEF period by transfer item.

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
R thousand											
Economic classification item											
Lower-level economic classification item											
Current											
Transfer name											
Capital											
Transfer name											
Total											

The **Audited outcome** is presented as it appears in the institution's annual financial statements.

Adjusted appropriation shows the adjusted total amount that is voted in a financial year. Most changes are made mid-year at the time of the adjustments budget. These adjustments can be made only in terms of the circumstances listed in section 30 of the Public Finance Management Act (1999).

The **Average growth rate (%)** is the growth rate per year, averaged over the three-year period, expressed as a percentage.

The **Average: Expenditure/Total (%)** shows the proportion of total institutional expenditure an expenditure item comprises, averaged over the three-year period, expressed as a percentage.

The **Medium-term expenditure estimate** shows expenditure estimates for 2020/21, 2021/22 and 2022/23.

Significant amounts and trends are discussed in the expenditure analysis section, particularly in relation to performance and spending.

Personnel information

Personnel information relating to salary level bands is set out for a five-year period. The number of posts, the cost to the institution, and the average unit cost of a post are shown as estimated by the department.

Vote personnel numbers and cost by salary level and programme level¹**Programmes**

1. Administration
2. Programme name

2. Programme name		Number of posts estimated for 31 March 2020		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						Medium-term expenditure estimate						Average growth rate (%)		Average: Salary level/ Total (%)	
				Actual		Revised estimate		2018/19		2019/20		2020/21		2021/22		2022/23	
Department name				Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level																	
1 – 6																	
7 – 10																	
11 – 12																	
13 – 16																	
Other																	
Programme																	
Programme 1																	
Programme 2																	

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

2. Rand million.

Details are provided of total personnel numbers by **Salary level** and **Programme**.

Number of funded posts refers to the number of posts in an institution's establishment for which provision is made in its budget.

Number of posts additional to the establishment refers to posts that do not form part of the institution's approved establishment but which have been budgeted for.

Information is provided on the **Number** and **Cost** of posts filled or planned to be filled in the total establishment by salary level.

The **Unit cost** is calculated by dividing the cost by the number of posts.

The **Average growth rate (%)** in the number of posts for the three-year period is shown, expressed as a percentage.

The **Average: Salary level/Total (%)** shows the proportion of total posts per salary level band, on average over the period, expressed as a percentage.

Personnel information is discussed in the expenditure analysis section, particularly in relation to performance and spending.

Departmental receipts

This table provides details of the revenue collected on the vote over a seven-year period.

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
R thousand												
Departmental receipts												
Economic classification item												
Lower-level economic classification item												
Economic classification item												
Lower-level economic classification item												
Lower-level economic classification item												
Total												

Departmental receipts are set out by **Economic classification item**.

The **Audited outcome** is presented as it appears in the institution's annual financial statements.

The **Adjusted estimate** for 2019/20 shows the estimate of the institution's receipts published in the 2019 Adjusted Estimates of National Expenditure.

The **Revised estimate** shows the current estimate of institutional receipts for 2019/20.

The **Average growth rate (%)** shows the growth in revenue as a percentage, averaged over a three-year period.

The **Average: Receipt item/Total (%)** shows the proportion of total departmental revenue receipts in a particular economic classification item, averaged over a three-year period, expressed as a percentage.

Information on each programme

Programme purpose

The purpose of each programme is stated as it is set out in the 2020 Appropriation Bill. The programme purpose outlines the functions and activities of the particular programme, as per the approved budget programme structure. Programme 1 is usually the *Administration* programme, comprising the administrative functions and activities required to keep the department operating. It includes the ministry and deputy ministry, the director-general's office and central corporate services.

Objectives

Objectives are stated for each programme, with the exception in most cases of the *Administration* programme. A programme objective includes an explanation of its strategic intent, as well as of the specific interventions and progress measures for that objective. Objectives are broadly aligned with institutional strategic plans and annual performance plans, as informed by ministerial service delivery agreements and the National Development Plan, and articulated in government's 2019-2024 medium-term strategic framework.

Subprogrammes (per programme)

The key activities carried out by each subprogramme are described, generally with the exception of the *Administration* programme. Explanatory notes are provided on transfers to entities or partner organisations, and on subsidies, incentives or financial assistance programmes, where applicable.

Expenditure trends and estimates (per programme)

The table for each programme sets out expenditure by subprogramme and economic classification item over a seven-year period.

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Subprogramme name											
Total											
Change to 2019											
Budget estimate											
Economic classification											
Current payments											
Economic classification item											
Transfers and subsidies											
Economic classification item											
Payments for capital assets											
Economic classification item											
Payments for financial assets											
Total											
Proportion of total programme expenditure to vote expenditure											

Expenditure over the seven-year period is set out, first by **Subprogramme** then by **Economic classification**, as current payments, transfers and subsidies, payments for capital assets, and payments for financial assets.

Audited outcome is presented as it appears in the institution's annual financial statements, with amounts reallocated for any subsequent approved changes to the budget programme structure.

Adjusted appropriation shows the adjusted total amount that is voted in a financial year. Most changes are made mid-year at the time of the adjustments budget. These adjustments can be made only in terms of the circumstances listed in section 30 of the Public Finance Management Act (1999). These adjustments are included in an adjustments appropriation bill, which Parliament approves before expenditure can take place. Particulars are tabled in acts of Parliament and the accompanying Adjusted Estimates of National Expenditure, and other publications.

The **Average growth rate (%)** is the growth rate per year averaged over a three-year period, shown as a percentage.

The **Average: Expenditure/Total (%)** shows the proportion of total programme expenditure that a subprogramme or an expenditure item comprises, averaged over a three-year period, expressed as a percentage.

The **Medium-term expenditure estimate** shows programme expenditure estimates for the MTEF period. The estimates for 2020/21 are the appropriations proposed in the 2020 Appropriation Bill. The estimates for 2021/22 and 2022/23 are indicative allocations and will form the basis for planning the 2021 Budget.

Significant amounts and trends are discussed in the departmental expenditure analysis section, particularly in relation to performance and spending.

Additional programme information

The ENE e-publications for each vote include personnel information for each programme.

Personnel information (per programme)

Personnel information relating to salary level bands is set out for a five-year period. The number of posts, the cost to the institution and the average unit cost of a post are shown as estimated by the department.

Programme personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2020		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 (%)			
				2018/19		2019/20		2020/21		2021/22				2022/23		2019/20-2022/23
				Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost			Number	Unit cost	
Programme name		Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost					
Salary level																
1 – 6																
7 – 10																
11 – 12																
13 – 16																
Other																

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

2. Rand million.

Details are provided of total personnel numbers by **Salary level**.

Number of funded posts refers to the number of posts in an institution's programme establishment for which provision is made in its budget.

Number of posts additional to the establishment refers to posts that have been budgeted for ad hoc and that do not form part of the institution's approved establishment.

Information is provided on the **Number** and **Cost** of posts filled or planned to be filled in the total programme establishment by salary level.

The **Unit cost** is calculated by dividing the cost by the number of posts.

The **Average growth rate (%)** in the number of posts for the three-year period is shown, expressed as a percentage.

The **Average: Salary level/Total (%)** shows the proportion of the total programme posts per salary level band, on average over the period, expressed as a percentage.

Programme personnel information is discussed in the expenditure analysis section, particularly in relation to performance and spending.

Entities

The information provided on entities is similar to what is reported on for a department. However, as the basis of accounting used by entities is different to that used by departments, entities' statements of financial performance and financial position are provided.

Entity accounts are prepared using the accrual basis of accounting, whereas departmental accounts are prepared using a modified cash basis of accounting.

In the accrual basis of accounting, a transaction is recorded whenever there is an economic event, regardless of when a cash transaction takes place. This basis of accounting also includes items that do not involve any flow of cash at all, such as adjustments made to account for depreciation.

In the modified cash basis of accounting, a transaction is recorded only if cash has been exchanged and at the time that this exchange takes place.

Information on each of the entities generally consists of the following:

- selected performance indicators relating to the entity's mandate
- an entity overview narrative that provides an outline of the entity's mandate, what it aims to achieve over the medium term and its planned spending in support of this
- expenditure trends and estimates by programme/objective/activity
- statements of historical financial performance and position
- statements of estimates of future financial performance and position
- personnel numbers and cost by salary level.

Vote 1

The Presidency

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	527.4	515.4	0.0	11.9	568.5	592.2
Executive Support	59.5	58.3	–	1.2	57.8	60.1
Policy and Research Services	24.7	24.6	–	0.2	22.5	23.7
Subtotal	611.6	598.3	0.0	13.3	648.8	676.0
Direct charge against the National Revenue Fund						
Salary of the president	4.2	4.2	–	–	4.5	4.6
Salary of the deputy president	3.6	3.6	–	–	3.8	4.0
Total expenditure estimates	619.4	606.1	0.0	13.3	657.1	684.6

Executive authority Minister in the Presidency: Planning, Monitoring and Evaluation as well as Administration

Accounting officer Chief Operations Officer in the Presidency

Website www.thepresidency.gov.za

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Facilitate a common programme towards the achievement of the electoral mandate and the enhanced integrity of the state through considered planning, coordination, oversight, mobilisation and support.

Mandate

The mandate of the Presidency is to ensure that the president is able to execute his constitutional responsibilities in leading and galvanising the whole of government and society to implement the electoral mandate.

Selected performance indicators

Table 1.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of quarterly progress reports developed and approved per year on the implementation of the annual programme of action for the president's office to provide leadership and coordination of the statutory and non-statutory structures to mobilise society, promote social cohesion and accelerate social transformation	Administration	Priority 5: Social cohesion and safe communities	– ¹	– ¹	– ¹	– ¹	4	4	4
Number of quarterly progress reports developed and approved per year on the implementation of the annual programme of action for the president's office to provide leadership and coordination of the statutory and non-statutory structures to strengthen governance and service delivery	Administration	Priority 6: A capable, ethical and developmental state	– ¹	– ¹	– ¹	– ¹	4	4	4
Number of quarterly progress reports developed and approved per year on the implementation of the annual programme of action for the president's office to provide leadership and coordination of the statutory and non-statutory structures to drive greater coherence and consistency in implementing economic policy, and supporting economic growth and job creation	Administration	Priority 1: Economic transformation and job creation	– ¹	– ¹	– ¹	– ¹	4	4	4

Table 1.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of quarterly progress reports developed and approved per year on the implementation of the annual programme of action for the president's office to provide leadership and coordination for South Africa's international relations policy and agenda	Administration	Priority 7: A better Africa and world	— ¹	— ¹	— ¹	— ¹	4	4	4
Number of quarterly progress reports developed and approved per year on the implementation of the annual programme of action for the deputy president's office on the statutory and non-statutory structures to mobilise society, promote social cohesion and accelerate social transformation	Administration	Priority 5: Social cohesion and safe communities	— ¹	— ¹	— ¹	— ¹	4	4	4
Number of quarterly progress reports developed and approved per year on the implementation of the annual programme of action for the deputy president's office on the statutory and non-statutory structures to strengthen governance and service delivery	Administration	Priority 6: A capable, ethical and developmental state	— ¹	— ¹	— ¹	— ¹	4	4	4
Number of quarterly progress reports developed and approved per year on the implementation of the annual programme of action for the deputy president's office on the statutory and non-statutory structures to drive greater coherence and consistency in implementing economic policy, and supporting economic growth and job creation	Administration	Priority 1: Economic transformation and job creation	— ¹	— ¹	— ¹	— ¹	4	4	4
Number of quarterly progress reports developed and approved per year on the implementation of the annual programme of action for the deputy president's office to provide leadership and coordination for South Africa's international relations policy and agenda	Administration	Priority 7: A better Africa and world	— ¹	— ¹	— ¹	— ¹	4	4	4
Number of quarterly reports developed and approved per year on the implementation of the annual Cabinet and South African directors-general programme	Executive Support	Priority 6: A capable, ethical and developmental state	— ¹	— ¹	— ¹	— ¹	4	4	4
Number of quarterly progress reports developed and approved per year on the implementation of the annual programme of action for intergovernmental mechanisms to unblock issues impeding service delivery in priority areas	Policy and Research Services		— ¹	— ¹	— ¹	4	4	4	4
Number of quarterly progress reports developed and approved per year on the content support provided to the structures chaired by the president and deputy president	Policy and Research Services		— ¹	— ¹	— ¹	4	4	4	4

1. No historical data available.

Expenditure analysis

Chapter 1 of the National Development Plan (NDP) sets out a vision for increased government integration towards developing policy in a complex domestic and international environment. Priority 6 (a capable, ethical and developmental state) and priority 7 (a better Africa and world) of government's 2019-2024 medium-term strategic framework, with which the work of the Presidency is closely aligned, support this vision. Broadly, the department oversees the implementation of the administration's electoral mandate, the NDP and government's 2019-2024 medium-term strategic framework. Accordingly, over the medium term, the department intends to focus on: promoting an integrated approach to governance and service delivery; operationalising the e-Cabinet system; supporting the implementation of the district development model; leading the coordination of government policies and programmes; supporting initiatives that promote nation building and social cohesion; and advancing South Africa's interests in the international arena.

Compensation of employee's expenditure is expected to increase at an average annual rate of 6.2 per cent, from R368.1 million in 2019/20 to R440.6 million in 2022/23, mainly due to the establishment of the *Policy and Research Services* programme within the department. Spending on compensation of employees accounts for an estimated 60.9 per cent (R1.3 billion) of the department's total expenditure over the MTEF period.

Promoting an integrated approach to governance and service delivery

The department's core function is to strengthen coordination among all national departments to ensure that their policies align with national priorities. This requires the department to provide training or briefing sessions on Cabinet decision-making processes for relevant officials in ministerial offices and offices of directors-general. To ensure greater coordination between national departments, the department plans to implement an integrated approach to governance and service delivery. This will entail measures such as providing administrative support to 74 meetings of the forum of South African directors-general and 67 Cabinet meetings and its committees per year over the medium term. Expenditure related to promoting this approach is expected to be R18.9 million over the medium term in the *Cabinet Services* subprogramme.

Operationalising the e-Cabinet system

The e-Cabinet system is a tool to streamline Cabinet's decision-making processes and ensure that an integrated approach to governance is adopted. The system provides a collaborative platform for members of the executive, heads of department and executive support staff to share, manage and store information securely. To regularise the use of the system, the e-Cabinet user application policy and the e-Cabinet security policy are expected to be adopted in 2020/21, and the department plans to monitor the implementation of the system by compiling quarterly progress reports. Expenditure relating to the e-Cabinet system is included in the budget of R177.4 million over the medium term in the *Cabinet Services* subprogramme in the *Executive Support* programme. Expenditure in this subprogramme is expected to increase at an average annual rate of 6.5 per cent, from R49.7 million in 2019/20 to R60.1 million in 2022/23.

Supporting the implementation of the district development model

The district development model, which is informed by the provisions of the Intergovernmental Relations Framework Act (2005), presents an opportunity to reconfigure integrated planning responsibilities and institutional arrangements. Improving governance and service delivery at the provincial and local government levels requires oversight from the department at the national level. Additionally, national departments review decision-making structures that affect frontline service delivery by improving integrated planning across government. Accordingly, over the MTEF period, the department will provide leadership support for the conceptualisation and design of the district development model and oversee its implementation. To ensure effective leadership support and implementation, the department will work with various stakeholders to ensure: collaboration between the three spheres of government and social partners in the private sector, civil society and labour organisations; the coordinated and effective implementation of commitments; and the proper integration and logical sequencing of projects and programmes. Expenditure relating to the implementation of the district development model is expected to be R8 million over the medium term in the *Support Services to the President* subprogramme.

Leading the coordination of government policies and programmes

The Presidency seeks to promote good governance by ensuring greater policy coordination across government. To improve this function, over the medium term, the department plans to build capacity in the *Policy and Research Services* programme. Activities in this new programme, which will be responsible for providing content and technical support to political principals in the department and Cabinet, include: ensuring the effectiveness of government policy and the accuracy of submissions on the approach and strategy of government policy; and advising the president, deputy president and Cabinet on interventions necessary to ensure more efficient and effective service delivery across government. To carry out these activities, the *Economy, Trade and Investment* subprogramme is allocated R44.7 million over the medium term.

Activities in the programme's *Socio Economic Impact Assessment System* subprogramme involve ensuring that government policies and legislation are evidence-based and coherent, and that associated costs and risks are proactively managed to ensure the implementation of the 7 priorities of government's 2019-2024 medium-term strategic framework. Spending on these activities is expected to amount to R26.2 million over the medium term. Total expenditure in the *Policy and Research Services* programme is expected to amount to R70.9 million, accounting for an estimated 3.6 per cent (R2.0 billion) of the department's total budget over the MTEF period.

Promoting nation building and social cohesion

Over the period ahead, the department plans to continue supporting nation building and social cohesion, mainly through the president leading initiatives on national days, national orders and special events. The deputy president is expected to continue facilitating engagements between the department and social partners to strengthen the Moral Regeneration Movement, a civil society organisation mandated to promote collective activism on issues of moral renewal and nation building. In addition, to promote social cohesion, the deputy president will attend to government business in the National Assembly, chair the South African National AIDS Council, and lead government's anti-poverty programme and its efforts to fast-track land reform. Activities related to these initiatives are carried out in the *Support Services to the President* and *Support Services to the Deputy President* subprogrammes in the *Administration* programme. Allocations to these subprogrammes amount to R431.2 million over the MTEF period.

Advancing South Africa's interests

The department's fundamental role in the international arena is to assist the president and deputy president in advancing South Africa's interests in the global community. Accordingly, over the medium term, the department plans to provide strategic and administrative support to state visits, unilateral, bilateral and multilateral meetings and summits. The department also plans to assist South Africa in fulfilling its obligations to the United Nations, the Brazil-Russia-India-China-South Africa group of countries, the G20, the Southern African Development Community, and peacekeeping missions. The Presidency will also support the president as he assumes his role as the African Union chairperson. Through its focus on strengthening South Africa's political and economic relations internationally, the department expects to create an enabling environment for trade and investment. To support these activities, R57.1 million is allocated over the medium term in the *Support Services to the President* and *Support Services to the Deputy President* subprogrammes.

Expenditure trends and estimates

Table 1.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Executive Support											
3. Policy and Research Services											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	447.7	440.1	439.2	633.4	12.3%	91.1%	527.4	568.5	592.2	-2.2%	87.0%
Programme 2	27.6	41.4	20.1	49.7	21.7%	6.5%	59.5	57.8	60.1	6.5%	8.5%
Programme 3	2.8	3.6	5.9	16.2	80.1%	1.3%	24.7	22.5	23.7	13.6%	3.3%
Subtotal	478.1	485.2	465.2	699.3	13.5%	98.9%	611.6	648.8	676.0	-1.1%	98.8%
Direct charge against the National Revenue Fund	5.7	5.7	5.7	7.3	16.4%	1.1%	7.8	8.3	8.6	5.9%	1.2%
Salary of the president	3.0	3.1	2.9	3.9	9.3%	0.6%	4.2	4.5	4.6	5.9%	0.6%
Salary of the deputy president	2.7	2.6	2.8	3.3	7.1%	0.5%	3.6	3.8	4.0	5.9%	0.6%
Total	483.8	490.9	470.9	706.6	13.5%	100.0%	619.4	657.1	684.6	-1.0%	100.0%
Change to 2019				0.2			(7.0)	(7.3)	(14.4)		
Budget estimate											
Economic classification											
Current payments	467.5	466.3	453.1	691.1	13.9%	96.6%	606.1	643.0	669.8	-1.0%	97.8%
Compensation of employees	310.9	312.5	306.9	368.1	5.8%	60.3%	394.0	422.1	440.6	6.2%	60.9%
Goods and services ¹	156.5	153.8	146.2	323.0	27.3%	36.2%	212.1	221.0	229.2	-10.8%	36.9%
of which:											
Communication	11.2	7.5	4.6	24.4	29.7%	2.2%	13.2	13.5	13.9	-17.2%	2.4%
Computer services	23.8	33.0	18.7	42.0	20.7%	5.5%	52.3	55.9	58.8	11.9%	7.8%
Consultants: Business and advisory services	3.4	2.6	6.0	10.2	44.1%	1.0%	15.7	15.4	15.6	15.3%	2.1%
Legal services	12.3	18.9	12.5	7.4	-15.4%	2.4%	8.1	8.5	8.9	6.0%	1.2%
Agency and support/outsourced services	3.5	5.6	4.7	6.4	22.4%	0.9%	6.2	6.5	6.7	1.4%	1.0%
Travel and subsistence	59.6	49.9	59.2	116.7	25.1%	13.3%	73.9	74.9	77.1	-12.9%	12.8%
Interest and rent on land	0.0	-	-	-	-100.0%	-	-	-	-	-	-

Table 1.2 Vote expenditure trends and estimates by programme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Transfers and subsidies ¹	3.2	6.2	1.7	2.6	-7.7%	0.6%	0.0	0.0	0.0	-73.8%	0.1%
Provinces and municipalities	0.0	0.0	0.0	–	-100.0%	–	–	–	–	–	–
Departmental agencies and accounts	–	–	–	0.0	–	–	0.0	0.0	0.0	4.8%	–
Public corporations and private enterprises	0.0	–	–	–	-100.0%	–	–	–	–	–	–
Households	3.2	6.2	1.7	2.5	-7.7%	0.6%	–	–	–	-100.0%	0.1%
Payments for capital assets	12.1	17.2	15.5	12.9	2.2%	2.7%	13.3	14.0	14.8	4.6%	2.1%
Machinery and equipment	12.1	17.1	15.2	12.9	2.2%	2.7%	13.3	14.0	14.8	4.6%	2.1%
Software and other intangible assets	–	0.1	0.3	–	–	–	–	–	–	–	–
Payments for financial assets	1.0	1.2	0.6	–	-100.0%	0.1%	–	–	–	–	–
Total	483.8	490.9	470.9	706.6	13.5%	100.0%	619.4	657.1	684.6	-1.0%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 1.3 Vote transfers and subsidies trends and estimates

				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	–	–	–	40	–	0.3%	42	44	46	4.8%	6.4%
Communication	–	–	–	40	–	0.3%	42	44	46	4.8%	6.4%
Households											
Other transfers to households											
Current	204	40	40	–	-100.0%	2.1%	–	–	–	–	–
Employee social benefits	204	40	40	–	-100.0%	2.1%	–	–	–	–	–
Households											
Social benefits											
Current	2 994	6 111	1 668	2 513	-5.7%	97.2%	–	–	–	-100.0%	93.6%
Employee social benefits	2 994	6 111	1 668	2 513	-5.7%	97.2%	–	–	–	-100.0%	93.6%
Provinces and municipalities											
Municipal bank accounts											
Current	3	10	6	–	-100.0%	0.1%	–	–	–	–	–
Municipal services	3	10	6	–	-100.0%	0.1%	–	–	–	–	–
Public corporations and private enterprises											
Other transfers to private enterprises											
Current	42	–	–	–	-100.0%	0.3%	–	–	–	–	–
Public corporations and private enterprises	42	–	–	–	-100.0%	0.3%	–	–	–	–	–
Total	3 243	6 161	1 714	2 553	-7.7%	100.0%	42	44	46	-73.8%	100.0%

Personnel information

Table 1.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Executive Support																			
3. Policy and Research Services																			
Number of posts estimated for 31 March 2020			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 (%)				
		2018/19			2019/20			2020/21			2021/22					2022/23			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost	
The Presidency			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2019/20 - 2022/23	
Salary level	655	58	627	306.9	0.5	641	368.1	0.6	643	394.0	0.6	646	422.1	0.7	637	440.6	0.7	-0.2%	100.0%
1 – 6	267	34	255	54.2	0.2	259	58.9	0.2	259	62.8	0.2	257	66.9	0.3	253	70.4	0.3	-0.8%	40.0%
7 – 10	180	3	182	74.0	0.4	184	85.5	0.5	184	91.3	0.5	185	98.2	0.5	183	103.8	0.6	-0.2%	28.7%
11 – 12	105	2	98	77.4	0.8	99	86.2	0.9	100	92.6	0.9	101	99.6	1.0	99	103.8	1.0	–	15.5%
13 – 16	92	17	81	85.2	1.1	87	119.2	1.4	90	127.8	1.4	90	136.6	1.5	88	142.5	1.6	0.4%	13.8%
Other	11	2	11	16.0	1.5	12	18.3	1.5	10	19.6	2.0	13	20.8	1.6	14	20.2	1.4	5.3%	1.9%
Programme	655	58	627	306.9	0.5	641	368.1	0.6	643	394.0	0.6	646	422.1	0.7	637	440.6	0.7	-0.2%	100.0%
Programme 1	610	54	596	281.9	0.5	603	328.7	0.5	604	350.8	0.6	606	375.7	0.6	594	392.1	0.7	-0.5%	93.8%
Programme 2	21	2	20	14.3	0.7	21	17.5	0.8	23	19.6	0.9	23	20.9	0.9	22	21.7	1.0	1.6%	3.5%
Programme 3	22	–	9	5.0	0.6	15	14.7	1.0	14	15.8	1.1	15	17.2	1.1	19	18.2	1.0	8.2%	2.5%
Direct charges	2	2	2	5.7	2.8	2	7.3	3.6	2	7.8	3.9	2	8.3	4.2	2	8.6	4.3	–	0.3%

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

1. Data has been
2. Rand million.

Departmental receipts

Table 1.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
R thousand	2016/17	2017/18	2018/19	2019/20		2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental receipts	1 365	898	1 374	583	657	-21.6%	100.0%	563	564	565	-4.9%	100.0%
Sales of goods and services produced by department	350	301	288	221	287	-6.4%	28.6%	297	298	299	1.4%	50.3%
Sales by market establishments of which:	176	135	114	80	108	-15.0%	12.4%	112	113	114	1.8%	19.0%
Rental dwellings	176	94	77	55	75	-24.7%	9.8%	77	78	79	1.7%	13.2%
Rental parking: Covered and open	—	41	37	25	33	—	2.6%	35	35	35	2.0%	5.9%
Administrative fees of which:	—	—	—	1	1	—	—	—	—	—	-100.0%	—
Req Info: Access to information Act	—	—	—	1	1	—	—	—	—	—	-100.0%	—
Other sales of which:	174	166	174	140	178	0.8%	16.1%	185	185	185	1.3%	31.2%
Services rendered: Commission on insurance and garnishee	174	108	104	80	103	-16.0%	11.4%	110	110	110	2.2%	18.4%
Service rendered: Transport fees	—	58	70	60	75	—	4.7%	75	75	75	—	12.8%
Sales of scrap, waste, arms and other used current goods of which:	—	—	—	—	7	—	0.2%	—	—	—	-100.0%	0.3%
Sales: Scrap	—	—	—	—	7	—	0.2%	—	—	—	-100.0%	0.3%
Transfers received	—	—	653	—	—	—	15.2%	—	—	—	—	—
Interest, dividends and rent on land	59	28	30	15	16	-35.3%	3.1%	16	16	16	—	2.7%
Interest	59	28	30	15	16	-35.3%	3.1%	16	16	16	—	2.7%
Sales of capital assets	107	—	—	97	97	-3.2%	4.8%	—	—	—	-100.0%	4.1%
Transactions in financial assets and liabilities	849	569	403	250	250	-33.5%	48.2%	250	250	250	—	42.6%
Total	1 365	898	1 374	583	657	-21.6%	100.0%	563	564	565	-4.9%	100.0%

Programme 1: Administration

Programme purpose

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

Objectives

- Strengthen the implementation of the strategic programme of political principals by providing technical and administrative support on an ongoing basis through:

- exercising political oversight of the implementation of government policies and programmes
- leading integrated planning and policy coherence in government to advance socioeconomic transformation and inclusion
- supporting the execution of the deputy president and ministers' programmes
- supporting interventions and participation engagements aimed at enhancing public accountability and integrated communication
- accelerating service delivery and economic development
- monitoring infrastructure projects
- supporting presidential working group structures and strategic partnerships
- promoting nation building and social cohesion.

Subprogrammes

- *Management* provides leadership, strategic management and administrative support within the department.
- *Support Services to the President* provides strategic, executive and personal support services to the president in the execution of his constitutional responsibilities and in leading the work of government.
- *Support Services to the Deputy President* provides support to the deputy president in the execution of his delegated responsibilities towards the attainment of the electoral mandate and the department's mission.

Expenditure trends and estimates

Table 1.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Management	336.8	336.6	329.3	504.6	14.4%	76.9%	391.2	423.9	441.7	-4.3%	75.9%
Support Services to the President	63.0	57.1	66.3	70.2	3.7%	13.1%	74.1	78.6	81.9	5.3%	13.1%
Support Services to the Deputy President	48.0	46.5	43.6	58.7	6.9%	10.0%	62.1	65.9	68.7	5.4%	11.0%
Total	447.7	440.1	439.2	633.4	12.3%	100.0%	527.4	568.5	592.2	-2.2%	100.0%
Change to 2019				9.5			(5.8)	(6.2)	(4.1)		
Budget estimate											
Economic classification	432.4	417.4	421.7	619.3	12.7%	96.4%	515.4	555.9	579.0	-2.2%	97.8%
Current payments	288.7	290.1	281.9	328.7	4.4%	60.7%	350.8	375.7	392.1	6.1%	62.3%
Compensation of employees	143.7	127.2	139.9	290.6	26.5%	35.8%	164.6	180.2	186.9	-13.7%	35.4%
Goods and services ¹	11.1	7.4	4.6	23.8	28.9%	2.4%	12.4	12.9	13.3	-17.5%	2.7%
of which:	15.3	10.9	18.7	23.5	15.2%	3.5%	19.2	27.2	28.2	6.3%	4.2%
Communication	3.4	2.6	5.7	8.3	34.9%	1.0%	14.1	14.2	14.4	19.9%	2.2%
Computer services	12.3	18.9	12.5	7.4	-15.4%	2.6%	8.1	8.5	8.9	6.0%	1.4%
Consultants: Business and advisory services	3.5	5.6	4.6	6.4	22.4%	1.0%	6.2	6.5	6.7	1.4%	1.1%
Legal services	57.6	48.3	57.1	109.3	23.8%	13.9%	66.0	68.3	71.0	-13.4%	13.6%
Agency and support/outsourced services	0.0	–	–	–	-100.0%	–	–	–	–	–	–
Travel and subsistence	0.0	–	–	–	-100.0%	–	–	–	–	–	–
Interest and rent on land	2.7	4.8	1.7	2.5	-2.1%	0.6%	0.0	0.0	0.0	-73.6%	0.1%
Transfers and subsidies¹	0.0	0.0	0.0	0.0	-100.0%	–	0.0	0.0	0.0	–	–
Provinces and municipalities	–	–	–	0.0	–	–	0.0	0.0	0.0	4.8%	–
Departmental agencies and accounts	0.0	–	–	–	-100.0%	–	–	–	–	–	–
Public corporations and private enterprises	2.6	4.8	1.7	2.5	-2.0%	0.6%	–	–	–	-100.0%	0.1%
Households	11.6	17.1	15.2	11.6	-0.1%	2.8%	11.9	12.5	13.2	4.4%	2.1%
Payments for capital assets	11.6	16.9	15.0	11.6	-0.1%	2.8%	11.9	12.5	13.2	4.4%	2.1%
Machinery and equipment	–	0.1	0.3	–	–	–	–	–	–	–	–
Software and other intangible assets	1.0	0.9	0.6	–	-100.0%	0.1%	–	–	–	–	–
Payments for financial assets	1.0	0.9	0.6	–	-100.0%	0.1%	–	–	–	–	–
Total	447.7	440.1	439.2	633.4	12.3%	100.0%	527.4	568.5	592.2	-2.2%	100.0%
Proportion of total programme expenditure to vote expenditure	93.6%	90.7%	94.4%	90.6%	–	–	86.2%	87.6%	87.6%	–	–

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

Programme 2: Executive Support

Programme purpose

Provide strategic and administrative support to enable Cabinet to foster accountability and policy coherence through integrated planning, policy coordination, and the implementation of the strategic agenda of government.

Objectives

- Provide policy advisory support to political principals to ensure policy coherence by implementing Cabinet programmes on an ongoing basis.
- Strengthen technical support provided to the president and other political principals in the department by:
 - participating in Cabinet structures on an ongoing basis
 - implementing the recommendations of the evaluation of coordinating structures to improve systems of governance and compliance for Cabinet and the forum of South African directors-general over the medium term.

Subprogramme

- *Cabinet Services* provides strategic and administrative support to allow Cabinet to foster accountability and policy coherence through integrated planning, policy coordination and the implementation of the strategic agenda of government.

Expenditure trends and estimates

Table 1.7 Executive Support 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Cabinet Services	27.6	41.4	20.1	49.7	21.7%	100.0%		59.5	57.8	60.1	6.5%	100.0%
Total	27.6	41.4	20.1	49.7	21.7%	100.0%		59.5	57.8	60.1	6.5%	100.0%
Change to 2019 Budget estimate				(17.6)				(1.1)	(1.0)	(15.3)		
Economic classification												
Current payments	26.6	39.7	19.8	48.4	22.0%	96.9%		58.3	56.5	58.7	6.6%	97.7%
Compensation of employees	14.3	13.3	14.3	17.5	6.9%	42.7%		19.6	20.9	21.7	7.6%	35.1%
Goods and services ¹	12.3	26.4	5.5	30.9	35.8%	54.1%		38.7	35.6	36.9	6.1%	62.6%
of which:												
Catering: Departmental activities	1.5	2.0	2.0	2.2	13.7%	5.5%		1.5	1.6	1.6	-9.8%	3.0%
Computer services	8.5	22.1	0.0	18.5	29.6%	35.3%		33.0	28.7	30.6	18.3%	48.8%
Consumables: Stationery, printing and office supplies	0.1	0.0	0.1	0.4	43.8%	0.4%		0.1	0.2	0.2	-20.6%	0.4%
Travel and subsistence	1.6	1.5	1.9	7.2	65.3%	8.8%		2.4	3.6	3.0	-25.1%	7.1%
Operating payments	0.3	0.3	0.3	0.7	41.6%	1.1%		0.7	0.7	0.7	-1.3%	1.2%
Venues and facilities	–	–	0.1	0.5	–	0.4%		0.5	0.5	0.6	5.6%	0.9%
Transfers and subsidies¹	0.6	1.3	–	0.1	-56.1%	1.4%		–	–	–	-100.0%	–
Households	0.6	1.3	–	0.1	-56.1%	1.4%		–	–	–	-100.0%	–
Payments for capital assets	0.4	0.1	0.2	1.3	47.9%	1.5%		1.2	1.3	1.4	1.9%	2.3%
Machinery and equipment	0.4	0.1	0.2	1.3	47.9%	1.5%		1.2	1.3	1.4	1.9%	2.3%
Payments for financial assets	0.0	0.3	0.0	–	-100.0%	0.2%		–	–	–	–	–
Total	27.6	41.4	20.1	49.7	21.7%	100.0%		59.5	57.8	60.1	6.5%	100.0%
Proportion of total programme expenditure to vote expenditure	5.8%	8.5%	4.3%	7.1%	–	–		9.7%	8.9%	8.9%	–	–

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

Programme 3: Policy and Research Service

Programme purpose

Provide policy and research support to the president and deputy president in exercising their constitutional mandate within the context of government priorities.

Objectives

- Enhance governance, state capacity and service delivery defined in the 2020-2025 programme of action by:
 - producing quarterly progress reports on the content support provided by the programme to the structures chaired by the president and deputy president each year over the medium term
 - producing quarterly progress reports on intergovernmental mechanisms to unblock issues impeding service delivery in priority areas each year over the medium term
 - developing a register of policy research commissioned or funded across government by March 2021
 - developing the policy formulation standards and presenting them to the forum of South Africa directors-general by March 2021
 - reporting on the biannual socioeconomic impact assessments conducted over the medium term.

Subprogrammes

- Economy, Trade and Investment* promotes coherence between economic, trade and investment policies and programmes; oversees the work of the Infrastructure Fund, which is intended to pool government's infrastructure budget and leverage it to raise additional funds and attract skills from other public and private sources for infrastructure development.
- Security and International Relations* facilitates and promotes policy coherence in the security and international relations sector.
- Infrastructure and Budget Support* promotes policy coherence and budget support in government's strategic infrastructure programme.
- Social Protection and Human Capital Development* promotes policy coherence in the social protection and human capital development sectors by identifying critical social transformation policies and programmes such as the national health and education systems, social cohesion, and comprehensive social security.
- Intervention and Rapid Response* provides support to government interventions in areas experiencing crisis and distress, such as service delivery protests.
- Governance and Institutional Development* promotes policy coherence within governance and institutional development by facilitating the strengthening of institutions responsible for service delivery.
- Socio Economic Impact Assessment System* provides support on policy initiatives, legislation and regulations. The subprogramme conducts socioeconomic impact assessments and facilitates the strengthening of the socioeconomic impact assessment system.

Expenditure trends and estimates

Table 1.8 Policy and Research Services 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Economy, Trade and Investment	–	–	–	8.2	–	28.8%	16.5	13.8	14.4	20.8%	60.8%
Security and International Relations	–	–	–	–	–	–	–	–	–	–	–
Infrastructure and Budget Support	–	–	–	–	–	–	–	–	–	–	–
Social protection and Human Capital Development	–	–	–	–	–	–	–	–	–	–	–
Intervention and Rapid Response	–	–	–	–	–	–	–	–	–	–	–
Governance and Institutional Development	–	–	–	–	–	–	–	–	–	–	–
Socio Economic Impact Assessment System	2.8	3.6	5.9	8.0	42.4%	71.2%	8.2	8.7	9.3	5.0%	39.2%
Total	2.8	3.6	5.9	16.2	80.1%	100.0%	24.7	22.5	23.7	13.6%	100.0%
Change to 2019 Budget estimate				16.2			8.2	8.7	14.3		

Table 1.8 Policy and Research Services expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23		
Current payments	2.7	3.6	5.8	16.2	80.8%	99.5%	24.6	22.3	23.5	13.3%	99.4%
Compensation of employees	2.2	3.4	5.0	14.7	88.0%	88.9%	15.8	17.2	18.2	7.3%	75.6%
Goods and services ¹	0.5	0.2	0.8	1.4	40.6%	10.5%	8.8	5.1	5.3	54.8%	23.7%
of which:											
Catering: Departmental activities	0.0	0.1	0.0	0.0	-11.6%	0.6%	0.5	0.3	0.3	149.3%	1.3%
Communication	0.0	0.0	0.1	0.1	27.7%	0.6%	0.7	0.4	0.4	99.5%	1.7%
Consultants: Business and advisory services	–	–	0.2	1.1	–	4.6%	1.6	1.2	1.2	4.2%	5.8%
Consumables: Stationery, printing and office supplies	0.0	–	0.0	0.0	4.9%	0.2%	0.3	0.2	0.2	120.1%	0.7%
Travel and subsistence	0.3	0.1	0.3	0.2	-13.1%	3.2%	5.4	3.0	3.1	142.6%	13.4%
Operating payments	0.0	0.0	0.0	0.0	35.7%	0.4%	0.1	0.1	0.1	7.6%	0.3%
Transfers and subsidies ¹	–	0.0	–	0.0	–	0.1%	–	–	–	-100.0%	–
Households	–	0.0	–	0.0	–	0.1%	–	–	–	-100.0%	–
Payments for capital assets	0.0	0.1	0.0	0.0	-38.9%	0.4%	0.2	0.2	0.2	182.8%	0.6%
Machinery and equipment	0.0	0.1	0.0	0.0	-38.9%	0.4%	0.2	0.2	0.2	182.8%	0.6%
Total	2.8	3.6	5.9	16.2	80.1%	100.0%	24.7	22.5	23.7	13.6%	100.0%
Proportion of total programme expenditure to vote expenditure	0.6%	0.8%	1.3%	2.3%	–	–	4.0%	3.5%	3.5%	–	–

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

Vote 2

Parliament

This is the executive's proposal for Parliament's budget. The final budget will be determined by Parliament in accordance with the Financial Management of Parliament and Provincial Legislatures Act (2009).

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Strategic Leadership and Governance	124.8	124.6	–	0.2	135.7	140.9
Administration	192.0	191.3	–	0.7	171.3	177.4
Core Business	687.4	685.4	–	2.0	761.8	800.7
Support Services	437.6	426.7	–	10.9	477.8	496.0
Associated Services	738.7	257.4	481.3	–	785.0	814.3
Subtotal	2 180.5	1 685.4	481.3	13.8	2 331.6	2 429.3
Direct charge against the National Revenue Fund						
Members' Remuneration	507.1	507.1	–	–	541.0	561.2
Total expenditure estimates	2 687.6	2 192.5	481.3	13.8	2 872.6	2 990.6
Executive authority	Speaker of the National Assembly and Chairperson of the National Council of Provinces					
Accounting officer	Secretary to Parliament					
Website	www.parliament.gov.za					

Vote purpose

Provide the support services required by Parliament to fulfil its constitutional functions, assist political parties represented in Parliament to secure administrative support and service constituents, and provide members of Parliament with the necessary facilities.

Mandate

The mandate of Parliament is based on the provisions of chapter 4 of the Constitution, which establishes Parliament and sets out the functions it performs. Parliament is elected to represent the people, ensure government by the people under the Constitution, and represent the interests of provinces in the national sphere of government. Members of Parliament elect the president, provide a national forum for the public consideration of issues, pass legislation, and scrutinise and oversee executive action.

Parliament's policy priorities set out long-term policy and outcomes. These are aligned with the priorities and outcomes of the National Development Plan. To ensure that these outcomes are met over feasible timeframes, 5-year, 10-year and 15-year milestones have been set.

Vote 3

Cooperative Governance

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	294.9	292.2	0.1	2.5	313.9	325.6
Regional and Urban Development and Legislative Support	1 072.0	49.3	1 022.7	–	1 146.5	1 212.0
Institutional Development	74 961.7	235.2	74 726.5	–	81 323.0	87 483.3
National Disaster Management Centre	599.6	104.3	492.5	2.8	633.1	661.9
Local Government Support and Intervention Management	15 129.9	99.1	15 030.9	–	16 421.2	17 354.4
Community Work Programme	4 175.9	4 175.9	–	–	4 424.5	4 619.4
Total expenditure estimates	96 234.0	4 955.9	91 272.8	5.3	104 262.1	111 656.6
Executive authority	Minister of Cooperative Governance and Traditional Affairs					
Accounting officer	Director-General of Cooperative Governance					
Website	www.cogta.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

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

Mandate

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

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

Selected performance indicators

Table 3.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of secondary cities supported to implement the integrated urban development framework per year	Regional and Urban Development and Legislative Support	Priority 4: Spatial integration, human settlements and local government	— ¹	3	4	6	6	6	6
Number of municipalities assessed and guided to comply with the rating criteria of the Municipal Property Rates Act (2004) per year	Institutional Development		193	110	110	71	71	71	71
Percentage of the municipal infrastructure grant transferred to municipalities per year	Local Government Support and Intervention Management		90% (R13.4bn/ R14.9bn)	99% (R16.3bn/ R16.4bn)	100% (R15.3bn)	100%	100%	100%	100%
Number of Back to Basics municipal performance progress reports per year	Local Government Support and Intervention Management		1	1	1	1	1	1	1
Number of work opportunities provided through the community work programme per year	Community Work Programme		234 823	264 041	280 206	247 466	247 466	247 466	247 466
Total number of districts and metros implementing the district-metro development model	Regional and Urban Development and Legislative Support		— ¹	— ¹	— ¹	— ¹	52	52	52

1. No historical data available.

Expenditure analysis

Chapter 13 of the National Development Plan outlines a vision for building a capable and developmental state through interdepartmental coordination and strengthening local government. This vision is expressed specifically through priority 4 (spatial integration, human settlements and local government) of government's 2019-2024 medium-term strategic framework, with which the work of the Department of Cooperative Governance is closely aligned. Over the medium term, the department plans to focus on: strengthening intergovernmental coordination and spatial development, delivering municipal infrastructure and sustainable basic services, alleviating poverty by creating employment opportunities, and providing disaster relief and enhancing proactive disaster planning.

The department's total expenditure is expected to increase at an average annual rate of 7 per cent, from R90.2 billion in 2019/20 to R111.7 billion in 2022/23. This is mainly driven by transfers to municipalities through the local government equitable share and the *municipal infrastructure grant*, which support infrastructure delivery and the provision of basic municipal services. Transfers to provinces and municipalities constitute an estimated 95 per cent (R295 billion) of the department's total budget over the medium term, increasing at an average annual rate of 7 per cent, from R85.2 billion in 2019/20 to R105.7 billion in 2022/23.

Strengthening intergovernmental coordination and spatial development

A significant strategic undertaking over the period ahead is to implement the district-metro development model, which emphasises integration and intergovernmental coordination in the planning, funding and implementation

of programmes in all spheres of government. The model is aimed at improving the responsiveness of all spheres of government to ensure that basic services are planned for and delivered jointly with communities and stakeholders. The model emanates from the department's overarching Back to Basics strategy, which calls for putting people first, promoting good governance, ensuring sound financial management, building institutional capacity and delivering basic services.

Over the MTEF period, the department expects to implement the model in 44 district municipalities and 8 metropolitan municipalities. Related activities will be carried out in the *Regional and Urban Development and Legislative Support* programme, which has a total budget of R3.4 billion over the medium term, increasing at an average annual rate of 8 per cent, from R970 million in 2019/20 to R1.2 billion in 2022/23. Of this amount, R3 billion is allocated to the *integrated urban development grant* to support 18 secondary cities in implementing the integrated urban development framework, which seeks to foster a shared understanding across government and society about how best to manage urbanisation and achieve the goals of economic development, job creation and improved living conditions.

Delivering municipal infrastructure and sustainable basic services

The department administers and transfers the local government equitable share to all municipalities for the provision of water, sanitation, electricity, refuse removal and basic municipal administration. Over the medium term, transfers to the local government equitable share constitute 99.7 per cent (R243 billion) of spending in the *Institutional Development* programme, increasing at an average annual rate of 8 per cent, from R69.2 billion in 2019/20 to R87.5 billion in 2022/23.

The *municipal infrastructure grant*, which is intended to expand basic social infrastructure in poor communities, is expected to receive R47.5 billion over the MTEF period through transfers from the *Local Government Support and Intervention Management* programme. These transfers account for 97 per cent of spending in the programme, and are expected to increase at an average annual rate of 4.4 per cent, from R14.8 billion in 2019/20 to R16.9 billion in 2022/23.

As part of the department's ongoing plan to support municipalities in addressing challenges related to infrastructure planning, project implementation, management and contracting, the department expects to transfer R1.1 billion over the medium term to the Municipal Infrastructure Support Agent.

Alleviating poverty by creating employment opportunities

In response to South Africa's high unemployment, the community work programme is implemented in 208 sites across 201 municipalities with the aim of providing work opportunities through community initiatives such as food gardens, home-based care, the agrarian revolution project and auxiliary care for vulnerable individuals. The department expects 247 466 work opportunities to be created through the programme per year over the MTEF period. As a result, spending in the *Community Work Programme* programme is expected to increase at an average annual rate of 7.5 per cent, from R3.7 billion in 2019/20 to R4.6 billion in 2022/23.

Providing disaster relief and enhancing proactive disaster planning

As part of its strategies to mitigate the impact of climate change and reduce risks related to natural disasters, the department intends to implement early warning systems and rapid response interventions to proactively detect disasters and enable communities to become more resilient. Activities related to this are carried out in the *National Disaster Management Centre* programme, in which spending is expected to decrease at an average annual rate of 1.7 per cent, from R696.3 million in 2019/20 to R661.9 million in 2022/23, due to a one-off allocation for drought relief to municipalities in 2018/19.

Expenditure trends and estimates

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

Programmes											
1. Administration											
2. Regional and Urban Development and Legislative Support											
3. Institutional Development											
4. National Disaster Management Centre											
5. Local Government Support and Intervention Management											
6. Community Work Programme											
Programme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome										
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	267.3	260.4	293.8	280.6	2%	0%	294.9	313.9	325.6	5%	0%
Programme 2	389.3	232.4	99.7	970.0	36%	1%	1 072.0	1 146.5	1 212.0	8%	1%
Programme 3	50 797.0	55 746.6	60 956.9	69 202.5	11%	75%	74 961.7	81 323.0	87 483.3	8%	78%
Programme 4	295.3	492.4	1 370.3	696.3	33%	1%	599.6	633.1	661.9	-2%	1%
Programme 5	15 598.2	16 361.9	15 705.8	15 309.7	-1%	20%	15 129.9	16 421.2	17 354.4	4%	16%
Programme 6	2 371.1	3 115.8	3 328.6	3 719.1	16%	4%	4 175.9	4 424.5	4 619.4	8%	4%
Subtotal	69 718.2	76 209.5	81 755.1	90 178.2	9%	100%	96 234.0	104 262.1	111 656.6	7%	100%
Total	69 718.2	76 209.5	81 755.1	90 178.2	9%	100%	96 234.0	104 262.1	111 656.6	7%	100%
Change to 2019				(376.2)			(2 086.1)	(2 145.3)	(2 163.6)		
Budget estimate											
Economic classification											
Current payments	2 815.7	3 596.2	3 902	4 457	17%	5%	4 955.9	5 218.1	5 441.3	7%	5%
Compensation of employees	272.4	288.1	306.8	326.4	6%	0%	395.3	420.8	438.9	10%	0%
Goods and services ¹	2 543.3	3 308.1	3 595.0	4 131.1	18%	4%	4 560.6	4 797.3	5 002.4	7%	5%
of which:											
Consultants: Business and advisory services	196.5	287.8	401.7	1 465.3	95%	1%	1 539.8	1 643.1	1 732.3	6%	2%
Contractors	2 032.6	2 440.2	2 585.5	1 592.7	-8%	3%	1 895.4	1 967.9	2 040.8	9%	2%
Inventory: Materials and supplies	16.8	–	11.7	594.4	229%	0%	603.9	605.4	627.9	2%	1%
Consumable supplies	73.8	212.7	227.4	113.7	16%	0%	154.9	195.2	202.5	21%	0%
Property payments	14.9	25.3	25.3	49.2	49%	0%	51.9	56.0	58.1	6%	0%
Training and development	41.9	154.3	117.8	104.0	36%	0%	104.2	110.0	114.1	3%	0%
Transfers and subsidies ¹	66 893.0	72 595.2	77 808.2	85 709.6	9%	95%	91 272.8	99 037.4	106 208.3	7%	95%
Provinces and municipalities	66 178.5	72 094.6	77 359.2	85 246.2	9%	95%	90 795.0	98 533.3	105 684.2	7%	95%
Departmental agencies and accounts	440.6	470.4	431.1	442.1	0%	1%	461.6	486.7	506.0	5%	1%
Foreign governments and international organisations	–	1.2	0.3	2.0	0%	0%	2.2	2.3	2.4	5%	0%
Non-profit institutions	9.1	18.0	15.3	13.6	14%	0%	14.1	15.1	15.8	5%	0%
Households	264.8	11.1	2.4	5.7	-72%	0%	–	–	–	-100%	0%
Payments for capital assets	9.3	17.9	44.5	11.2	6%	0%	5.3	6.7	7.1	-14%	0%
Machinery and equipment	9.3	17.6	44.5	11.2	6%	0%	5.3	6.7	7.1	-14%	0%
Payments for financial assets	0.2	0.2	0.5	–	-100%	0%	–	–	–	0%	0%
Total	69 718.2	76 209.5	81 755.1	90 178.2	9%	100%	96 234.0	104 262.1	111 656.6	7%	100%

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

Transfers and subsidies expenditure trends and estimates

Table 3.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19								
R thousand											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	440 609	470 414	431 124	442 123	0.1%	0.6%	461 566	486 735	505 956	4.6%	0.5%
Municipal Demarcation Board	59 220	57 631	55 568	64 268	2.8%	0.1%	66 807	70 601	74 340	5.0%	0.1%
South African Local Government Association	31 500	31 300	33 100	33 879	2.5%	–	35 010	36 935	38 307	4.2%	–
Municipal Infrastructure Support Agent	349 889	381 483	342 456	343 976	-0.6%	0.5%	359 749	379 199	393 309	4.6%	0.4%

Table 3.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Households											
Other transfers to households											
Current	262 257	10 831	798	370	-88.8%	0.1%	–	–	–	-100.0%	–
Employee social benefits	14	337	798	10	-10.6%	–	–	–	–	-100.0%	–
Non-returning local government councillors	262 243	10 494	–	360	-88.9%	0.1%	–	–	–	-100.0%	–
Households											
Social benefits											
Current	2 469	195	1 576	5 290	28.9%	–	–	–	–	-100.0%	–
Employee social benefits	2 469	195	1 576	5 290	28.9%	–	–	–	–	-100.0%	–
Provinces and municipalities											
Municipal bank accounts											
Current	51 264 505	56 120 981	61 932 513	70 299 180	11.1%	79.1%	75 985 415	82 450 375	88 679 198	8.0%	83.0%
Vehicle licences	20	22	20	112	77.6%	–	118	124	128	4.6%	–
Municipal demarcation transition grant	297 422	139 714	–	–	-100.0%	0.1%	–	–	–	–	–
Integrated Urban Development Grant	–	–	–	856 895	–	0.3%	948 031	1 015 025	1 075 368	7.9%	1.0%
Municipal systems improvement grant	–	–	23 216	–	–	–	–	–	–	–	–
Local government equitable share	50 708 988	55 613 725	60 757 889	68 973 465	10.8%	77.9%	74 683 326	81 061 819	87 212 717	8.1%	81.6%
Municipal disaster relief grant	118 075	341 373	–	335 488	41.6%	0.3%	353 940	373 407	390 985	5.2%	0.4%
Municipal disaster recovery grant	140 000	26 147	1 151 388	133 220	-1.6%	0.5%	–	–	–	-100.0%	–
Capital	14 914 028	15 891 252	15 287 685	14 816 103	-0.2%	20.1%	14 671 101	15 936 791	16 852 001	4.4%	16.3%
Municipal infrastructure grant	14 914 028	15 891 252	15 287 685	14 816 103	-0.2%	20.1%	14 671 101	15 936 791	16 852 001	4.4%	16.3%
Non-profit institutions											
Current	9 119	17 972	15 252	13 594	14.2%	–	14 051	15 097	15 795	5.1%	–
South African Cities Network	9 119	6 950	9 353	7 765	-5.2%	–	7 907	8 500	8 956	4.9%	–
Disaster Management Institute of Southern Africa	–	99	99	99	–	–	99	99	99	–	–
United Cities and Local Governments of Africa (South African regional office)	–	10 923	5 800	5 730	–	–	6 045	6 498	6 740	5.6%	–
Foreign governments and international organisations											
Current	–	1 190	289	2 032	–	–	2 151	2 269	2 354	5.0%	–
Commonwealth Local Government Forum	–	513	289	600	–	–	640	675	701	5.3%	–
United Cities and Local Governments of Africa (Morocco office)	–	677	–	1 432	–	–	1 511	1 594	1 653	4.9%	–
Provinces and municipalities											
Provincial revenue funds											
Current	–	82 339	138 982	130 904	–	0.1%	138 489	146 106	152 984	5.3%	0.1%
Provincial disaster relief grant	–	82 339	122 678	130 904	–	0.1%	138 489	146 106	152 984	5.3%	0.1%
Provincial disaster recovery grant	–	–	16 304	–	–	–	–	–	–	–	–
Total	66 892 987	72 595 174	77 808 219	85 709 596	8.6%	100.0%	91 272 773	99 037 373	106 208 288	7.4%	100.0%

Personnel information

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

Programmes																					
1. Administration																					
2. Regional and Urban Development and Legislative Support																					
3. Institutional Development																					
4. National Disaster Management Centre																					
5. Local Government Support and Intervention Management																					
6. Community Work Programme																					
Number of posts estimated for 31 March 2020			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 (%)						
		2018/19			2019/20			2020/21		2021/22		2022/23									
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost								
Cooperative Governance			422	4	451	306.8	0.7	464	326.4	0.7	532	395.3	0.7	531	420.8	0.8	524	438.9	0.8	4.1%	100.0%
Salary level	422	4	451	306.8	0.7	464	326.4	0.7	532	395.3	0.7	531	420.8	0.8	524	438.9	0.8	4.1%	100.0%		
1 – 6	111	1	138	36.9	0.3	149	37.7	0.3	166	45.6	0.3	166	48.8	0.3	166	52.7	0.3	3.7%	31.5%		
7 – 10	111	–	112	58.5	0.5	113	59.7	0.5	142	81.6	0.6	141	86.7	0.6	139	90.9	0.7	7.1%	26.1%		
11 – 12	89	1	89	77.5	0.9	90	77.1	0.9	107	98.9	0.9	107	105.2	1.0	106	110.8	1.0	5.6%	20.0%		
13 – 16	109	2	110	134.0	1.2	110	146.9	1.3	115	164.0	1.4	115	174.3	1.5	111	178.6	1.6	0.3%	22.0%		
Other	2	–	2	–	–	2	5.0	2.5	2	5.3	2.6	2	5.8	2.9	2	5.9	2.9	–	0.4%		
Programme	422	4	451	306.8	0.7	464	326.4	0.7	532	395.3	0.7	531	420.8	0.8	524	438.9	0.8	4.1%	100.0%		
Programme 1	195	2	221	135.4	0.6	243	144.2	0.6	265	164.6	0.6	264	175.2	0.7	260	181.7	0.7	2.3%	50.3%		
Programme 2	34	–	35	21.9	0.6	35	25.7	0.7	43	32.8	0.8	43	35.0	0.8	41	36.3	0.9	5.4%	7.9%		
Programme 3	50	2	51	35.4	0.7	51	39.0	0.8	55	45.1	0.8	55	48.0	0.9	54	49.7	0.9	1.9%	10.5%		
Programme 4	30	–	30	22.4	0.7	25	22.4	0.9	33	29.9	0.9	33	31.8	1.0	32	32.9	1.0	8.6%	6.0%		
Programme 5	76	–	76	60.1	0.8	71	62.2	0.9	81	73.8	0.9	81	78.5	1.0	80	81.4	1.0	4.1%	15.3%		
Programme 6	37	–	38	31.6	0.8	39	32.9	0.8	55	49.1	0.9	55	52.3	1.0	57	56.8	1.0	13.5%	10.0%		

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

2. Rand million.

Departmental receipts

Table 3.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
Departmental receipts	23 451	1 661	44 580	2 048	2 048	-55.6%	100.0%	2 325	2 580	2 661	9.1%	100.0%
Sales of goods and services produced by department	167	184	328	443	443	38.4%	1.6%	450	705	751	19.2%	24.4%
Sales by market establishments	167	184	328	439	439	38.0%	1.6%	450	700	750	19.5%	24.3%
of which:												
Rental parking: Covered and open	167	184	95	390	390	32.7%	1.2%	450	600	650	18.6%	21.7%
Commission: Insurance and garnishee	–	–	89	48	48	–	0.2%	–	–	–	-100.0%	0.5%
Sale of Assets <R5000	–	–	–	–	–	–	–	–	100	100	–	2.1%
Reimbursement of goods issued	–	–	1	1	1	–	–	–	–	–	-100.0%	–
Access to information act	–	–	143	–	–	–	0.2%	–	–	–	–	–
Other sales	–	–	–	4	4	–	–	–	5	1	-37.0%	0.1%
of which:												
Replacement of security cards	–	–	–	4	4	–	–	–	5	1	-37.0%	0.1%
Sales of scrap, waste, arms and other used current goods	–	2	–	5	5	–	–	5	5	5	–	0.2%
of which:												
Sales of paper	–	2	–	5	5	–	–	5	5	5	–	0.2%
Interest, dividends and rent on land	1 218	777	1 132	1 000	1 000	-6.4%	5.8%	1 220	1 220	1 205	6.4%	48.3%
Interest	–	777	1 132	–	–	–	2.7%	20	20	–	–	0.4%
Dividends	1 218	–	–	1 000	1 000	-6.4%	3.1%	1 200	1 200	1 205	6.4%	47.9%
of which:												
Bank accounts	1 218	–	–	998	998	-6.4%	3.1%	1 200	1 200	1 205	6.5%	47.9%
Interest received from private sector	–	–	–	2	2	–	–	–	–	–	-100.0%	–
Sales of capital assets	40	–	621	159	159	58.4%	1.1%	50	45	50	-32.0%	3.2%
Transactions in financial assets and liabilities	22 026	698	42 499	441	441	-72.8%	91.5%	600	605	650	13.8%	23.9%
Total	23 451	1 661	44 580	2 048	2 048	-55.6%	100.0%	2 325	2 580	2 661	9.1%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

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

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Ministry	32.1	32.0	42.1	36.4	4.3%	12.9%	33.7	35.8	37.1	0.6%	11.8%
Management	14.4	18.5	19.0	19.8	11.2%	6.5%	21.2	22.5	23.4	5.7%	7.1%
Corporate Services	139.8	123.9	135.2	121.1	-4.7%	47.2%	129.3	137.3	142.4	5.6%	43.6%
Financial Services	27.2	30.6	30.8	39.3	13.2%	11.6%	47.2	50.0	51.9	9.7%	15.5%
Internal Audit and Risk Management	7.4	7.9	12.7	14.6	25.1%	3.9%	15.5	16.5	17.1	5.5%	5.2%
Office Accommodation	46.3	47.4	54.1	49.4	2.2%	17.9%	47.9	51.8	53.8	2.8%	16.7%
Total	267.3	260.4	293.8	280.6	1.6%	100.0%	294.9	313.9	325.6	5.1%	100.0%
Change to 2019				4.9			0.9	0.9	0.9		
Budget estimate											
Economic classification											
Current payments	260.3	254.3	286.1	273.1	1.6%	97.4%	292.2	310.0	321.6	5.6%	98.5%
Compensation of employees	121.8	124.0	135.4	144.2	5.8%	47.7%	164.6	175.2	181.7	8.0%	54.8%
Goods and services ¹	138.5	130.2	150.8	128.9	-2.4%	49.8%	127.6	134.8	139.8	2.8%	43.7%
of which:											
Audit costs: External	6.6	9.1	6.3	10.0	14.6%	2.9%	10.5	11.1	11.5	5.0%	3.5%
Communication	2.5	1.8	1.9	5.3	29.0%	1.0%	5.6	5.9	6.2	5.3%	1.9%
Computer services	18.4	20.5	18.9	9.4	-20.0%	6.1%	6.8	6.0	6.3	-12.7%	2.4%
Consultants: Business and advisory services	6.4	3.6	9.6	9.6	14.1%	2.6%	10.1	10.6	11.0	4.9%	3.4%
Property payments	14.9	25.3	24.9	49.2	48.8%	10.4%	51.9	56.0	58.1	5.7%	17.7%
Travel and subsistence	3.9	15.3	21.1	10.5	39.6%	4.6%	11.1	11.7	12.1	4.9%	3.7%
Transfers and subsidies¹	0.2	0.1	1.6	5.0	201.1%	0.6%	0.1	0.1	0.1	-70.6%	0.4%
Provinces and municipalities	0.0	0.0	0.0	0.1	77.6%	0.0%	0.1	0.1	0.1	4.6%	0.0%
Households	0.2	0.1	1.5	4.9	210.4%	0.6%	–	–	–	-100.0%	0.4%
Payments for capital assets	6.6	5.8	5.7	2.5	-27.3%	1.9%	2.5	3.7	3.9	15.9%	1.0%
Machinery and equipment	6.6	5.8	5.7	2.5	-27.3%	1.9%	2.5	3.7	3.9	15.9%	1.0%
Payments for financial assets	0.2	0.2	0.4	–	-100.0%	0.1%	–	–	–	0.0%	0.0%
Total	267.3	260.4	293.8	280.6	1.6%	100.0%	294.9	313.9	325.6	5.1%	100.0%
Proportion of total programme expenditure to vote expenditure	0.4%	0.3%	0.4%	0.3%	0.0%	0.0%	0.3%	0.3%	0.3%	0.0%	0.0%

Programme 2: Regional and Urban Development and Legislative Support

Programme purpose

Provide policy analysis and development to transform local government and improve cooperative governance.

Objectives

- Facilitate and target the restructuring of the municipal spatial economy through integrated development planning on an ongoing basis.
- Support the effective management of the cooperative governance system through strengthened intergovernmental coordination, reporting and liaison by way of the district-metro development model in 44 districts and 8 metropolitan municipalities on an ongoing basis.
- Review the framework for local government powers and functions on an ongoing basis.

Subprogrammes

- *Management: Regional and Urban Development and Legislative Support* provides strategic leadership to the programme to ensure compliance with, and the achievement of targets in line with, the department's mandate.
- *Local Government Legislative Support and Institutional Establishment* drafts and amends primary and secondary legislation administered by the department. This subprogramme provides legal opinions to the department's stakeholders on the interpretation of legislation and matters affecting the mandate of the department; and technical support and advice on the determination and redetermination of municipal boundaries, provincial boundaries and local government elections.
- *Urban Development Planning* facilitates and monitors the implementation of the integrated urban development framework policy and local economic development plans. This subprogramme also supports municipalities in implementing various tools to facilitate integrated urban development and spatial contracts in key restructuring zones.
- *Spatial Planning Districts and Regions* facilitates the implementation of planning frameworks to promote integrated development across government, and build the capacity of geographic information systems in district and local municipalities to enhance evidence-based decision-making. It also facilitates sustainable economic activities in the districts and lagging regions to stimulate local economies and improve planning capability at the municipal level. This subprogramme also implements the district-metro development model.
- *Intergovernmental Policy and Practice* facilitates the review, clarification and strengthening of the policy and institutional environment for the assignment and management of municipal powers and functions. This subprogramme is also responsible for implementing the district-metro development model to strengthen collaborative intergovernmental management and practice between sectors, provinces and local government.
- *Municipal Demarcation Transition Grant* made transfers to assist municipalities in building in-house capacity to perform their functions, and stabilise institutional and governance systems. This grant ended in 2017/18.
- *Municipal Demarcation Board* makes transfers to the Municipal Demarcation Board to fund operational activities such as capacity assessments, ward delimitation and boundary redetermination. This subprogramme's budget is transferred in full to the board.
- *South African Cities Network* makes transfers to the South African Cities Network to fund operational activities, including enabling cooperation between South African cities. This subprogramme's budget is transferred in full to the network.
- *Integrated Urban Development Grant* makes transfers to intermediate city municipalities to supplement their capital budgets to implement the objectives of the integrated urban development framework.

Expenditure trends and estimates

Table 3.7 Regional and Urban Development and Legislative Support expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Management: Regional and Urban Development and Legislative Support	0.4	0.7	0.0	3.7	106.6%	0.3%	3.9	4.1	4.3	5.6%	0.4%
Local Government Legislative Support and Institutional Establishment	4.0	5.3	5.0	6.4	16.5%	1.2%	7.2	7.6	7.1	3.7%	0.6%
Urban Development Planning	4.9	9.6	14.0	7.3	14.1%	2.1%	12.9	13.7	14.2	24.7%	1.1%
Spatial Planning Districts and Regions	9.9	7.4	9.9	12.3	7.5%	2.3%	13.1	13.8	14.2	4.9%	1.2%
Intergovernmental Policy and Practice	4.3	5.1	6.0	11.5	38.5%	1.6%	12.3	13.0	13.5	5.7%	1.1%
Municipal Demarcation Transition Grant	297.4	139.7	–	–	-100.0%	25.8%	–	–	–		

Table 3.7 Regional and Urban Development and Legislative Support expenditure trends and estimates by subprogramme and economic classification

Subprogramme						Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome				Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate				
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Municipal Demarcation Board	59.2	57.6	55.6	64.3	2.8%	14.0%	66.8	70.6	74.3	5.0%	6.3%
South African Cities Network	9.1	7.0	9.4	7.8	-5.2%	2.0%	7.9	8.5	9.0	4.9%	0.8%
Integrated Urban Development Grant	—	—	—	856.9	—	50.7%	948.0	1 015.0	1 075.4	7.9%	88.5%
Total	389.3	232.4	99.7	970.0	35.6%	100.0%	1 072.0	1 146.5	1 212.0	7.7%	100.0%
Change to 2019				3.4			16.6	10.2	13.2		
Budget estimate											
Economic classification											
Current payments	23.5	28.1	34.8	41.0	20.4%	7.5%	49.3	52.4	53.3	9.1%	4.5%
Compensation of employees	17.9	16.8	21.9	25.7	12.7%	4.9%	32.8	35.0	36.3	12.2%	2.9%
Goods and services ¹	5.6	11.3	12.9	15.3	40.1%	2.7%	16.5	17.4	17.1	3.6%	1.5%
of which:											
Catering: Departmental activities	0.0	0.2	0.2	1.0	187.8%	0.1%	1.0	1.1	1.1	4.9%	0.1%
Communication	0.3	0.2	0.2	1.4	76.9%	0.1%	1.5	1.6	1.5	1.3%	0.1%
Computer services	—	0.1	0.0	0.8	—	0.1%	0.9	0.9	1.0	4.9%	0.1%
Consultants: Business and advisory services	1.7	5.6	6.1	4.0	31.3%	1.0%	4.2	4.4	4.7	6.2%	0.4%
Consumables: Stationery, printing and office supplies	0.4	0.3	0.2	1.6	62.7%	0.2%	1.7	1.8	1.9	4.9%	0.2%
Travel and subsistence	2.5	2.9	4.1	4.8	25.0%	0.8%	5.4	5.7	4.9	0.7%	0.5%
Transfers and subsidies ¹	365.8	204.3	64.9	929.0	36.4%	92.5%	1 022.7	1 094.1	1 158.7	7.6%	95.5%
Provinces and municipalities	297.4	139.7	—	856.9	42.3%	76.5%	948.0	1 015.0	1 075.4	7.9%	88.5%
Departmental agencies and accounts	59.2	57.6	55.6	64.3	2.8%	14.0%	66.8	70.6	74.3	5.0%	6.3%
Non-profit institutions	9.1	7.0	9.4	7.8	-5.2%	2.0%	7.9	8.5	9.0	4.9%	0.8%
Households	0.0	—	—	0.1	17.8%	—	—	—	—	-100.0%	—
Payments for financial assets	—	—	0.0	—	—	—	—	—	—	—	—
Total	389.3	232.4	99.7	970.0	35.6%	100.0%	1 072.0	1 146.5	1 212.0	7.7%	100.0%
Proportion of total programme expenditure to vote expenditure	0.6%	0.3%	0.1%	1.1%			1.1%	1.1%	1.1%		
Details of selected transfers and subsidies											
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	297.4	139.7	—	856.9	42.3%	76.5%	948.0	1 015.0	1 075.4	7.9%	88.5%
Municipal demarcation transition grant	297.4	139.7	—	—	-100.0%	25.8%	—	—	—	—	—
Integrated Urban Development Grant	—	—	—	856.9	—	50.7%	948.0	1 015.0	1 075.4	7.9%	88.5%
Non-profit institutions											
Current	9.1	7.0	9.4	7.8	-5.2%	2.0%	7.9	8.5	9.0	4.9%	0.8%
South African Cities Network	9.1	7.0	9.4	7.8	-5.2%	2.0%	7.9	8.5	9.0	4.9%	0.8%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	59.2	57.6	55.6	64.3	2.8%	14.0%	66.8	70.6	74.3	5.0%	6.3%
Municipal Demarcation Board	59.2	57.6	55.6	64.3	2.8%	14.0%	66.8	70.6	74.3	5.0%	6.3%

Programme 3: Institutional Development

Programme purpose

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

Objectives

- Strengthen the functionality of municipalities on an ongoing basis by:
 - developing and implementing human resources and administrative systems, as per the Municipal Systems Act (2000)
 - monitoring the implementation of the rating aspects of the Municipal Property Rates Act (2004)
 - evaluating the implementation of the indigent policy.

- Support municipalities' efforts to improve good governance by monitoring compliance with the Municipal Systems Act (2000) on an ongoing basis.
- Reduce incidents of corruption in municipalities by monitoring the implementation of the anti-corruption strategy on an ongoing basis.

Subprogrammes

- *Management: Institutional Development* provides strategic leadership to the programme to ensure compliance with, and the achievement of targets in line with, the department's mandate.
- *Municipal Human Resource Management Systems* strengthens the governance of human resources, and builds institutional and employee capacity through legislative review, implementation, monitoring and enforcement.
- *Municipal Finances* provides support and technical capacity to municipalities on municipal revenue management and enhancement strategies, tariff policies and bylaws, credit control and debt collection, audit outcomes, and the implementation of policy for free basic services. This subprogramme also provides for indirect transfers to municipalities so that they are able to stabilise institutional and governance systems, as required by the Municipal Systems Act (2000), the Municipal Property Rates Act (2004) and related regulations.
- *Citizen Engagement* develops frameworks that lay the basis for engagement among government, organised civil society and citizens.
- *Anti-Corruption and Good Governance* conducts campaigns to instil ethical conduct at the local government level, and ensures that municipalities implement local government's anti-corruption strategy and the integrity management framework. This subprogramme also collaborates with law-enforcement agencies, provinces and municipalities to ensure the prompt resolution of fraud and corruption cases.
- *Municipal Property Rates* guides municipalities to comply with critical rating and valuation aspects of the Municipal Property Rates Act (2004) and its regulations.
- *Local Government Equitable Share* is the share of nationally raised revenue payable to local government in terms of section 214 of the Constitution. This transfer supplements municipal revenue for the provision of free basic services to poor households, and for the funding of institutional capacity and support to weaker municipalities.
- *South African Local Government Association* makes transfers to the South African Local Government Association to fund operational activities, including participation in intergovernmental structures and legislatures.
- *Municipal Systems Improvement Grant* makes transfers to assist municipalities in building in-house capacity to perform functions, and stabilise institutional and governmental systems.
- *United Cities and Local Government of Africa* makes transfers to fund operational activities of the institution to enhance cooperation and knowledge sharing amongst local governments in Africa.

Table 3.8 Institutional Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Management: Institutional Development	5.4	1.5	1.2	1.6	-32.9%	—	3.9	4.1	4.3	37.9%	—
Municipal Human Resources Management Systems	8.9	8.4	13.5	16.4	22.6%	—	11.0	11.7	12.1	-9.7%	—
Municipal Finance	5.9	8.6	27.4	31.2	74.6%	—	64.0	34.7	35.6	4.6%	0.1%
Citizen Engagement	6.5	8.0	7.3	7.5	4.7%	—	8.0	8.5	8.8	5.4%	—
Anti-Corruption and Good Governance	3.9	6.0	8.1	7.7	25.5%	—	7.1	7.4	7.7	-0.1%	—
Municipal Property Rates	6.6	6.9	8.9	12.5	24.0%	—	13.6	14.5	15.0	6.4%	—
Local Government Equitable Share	50 709.0	55 613.7	60 757.9	68 973.5	10.8%	99.7%	74 683.3	81 061.8	87 212.7	8.1%	99.7%
South African Local Government Association	31.5	31.3	33.1	33.9	2.5%	0.1%	35.0	36.9	38.3	4.2%	—

Table 3.8 Institutional Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Municipal Systems Improvement Grant	19.4	50.6	93.7	111.1	79.0%	0.1%	128.2	135.3	140.3	8.1%	0.2%
United Cities and Local Government of Africa	–	11.6	5.8	7.2	–	–	7.6	8.1	8.4	5.4%	–
Total	50 797.0	55 746.6	60 956.9	69 202.5	10.9%	100.0%	74 961.7	81 323.0	87 483.3	8.1%	100.0%
Change to 2019 Budget estimate				(4.5)			(974.1)	(1 104.4)	(1 105.0)		
Economic classification											
Current payments	56.5	89.5	136.4	187.4	49.1%	0.2%	235.2	215.5	223.2	6.0%	0.3%
Compensation of employees	28.7	29.5	35.4	39.0	10.8%	0.1%	45.1	48.0	49.7	8.4%	0.1%
Goods and services ¹	27.9	60.0	101.0	148.3	74.6%	0.1%	190.1	167.6	173.5	5.4%	0.2%
of which:											
Catering: Departmental activities	0.3	0.5	0.5	1.2	54.9%	–	1.3	1.3	1.4	4.9%	–
Consultants: Business and advisory services	22.5	52.8	89.5	119.9	74.7%	0.1%	135.5	142.9	148.2	7.3%	0.2%
Contractors	–	–	–	6.9	–	–	38.0	8.4	8.3	6.7%	–
Consumables: Stationery, printing and office supplies	0.8	0.4	0.0	2.5	46.7%	–	2.7	2.8	2.9	4.9%	–
Travel and subsistence	2.2	5.2	7.4	6.9	45.3%		7.4	7.8	8.1	5.7%	
Venues and facilities	0.0	–	–	1.1	421.9%	–	1.2	1.3	1.3	4.9%	–
Transfers and subsidies ¹	50 740.5	55 657.1	60 820.3	69 015.1	10.8%	99.8%	74 726.5	81 107.5	87 260.1	8.1%	99.7%
Provinces and municipalities	50 709.0	55 613.7	60 781.1	68 973.5	10.8%	99.7%	74 683.3	81 061.8	87 212.7	8.1%	99.7%
Departmental agencies and accounts	31.5	31.3	33.1	33.9	2.5%	0.1%	35.0	36.9	38.3	4.2%	–
Foreign governments and international organisations	–	1.2	0.3	2.0	–	–	2.2	2.3	2.4	5.0%	–
Non-profit institutions	–	10.9	5.8	5.7	–	–	6.0	6.5	6.7	5.6%	–
Payments for capital assets	0.0	–	0.1	0.0	-16.7%		–	–	–	-100.0%	
Machinery and equipment	0.0	–	0.1	0.0	-16.7%		–	–	–	-100.0%	
Payments for financial assets	–	–	0.0	–			–	–	–		
Total	50 797.0	55 746.6	60 956.9	69 202.5	10.9%	100.0%	74 961.7	81 323.0	87 483.3	8.1%	100.0%
Proportion of total programme expenditure to vote expenditure	72.9%	73.1%	74.6%	76.7%			77.9%	78.0%	78.4%		
Details of selected transfers and subsidies											
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	50 709.0	55 613.7	60 781.1	68 973.5	10.8%	99.7%	74 683.3	81 061.8	87 212.7	8.1%	99.7%
Municipal systems improvement grant	–	–	23.2	–	–	–	–	–	–	–	–
Local government equitable share	50 709.0	55 613.7	60 757.9	68 973.5	10.8%	99.7%	74 683.3	81 061.8	87 212.7	8.1%	99.7%
Non-profit institutions											
Current	–	10.9	5.8	5.7	–	–	6.0	6.5	6.7	5.6%	–
United Cities and Local Governments of Africa (South African regional office)	–	10.9	5.8	5.7	–	–	6.0	6.5	6.7	5.6%	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	31.5	31.3	33.1	33.9	2.5%	0.1%	35.0	36.9	38.3	4.2%	–
South African Local Government Association	31.5	31.3	33.1	33.9	2.5%	0.1%	35.0	36.9	38.3	4.2%	–
Foreign governments and international organisations											
Current	–	1.2	0.3	2.0	–	–	2.2	2.3	2.4	5.0%	–
Commonwealth Local Government Forum	–	0.5	0.3	0.6	–	–	0.6	0.7	0.7	5.3%	–
United Cities and Local Governments of Africa (Morocco office)	–	0.7	–	1.4	–	–	1.5	1.6	1.7	4.9%	–

Programme 4: National Disaster Management Centre

Programme purpose

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

Objectives

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

Subprogrammes

- *Management: Head of the National Disaster Management Centre* provides strategic leadership to the programme.
- *Disaster Risk Reduction, Capacity Building and Intervention* develops and implements operational systems for disaster management; coordinates disaster management capacity building and strategic research across all spheres of government; and provides for the allocation of disaster response, relief and rehabilitation funding when a disaster has occurred.
- *Legislation and Policy Management* develops disaster management policies and legislative frameworks derived from the Disaster Management Act (2002) and the national disaster management framework, and manages the improvement of legislative compliance across sectors and spheres of government.
- *Integrated Provincial Disaster Management Support, Monitoring and Evaluation Systems* develops and implements integrated support to provinces, and monitoring and evaluation systems for disaster management and fire services. This subprogramme promotes a culture of risk avoidance among stakeholders by creating capacity for role players through integrated education, training and public awareness programmes informed by scientific research.
- *Fire Services* develops policies and legislative frameworks for fire services, and coordinates programmes related to the support and administration of fire services. This subprogramme also ensures that municipalities have the capacity to render fire safety and prevention services.
- *Information Technology, Intelligence and Information Management Systems* guides the development of a comprehensive information management and communications system, and establishes integrated communication links with all role players in disaster management.
- *Disaster Relief Grant* is a conditional allocation that aims to provide immediate relief for legally declared disasters. Transfers are made only when a disaster has been declared.
- *Municipal Disaster Recovery Grant* is a conditional allocation that aims to repair municipal infrastructure damaged by disasters. Transfers are made only when a disaster has been declared.
- *Provincial Disaster Recovery Grant* is a conditional allocation to rehabilitate and reconstruct the provincial infrastructure damaged by disasters. Transfers are made only when a disaster has been declared.

Expenditure trends and estimates

Table 3.9 National Disaster Management Centre 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million				2019/20	2016/17 - 2019/20					2019/20 - 2022/23	
Management: Head of the National Disaster Management Centre	5.6	4.8	3.2	4.4	-7.9%	0.6%	4.4	4.6	4.8	3.2%	0.7%
Disaster Risk Reduction, Capacity Building and Intervention	7.1	10.4	45.4	51.5	93.4%	4.0%	54.5	57.5	59.8	5.1%	8.6%
Legislation and Policy Management	4.5	5.7	6.0	6.8	14.8%	0.8%	7.2	7.7	8.0	5.5%	1.1%
Integrated Provincial Disaster Management Support, Monitoring and Evaluation Systems	2.7	2.2	3.2	4.8	21.5%	0.5%	5.2	5.5	5.7	5.7%	0.8%
Fire Services	2.7	3.3	3.6	3.5	9.2%	0.5%	5.5	6.0	6.3	21.3%	0.8%
Information Technology, Intelligence and Information Management Systems	14.6	16.2	18.5	25.7	20.7%	2.6%	30.4	32.2	33.4	9.2%	4.7%
Disaster Relief Grant	118.1	423.7	122.7	466.4	58.1%	39.6%	492.4	519.5	544.0	5.3%	78.1%
Municipal Disaster Recovery Grant	140.0	26.1	1 151.4	133.2	-1.6%	50.8%	—	—	—	-100.0%	5.1%
Provincial Disaster Recovery Grant	—	—	16.3	—	—	0.6%	—	—	—	—	—
Total	295.3	492.4	1 370.3	696.3	33.1%	100.0%	599.6	633.1	661.9	-1.7%	100.0%
Change to 2019 Budget estimate				(64.9)			(3.0)	(3.0)	(3.0)		
Economic classification											
Current payments	33.6	41.2	79.1	93.6	40.8%	8.7%	104.3	110.5	114.7	7.0%	16.3%
Compensation of employees	19.7	20.4	22.4	22.4	4.3%	3.0%	29.9	31.8	32.9	13.7%	4.5%
Goods and services ¹	13.8	20.8	56.7	71.3	72.7%	5.7%	74.4	78.7	81.8	4.7%	11.8%
of which:											
Catering: Departmental activities	0.4	0.4	0.3	0.5	9.6%	0.1%	0.5	0.6	0.6	4.9%	0.1%
Communication	0.6	0.4	0.4	0.6	0.8%	0.1%	0.6	0.7	0.7	4.9%	0.1%
Computer services	4.6	4.0	4.2	8.2	21.1%	0.7%	8.6	9.1	9.4	4.9%	1.4%
Consultants: Business and advisory services	—	3.8	36.3	55.3		3.3%	57.6	61.0	63.4	4.7%	9.2%
Inventory: Other supplies	—	—	0.0	0.5	—	—	0.6	0.6	0.6	4.9%	0.1%
Travel and subsistence	2.3	3.5	3.7	4.0	19.8%	0.5%	4.2	4.4	4.6	4.9%	0.7%
Interest and rent on land	—	0.0	—	—	—	—	—	—	—	—	—
Transfers and subsidies¹	260.3	450.2	1 290.5	600.0	32.1%	91.1%	492.5	519.6	544.1	-3.2%	83.2%
Provinces and municipalities	258.1	449.9	1 290.4	599.6	32.4%	91.0%	492.4	519.5	544.0	-3.2%	83.2%
Non-profit institutions	—	0.1	0.1	0.1	—	—	0.1	0.1	0.1	—	—
Households	2.2	0.2	—	0.3	-48.9%	0.1%	—	—	—	-100.0%	—
Payments for capital assets	1.4	1.1	0.7	2.6	23.9%	0.2%	2.8	2.9	3.1	5.6%	0.4%
Machinery and equipment	1.4	1.1	0.7	2.6	23.9%	0.2%	2.8	2.9	3.1	5.6%	0.4%
Payments for financial assets	—	—	0.0	—			—	—	—		
Total	295.3	492.4	1 370.3	696.3	33.1%	100.0%	599.6	633.1	661.9	-1.7%	100.0%
Proportion of total programme expenditure to vote expenditure	0.4%	0.6%	1.7%	0.8%			0.6%	0.6%	0.6%		

Table 3.9 National Disaster Management Centre expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	258.1	367.5	1 151.4	468.7	22.0%	78.7%	353.9	373.4	391.0	-5.9%	61.3%
Municipal disaster relief grant	118.1	341.4	–	335.5	41.6%	27.9%	353.9	373.4	391.0	5.2%	56.1%
Municipal disaster recovery grant	140.0	26.1	1 151.4	133.2	-1.6%	50.8%	–	–	–	-100.0%	5.1%
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	–	82.3	139.0	130.9	–	12.3%	138.5	146.1	153.0	5.3%	21.9%
Provincial disaster relief grant	–	82.3	122.7	130.9	–	11.8%	138.5	146.1	153.0	5.3%	21.9%
Provincial disaster recovery grant	–	–	16.3	–	–	0.6%	–	–	–	–	–

Programme 5: Local Government Support and Intervention Management

Programme purpose

Conduct performance monitoring, support and interventions in municipalities and provincial departments of cooperative governance that will drive Back to Basics activities.

Objectives

- Improve reporting on and accountability for performance in local government by overseeing, coordinating and leading the municipal implementation of government policies and programmes on an ongoing basis.
- Coordinate and facilitate municipal infrastructure development by transferring the *municipal infrastructure grant* to municipalities annually to extend services to unserved communities in terms of the annual Division of Revenue Act.
- Coordinate and implement sustainable initiatives for infrastructure development and maintenance by establishing partnerships with the Municipal Infrastructure Support Agent, sector departments and other entities to improve the quality of service and extend infrastructure to unserved communities on an ongoing basis.

Subprogrammes

- *Management: Local Government Support and Interventions* provides strategic leadership to the programme.
- *Municipal Performance Monitoring* monitors and reports on local government performance information by institutionalising monthly performance reporting to the department, analysing Back to Basics performance information for each municipality on a biannual basis, and identifying emerging aspects and key trends from Back to Basics performance reporting.
- *Local Government Improvement Programme* monitors and reports diagnostic assessment to support municipalities with the development and implementation of remedial action plans.
- *Litigations and Interventions* monitors compliance with intervention policies and regulations.
- *Municipal Infrastructure Administration* administers *municipal infrastructure grant* payments and reviews spending related to transferred funds.
- *Municipal Infrastructure Grant* makes specific transfers to supplement municipal capital budgets to address the infrastructure investment priorities of the poor.
- *Municipal Infrastructure Support Agent* make transfers to assist municipalities in building in-house capacity to perform functions, and stabilise institutional and governmental systems.

Expenditure trends and estimates

Table 3.10 Local Government Support and Intervention Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Management: Local Government Support and Interventions	3.0	2.4	2.9	3.7	7.7%		4.0	4.2	4.4	5.6%	
Municipal Performance Monitoring	274.2	22.1	12.3	12.3	-64.5%	0.5%	12.7	13.5	14.0	4.5%	0.1%
Local Government Improvement Programme	26.1	22.9	25.2	90.9	51.5%	0.3%	29.8	31.7	32.9	-28.7%	0.3%
Litigations and Interventions	–	7.8	0.5	8.0			10.0	10.6	10.9	11.0%	0.1%
Municipal Infrastructure Administration	31.0	33.9	34.8	34.7	3.9%	0.2%	42.5	45.2	46.9	10.5%	0.3%
Municipal Infrastructure Grant	14 914.0	15 891.3	15 287.7	14 816.1	-0.2%	96.7%	14 671.1	15 936.8	16 852.0	4.4%	97.0%
Municipal Infrastructure Support Agent	349.9	381.5	342.5	344.0	-0.6%	2.3%	359.7	379.2	393.3	4.6%	2.3%
Total	15 598.2	16 361.9	15 705.8	15 309.7	-0.6%	100.0%	15 129.9	16 421.2	17 354.4	4.3%	100.0%
Change to 2019 Budget estimate				49.9			(990.8)	(896.1)	(941.5)		
Economic classification											
Current payments	72.0	78.5	75.2	149.2	27.5%	0.6%	99.1	105.2	109.1	-9.9%	0.7%
Compensation of employees	55.7	58.7	60.1	62.2	3.7%	0.4%	73.8	78.5	81.4	9.4%	0.5%
Goods and services ¹	16.3	19.8	15.1	87.0	74.8%	0.2%	25.3	26.7	27.7	-31.8%	0.3%
of which:											
Administrative fees	0.2	0.6	0.4	0.7	44.5%	–	0.9	1.1	1.1	17.7%	–
Communication	0.7	0.6	0.5	2.4	53.5%		2.4	2.5	2.6	2.8%	
Consultants: Business and advisory services	2.2	0.5	1.0	69.9	216.6%	0.1%	7.2	7.5	7.8	-51.8%	0.1%
Legal services	–	6.2	–	1.1	–	–	1.2	1.2	1.3	5.0%	–
Consumables: Stationery, printing and office supplies	0.1	0.6	0.2	1.0	106.0%	–	1.0	1.1	1.1	5.0%	–
Travel and subsistence	8.5	8.5	8.7	9.6	4.0%	0.1%	10.1	10.6	11.0	4.7%	0.1%
Transfers and subsidies ¹	15 526.2	16 283.4	15 630.6	15 160.4	-0.8%	99.4%	15 030.9	16 316.0	17 245.3	4.4%	99.3%
Provinces and municipalities	14 914.0	15 891.3	15 287.7	14 816.1	-0.2%	96.7%	14 671.1	15 936.8	16 852.0	4.4%	97.0%
Departmental agencies and accounts	349.9	381.5	342.5	344.0	-0.6%	2.3%	359.7	379.2	393.3	4.6%	2.3%
Households	262.3	10.6	0.4	0.4	-88.9%	0.4%	–	–	–	-100.0%	
Payments for capital assets	–	0.0	–	–			–	–	–		
Machinery and equipment	–	0.0	–	–			–	–	–		
Payments for financial assets	–	–	0.0	–			–	–	–		
Total	15 598.2	16 361.9	15 705.8	15 309.7	-0.6%	100.0%	15 129.9	16 421.2	17 354.4	4.3%	100.0%
Proportion of total programme expenditure to vote expenditure	22.4%	21.5%	19.2%	17.0%			15.7%	15.7%	15.5%		
Details of selected transfers and subsidies											
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Capital	14 914.0	15 891.3	15 287.7	14 816.1	-0.2%	96.7%	14 671.1	15 936.8	16 852.0	4.4%	97.0%
Municipal infrastructure grant	14 914.0	15 891.3	15 287.7	14 816.1	-0.2%	96.7%	14 671.1	15 936.8	16 852.0	4.4%	97.0%
Households											
Other transfers to households											
Current	262.2	10.6	0.4	0.4	-88.9%	0.4%	–	–	–	-100.0%	–
Employee social benefits	–	0.1	0.4	–	–	–	–	–	–	–	–
Non-returning local government councillors	262.2	10.5	–	0.4	-88.9%	0.4%	–	–	–	-100.0%	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	349.9	381.5	342.5	344.0	-0.6%	2.3%	359.7	379.2	393.3	4.6%	2.3%
Municipal Infrastructure Support Agent	349.9	381.5	342.5	344.0	-0.6%	2.3%	359.7	379.2	393.3	4.6%	2.3%

Programme 6: Community Work Programme

Programme purpose

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

Objective

- Provide and maintain 247 466 work opportunities through effective and efficient programme management, strategic partnerships and training in each year over the medium term.

Subprogrammes

- *Management: Community Work Programme* provides strategic management and leadership to the programme.
- *Programme Coordination* develops frameworks and standard operating procedures, facilitates their implementation, oversees the functionality of programme sites, and monitors the performance of implementing agents.
- *Partnerships, Norms, Standards and Innovation* ensures the effective management and coordination of partnerships and special projects for the community work programme.

Expenditure trends and estimates

Table 3.11 Community Work Programme expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Management: Community Work Programme	2 368.2	3 114.0	3 325.3	3 659.9	15.6%	99.5%	4 113.0	4 358.0	4 550.5	7.5%	98.5%
Programme Coordination	1.5	1.2	1.5	45.3	214.5%	0.4%	48.0	50.8	52.7	5.2%	1.2%
Partnerships, Norms, Standards and Innovation	1.4	0.6	1.9	14.0	115.5%	0.1%	14.8	15.7	16.3	5.2%	0.4%
Total	2 371.1	3 115.8	3 328.6	3 719.1	16.2%	100.0%	4 175.9	4 424.5	4 619.4	7.5%	100.0%
Change to 2019				(365.0)			(135.7)	(152.8)	(128.1)		
Budget estimate											
Economic classification	2 369.8	3 104.7	3 290.2	3 713.1	16.1%	99.5%	4 175.9	4 424.5	4 619.4	7.6%	100.0%
Current payments	28.5	38.6	31.6	32.9	4.8%	1.0%	49.1	52.3	56.8	20.0%	1.1%
Compensation of employees	28.5	38.6	31.6	32.9	4.8%	1.0%	49.1	52.3	56.8	20.0%	1.1%
Goods and services ¹	2 341.3	3 066.0	3 258.6	3 680.3	16.3%	98.5%	4 126.8	4 372.2	4 562.6	7.4%	98.8%
of which:											
Computer services	0.1	7.5	4.5	28.8	650.7%	0.3%	31.5	33.2	34.4	6.2%	0.8%
Consultants: Business and advisory services	163.7	221.5	259.3	1 206.6	94.6%	14.8%	1 325.3	1 416.6	1 497.1	7.5%	32.1%
Contractors	2 031.2	2 440.0	2 582.2	1 584.1	-8.0%	68.9%	1 855.6	1 957.7	2 030.5	8.6%	43.9%
Inventory: Materials and supplies	16.8	–	11.7	594.4	228.6%	5.0%	603.9	605.3	627.9	1.8%	14.4%
Consumable supplies	71.2	212.0	226.2	112.9	16.6%	5.0%	154.2	194.4	201.6	21.3%	3.9%
Training and development	39.3	151.4	114.3	100.9	36.9%	3.2%	100.9	106.5	110.4	3.1%	2.5%
Transfers and subsidies¹	0.0	0.1	0.4	0.0	-10.6%		–	–	–	-100.0%	
Households	0.0	0.1	0.4	0.0	-10.6%		–	–	–	-100.0%	
Payments for capital assets	1.3	11.0	38.0	6.0	66.9%	0.4%	–	–	–	-100.0%	
Buildings and other fixed structures	–	0.3	–	–	–	–	–	–	–	–	–
Machinery and equipment	1.3	10.7	38.0	6.0	66.9%	0.4%	–	–	–	-100.0%	
Total	2 371.1	3 115.8	3 328.6	3 719.1	16.2%	100.0%	4 175.9	4 424.5	4 619.4	7.5%	100.0%
Proportion of total programme expenditure to vote expenditure	3.4%	4.1%	4.1%	4.1%			4.3%	4.2%	4.1%		

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 **Municipal Demarcation Board** is an independent authority responsible for determining municipal boundaries. The board is also mandated to declare district management areas, delimit wards for elections, and assess the capacity of municipalities to perform their functions. The board's total budget for 2020/21 is R68.1 million.
- The **Municipal Infrastructure Support Agent** is mandated to provide immediate support to municipalities struggling with infrastructure delivery by facilitating the deployment of engineers, scientists and technicians to those municipalities, and providing oversight. The agent's total budget for 2020/21 is R359.7 million.
- The **South African Local Government Association** is mandated to assist in the comprehensive transformation of local government. National Treasury and the Department of Cooperative Governance are discussing the delisting of the association from schedule 3, part A of the Public Finance Management Act (1999). Total transfers to the association in 2020/21 amount to R52.1 million.

Vote 4

Government Communication and Information System

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	171.6	169.7	0.1	1.8	181.8	188.6
Content Processing and Dissemination	415.4	165.2	249.1	1.0	439.8	457.5
Intergovernmental Coordination and Stakeholder Management	133.6	132.4	0.0	1.2	141.6	147.9
Total expenditure estimates	720.5	467.4	249.2	4.0	763.2	794.0

Executive authority Minister in the Presidency
 Accounting officer Director-General: Government Communication and Information System
 Website www.gcis.gov.za

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Provide a comprehensive communication service on behalf of government to facilitate the involvement of the majority of South Africans in governance, reconstruction and development, nation building, and reconciliation.

Mandate

The mandate of the Government Communication and Information System is derived from section 195(g) of the Constitution, which stipulates that the public should be provided with information that is timely, accurate and accessible. This is in support of the constitutional principles of freedom of expression, transparency and openness of government. The department is responsible for providing strategic leadership and coordinating government communication to ensure that the public are informed and have access to government programmes and policies that benefit them.

Selected performance indicators

Table 4.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of cluster reports issued on perceptions of government delivery and performance reports per year	Content Processing and Dissemination	Priority 6: A capable, ethical and developmental state	10	10	5	10	10	10	10
Number of copies of Vuk'uzenzele newspaper published per year	Content Processing and Dissemination		21.4 million	23.5 million	23 million	18.7 million	18.7 million	18.7 million	18.7 million
Number of radio products and services provided per year	Content Processing and Dissemination		229	288	72	240	240	240	240

Table 4.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of video services provided per year	Content Processing and Dissemination	Priority 6: A capable, ethical and developmental state	664	652	741	600	600	600	600
Number of photographic services provided per year	Content Processing and Dissemination		582	537	593	450	450	450	450
Number of graphic designs produced per year	Content Processing and Dissemination		160	503	737	400	400	400	400
Number of media briefings conducted after receiving requests from government departments per year	Intergovernmental Coordination and Stakeholder Management		100	133	95	100	100	100	110
Number of community and stakeholder liaison visits per year	Intergovernmental Coordination and Stakeholder Management		2 127	1 959	1 747	1 959	1 710	1 710	1 710
Number of development communication projects aligned with the government communication programme per year	Intergovernmental Coordination and Stakeholder Management		1 839	1 727	1 683	1 727	1 140	1 140	1 140
Number of marketing events per Thusong service centre per year	Intergovernmental Coordination and Stakeholder Management		555	511	464	252	252	252	252

Expenditure analysis

The National Development Plan emphasises the need to unite all South Africans around a common goal, ensure citizens are active in their own development, and build a capable and developmental state. This is given expression by priority 6 (building a capable, ethical and developmental state) of government's 2019-2024 medium-term strategic framework, with which the work of the Government Communication and Information System is aligned. To support this priority over the medium term, the department will continue to focus on providing and facilitating strategic government communications, and facilitating active citizen participation.

The department's total budget is R2.3 billion over the MTEF period. As the work of the department is, knowledge based, spending on compensation of employees across all programmes accounts for an estimated 40.9 per cent (R938.5 million) of its total budget over the medium term, increasing at an average annual rate of 6.5 per cent. Transfers to Brand South Africa and the Media Development and Diversity Agency account for an estimated 34.5 per cent (R784.7 million) of the total budget.

Providing and facilitating strategic government communications

One of the key functions of the department is to provide the public with information about government policies, plans, programmes and activities. The department uses its Vuk'uzenzele newspaper and weekly newsletter, My District Today, to disseminate information that empowers South African communities to participate in government programmes. Information published in Vuk'uzenzele focuses on key government priorities such as service delivery and rural development projects, and publishes advertisements for vacant government posts. In addition to the production and distribution of a targeted 18.7 million copies and 9 600 Braille copies of 22 editions of Vuk'uzenzele in each year of the medium term, the department plans to produce 14 716 copies of various publications across core programmes, including various communication products and reports. The printing and distribution costs for Vuk'uzenzele are expected to amount to R85 million over the MTEF period in the *Products and Platforms* subprogramme in the *Content Processing and Dissemination* programme.

To provide guidance and assistance to government communicators on how to develop communications strategies and better understand the broader communications environment, the department plans to produce

30 cluster reports on perceptions of government delivery and performance, and 36 reports based on surveys conducted on behalf of various national departments and premiers' offices. In support of deepening its relations with the media, the department also drives a proactive and reactive media liaison strategy by hosting cluster and Cabinet media briefings, and communicating with the public through activities such as door-to-door visits, and community workshops and gatherings, in all provinces. These activities are carried out in the *Content Processing and Dissemination* programme, which has a total operational budget of R528 million over the medium term.

The department will aim to reduce government's cost of advertising in the media over the medium term while maintaining the visibility of its communications campaigns. This will entail providing an estimated 1 000 bulk-buying services to other government departments for media advertising; media production services including 1 050 photographic and video products and services; and 240 live radio products and services such as advertisements, the hosting of talk shows and the compilation of voice-overs. The provision of these services is funded through the communications budgets of client departments and entities at an estimated cost of R250 million per year over the medium term.

The department manages the interface between government and commercial and community media, and provides support to Cabinet through regular media briefings in which the decisions of the executive are communicated to the public. To carry out these activities, R10 million is allocated over the medium term in the *Intergovernmental Coordination and Stakeholder Management* programme, which has a total budget of R423.1 million over the MTEF period.

The department has embraced the move towards the fourth industrial revolution by adopting new technology to deliver government's messages to citizens in more creative and interactive ways, such as the use of more communications content on government websites and social media platforms. To stay abreast of and manage a rapidly changing telecommunications environment and respond in increasingly able and agile ways, the department has earmarked R7 million in the *Intergovernmental Coordination and Stakeholder Management* programme for the management of the department's website and social media accounts, subscriptions to digital media accounts, and research on public opinion.

Facilitating active citizen participation

The department is committed to aligning provincial and local communications strategies with the national communication strategy framework. This entails providing information on government services directly to communities through outreach campaigns in high-traffic areas such as taxi ranks, shopping malls and commuter trains, as well as talk shows on community radio and television stations. Accordingly, over the medium term, the department plans to conduct an estimated 9 306 outreach campaigns to improve public participation in government policies, plans, programmes and achievements. These comprise 1 140 development communications activations per year, 1 710 community and stakeholder liaison visits per year, and 252 marketing events at Thusong service centres per year. These activities are carried out in the *Intergovernmental Coordination and Stakeholder Management* programme at an estimated cost of R10 million over the MTEF period. The department plans to continue the imbizo programme, which facilitates interactions between political principals and the public, and develops content for print and electronic products, including leaflets during the State of the Nation Address, at an estimated cost of R540 000 per year over the medium term.

Expenditure trends and estimates

Table 4.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Content Processing and Dissemination											
3. Intergovernmental Coordination and Stakeholder Management											
Programme					Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Adjusted appropriation							
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20	2022/23
Programme 1	147.4	156.0	155.3	164.6	3.8%	24.6%	171.6	181.8	188.6	4.6%	23.9%
Programme 2	339.8	362.2	375.7	396.4	5.3%	58.2%	415.4	439.8	457.5	4.9%	57.7%
Programme 3	97.9	101.1	112.7	122.6	7.8%	17.2%	133.6	141.6	147.9	6.5%	18.4%
Subtotal	585.1	619.3	643.7	683.6	5.3%	100.0%	720.5	763.2	794.0	5.1%	100.0%
Total	585.1	619.3	643.7	683.6	5.3%	100.0%	720.5	763.2	794.0	5.1%	100.0%
Change to 2019 Budget estimate				(5.1)			(8.5)	(9.0)	(7.0)		
Economic classification											
Current payments	377.0	386.9	404.1	436.0	5.0%	63.4%	467.4	496.4	517.5	5.9%	64.7%
Compensation of employees	216.5	225.2	242.5	272.0	7.9%	37.8%	295.4	314.6	328.5	6.5%	40.9%
Goods and services ¹	160.4	161.7	161.6	164.0	0.7%	25.6%	172.0	181.9	189.0	4.8%	23.9%
of which:											
Communication	8.6	8.1	7.9	7.9	-2.8%	1.3%	8.7	9.0	9.6	6.6%	1.2%
Computer services	14.6	13.5	12.8	14.1	-1.2%	2.2%	16.1	17.0	18.3	9.0%	2.2%
Operating leases	51.7	55.4	53.4	52.3	0.4%	8.4%	52.8	55.6	57.6	3.3%	7.4%
Property payments	9.3	9.0	8.7	8.8	-1.9%	1.4%	10.7	11.4	11.0	7.7%	1.4%
Travel and subsistence	17.5	19.7	19.4	18.3	1.5%	3.0%	20.4	22.2	23.0	8.0%	2.8%
Operating payments	36.8	35.6	35.6	34.0	-2.6%	5.6%	35.4	37.4	39.2	4.9%	4.9%
Transfers and subsidies ¹	206.2	225.1	232.3	240.4	5.2%	35.7%	249.2	263.0	272.8	4.3%	34.6%
Departmental agencies and accounts	205.0	224.3	231.1	239.8	5.4%	35.6%	249.2	263.0	272.8	4.4%	34.6%
Households	1.2	0.8	1.1	0.6	-19.7%	0.1%	—	—	—	-100.0%	0.0%
Payments for capital assets	1.6	3.2	7.1	7.2	64.4%	0.8%	4.0	3.8	3.7	-20.1%	0.6%
Buildings and other fixed structures	0.0	0.0	0.1	0.4	130.0%	0.0%	—	0.1	0.1	-35.3%	0.0%
Machinery and equipment	1.5	2.9	7.0	6.9	64.4%	0.7%	4.0	3.7	3.6	-19.5%	0.6%
Software and other intangible assets	0.1	0.3	—	—	-100.0%	0.0%	—	—	—	0.0%	0.0%
Payments for financial assets	0.3	4.1	0.1	—	-100.0%	0.2%	—	—	—	0.0%	0.0%
Total	585.1	619.3	643.7	683.6	5.3%	100.0%	720.5	763.2	794.0	5.1%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 4.3 Vote transfers and subsidies trends and estimates

				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	205 045	224 343	231 138	239 773	5.4%	99.6%	249 179	262 956	272 808	4.4%	99.9%
Communication	45	38	39	64	12.5%	–	68	72	76	5.9%	–
Brand South Africa	181 186	194 300	200 430	207 914	4.7%	86.7%	216 064	228 021	236 564	4.4%	86.7%
Media Development and Diversity Agency	23 814	30 005	30 669	31 795	10.1%	12.9%	33 047	34 863	36 168	4.4%	13.3%
Households											
Social benefits											
Current	1 160	781	1 146	600	-19.7%	0.4%	–	–	–	-100.0%	0.1%
Employee social benefits	1 160	781	1 146	600	-19.7%	0.4%	–	–	–	-100.0%	0.1%
Total	206 205	225 124	232 284	240 373	5.2%	100.0%	249 179	262 956	272 808	4.3%	100.0%

Personnel information

Table 4.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																		
1. Administration																		
2. Content Processing and Dissemination																		
3. Intergovernmental Coordination and Stakeholder Management																		
Number of posts estimated for 31 March 2020			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 (%)			
		2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Government Communication and Information System																		
Salary level	498	31	473	242.5	0.5	493	272.0	0.6	501	295.4	0.6	475	314.6	0.7	463	328.5	0.7	-2.0% 100.0%
1 – 6	123	10	112	28.5	0.3	117	31.7	0.3	120	34.9	0.3	110	34.9	0.3	106	36.2	0.3	-3.0% 23.4%
7 – 10	220	1	200	95.1	0.5	214	109.8	0.5	225	123.5	0.5	228	133.5	0.6	221	137.9	0.6	1.1% 46.0%
11 – 12	82	–	78	61.4	0.8	80	67.4	0.8	82	73.8	0.9	83	79.3	1.0	82	83.3	1.0	0.8% 16.9%
13 – 16	53	–	48	53.9	1.1	52	60.5	1.2	50	61.9	1.2	50	65.8	1.3	50	69.9	1.4	-1.3% 10.5%
Other	20	20	35	3.7	0.1	30	2.6	0.1	24	1.3	0.1	4	1.1	0.3	4	1.1	0.3	-48.9% 3.2%
Programme	498	31	473	242.5	0.5	493	272.0	0.6	502	295.4	0.6	475	314.6	0.7	463	328.5	0.7	-2.0% 100.0%
Programme 1	153	10	143	67.8	0.5	155	78.8	0.5	151	80.5	0.5	142	85.7	0.6	139	89.0	0.6	-3.6% 30.4%
Programme 2	154	7	157	83.2	0.5	161	94.3	0.6	162	103.7	0.6	156	110.9	0.7	153	116.2	0.8	-1.5% 32.7%
Programme 3	191	14	173	91.6	0.5	177	98.8	0.6	188	111.2	0.6	177	117.9	0.7	171	123.3	0.7	-1.1% 36.9%

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

2. Rand million.

Departmental receipts

Table 4.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
Departmental receipts	3 995	3 832	3 082	2 712	2 712	-12.1%	100.0%	2 247	2 285	2 323	-5.0%	100.0%
Sales of goods and services produced by department	3 389	2 604	2 239	2 269	2 269	-12.5%	77.1%	1 782	1 797	1 810	-7.3%	80.0%
Sales by market establishments	136	135	145	143	143	1.7%	4.1%	150	158	165	4.9%	6.4%
of which:												
Market establishment:	136	135	145	143	143	1.7%	4.1%	150	158	165	4.9%	6.4%
Rental parking: Covered and open												
Other sales	3 253	2 469	2 094	2 126	2 126	-13.2%	73.0%	1 632	1 639	1 645	-8.2%	73.6%
of which:												
Services rendered:	75	80	75	86	86	4.7%	2.3%	90	95	99	4.8%	3.9%
Commission on insurance and garnishee												
Sales: Departmental publications and production	3 178	2 389	2 019	2 040	2 040	-13.7%	70.7%	1 542	1 544	1 546	-8.8%	69.7%
Sales of scrap, waste, arms and other used current goods	2	3	1	1	1	-20.6%	0.1%	1	1	1	–	–
of which:												
Sales: Wastepaper	2	3	1	1	1	-20.6%	0.1%	1	1	1	–	–
Interest, dividends and rent on land	255	290	285	300	300	5.6%	8.3%	315	331	347	5.0%	13.5%
Interest	255	290	285	300	300	5.6%	8.3%	315	331	347	5.0%	13.5%
Sales of capital assets	7	–	–	–	–	-100.0%	0.1%	–	–	–	–	–
Transactions in financial assets and liabilities	342	935	557	142	142	-25.4%	14.5%	149	156	165	5.1%	6.4%
Total	3 995	3 832	3 082	2 712	2 712	-12.1%	100.0%	2 247	2 285	2 323	-5.0%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 4.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental Management	5.6	8.7	6.9	8.2	13.5%	4.7%	8.7	9.2	9.6	5.2%	5.1%
Corporate Services	47.2	48.1	48.9	56.9	6.4%	32.3%	56.9	60.4	62.6	3.3%	33.5%
Financial Administration	32.3	32.3	33.9	36.6	4.2%	21.7%	40.5	43.0	44.7	6.9%	23.3%
Internal Audit	7.9	9.0	9.0	8.9	4.3%	5.6%	9.6	10.2	10.5	5.6%	5.5%
Office Accommodation	54.3	58.0	56.5	54.0	-0.2%	35.8%	55.9	59.0	61.2	4.3%	32.6%
Total	147.4	156.0	155.3	164.6	3.8%	100.0%	171.6	181.8	188.6	4.6%	100.0%
Change to 2019				0.8			(2.3)	(2.5)	-		
Budget estimate											
Economic classification											
Current payments	146.4	154.1	152.2	159.3	2.8%	98.2%	169.7	179.9	186.7	5.4%	98.5%
Compensation of employees	60.2	64.6	67.8	75.2	7.7%	43.0%	80.5	85.7	89.0	5.8%	46.8%
Goods and services ¹	86.2	89.6	84.5	84.0	-0.9%	55.2%	89.2	94.2	97.7	5.2%	51.7%
of which:											
Audit costs: External	2.5	2.9	2.6	2.4	-1.0%	1.7%	2.1	2.4	2.5	1.4%	1.3%
Communication	1.5	1.5	1.5	1.3	-5.6%	0.9%	2.0	2.1	2.4	23.9%	1.1%
Computer services	11.1	10.3	9.5	11.0	-0.3%	6.7%	11.9	12.6	13.8	8.0%	7.0%
Operating leases	50.9	54.8	52.8	51.1	0.1%	33.6%	51.6	54.5	56.5	3.4%	30.2%
Property payments	9.2	9.0	8.6	8.6	-2.4%	5.7%	10.5	11.2	10.7	7.7%	5.8%
Travel and subsistence	2.2	3.6	2.8	3.0	11.0%	1.9%	3.0	3.3	3.5	5.5%	1.8%
Transfers and subsidies ¹	0.3	0.4	0.2	0.2	-6.9%	0.2%	0.1	0.1	0.1	-34.3%	0.1%
Departmental agencies and accounts	0.0	0.0	0.0	0.1	6.7%	-	0.1	0.1	0.1	5.6%	-
Households	0.2	0.4	0.2	0.2	-10.0%	0.2%	-	-	-	-100.0%	-
Payments for capital assets	0.6	1.4	2.8	5.1	101.5%	1.6%	1.8	1.8	1.8	-29.6%	1.5%
Buildings and other fixed structures	0.0	-	-	0.3	113.3%	0.1%	-	0.1	0.1	-30.3%	0.1%
Machinery and equipment	0.6	1.1	2.8	4.8	100.9%	1.5%	1.8	1.7	1.7	-29.6%	1.4%
Software and other intangible assets	-	0.3	-	-	-	-	-	-	-	-	-
Payments for financial assets	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Total	147.4	156.0	155.3	164.6	3.8%	100.0%	171.6	181.8	188.6	4.6%	100.0%
Proportion of total programme expenditure to vote expenditure	25.2%	25.2%	24.1%	24.1%	-	-	23.8%	23.8%	23.8%	-	-

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

Programme 2: Content Processing and Dissemination

Provide strategic leadership in government communication to ensure coherence, coordination, consistency, quality, impact and responsiveness.

Objectives

- Provide strategic leadership and support in government communications by conducting research on public opinion and analysing media coverage to understand the communications environment and inform government messages over the medium term.
- Increase the share of government's voice and messages in the public domain by producing government's communications products and services over the medium term.
- Improve the dissemination of information by providing effective and efficient marketing and distribution services, cost-effective media bulk-buying services, and media products and services for government on an ongoing basis.

Subprogrammes

- *Programme Management for Content Processing and Dissemination* coordinates strategic planning for communications in the department and other government departments, and ensures adherence to standards for government communications.

- *Policy and Research* conducts research to assess the information needs of the public and how government should address these needs; monitors media coverage of issues affecting government and the country; provides analysis on how the media interprets and reports on government policies and programmes; formulates policy proposals; assesses public perceptions on government performance; and oversees the process of reviewing government communications policy by monitoring its implementation and facilitating workshops.
- *Products and Platforms* develops content for the department; provides language services for products that require translation; conducts editing and proofreading; manages the department's and government's websites; produces government publications; provides social media and news services; and develops the national communication strategy.
- *Communication Service Agency* provides media bulk-buying services and media production services to all spheres of government; develops distribution strategies for all government communications; oversees the outsourcing of distribution services to service providers; manages government's corporate identity; and provides marketing services for the department and other government departments.
- *Entity Oversight* monitors the implementation of policies by Brand South Africa and the Media Development and Diversity Agency, and provides guidance on and oversees their governance matters.
- *Media Policy* conducts research and develops print media, new media and communications policies for government.

Expenditure trends and estimates

Table 4.7 Content Processing and Dissemination 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Programme Management for Content Processing and Dissemination	2.8	2.0	2.2	3.6	9.2%	0.7%	4.4	4.7	4.9	10.5%	1.0%
Policy and Research	31.5	32.2	32.7	35.6	4.1%	9.0%	40.6	43.2	44.7	7.9%	9.6%
Products and Platforms	44.4	48.7	51.3	54.0	6.7%	13.5%	56.7	60.1	62.4	4.9%	13.6%
Communication Service Agency	56.1	53.8	57.1	58.3	1.3%	15.3%	59.9	64.0	67.6	5.1%	14.6%
Entity Oversight	205.0	225.5	232.1	241.4	5.6%	61.3%	251.6	265.5	275.5	4.5%	60.5%
Media Policy	—	0.0	0.3	3.5	—	0.3%	2.2	2.3	2.4	-11.8%	0.6%
Total	339.8	362.2	375.7	396.4	5.3%	100.0%	415.4	439.8	457.5	4.9%	100.0%
Change to 2019 Budget estimate				243.5			252.3	266.3	275.0		
Economic classification											
Current payments	134.0	132.5	141.6	155.4	5.1%	38.2%	165.2	175.9	183.7	5.7%	39.8%
Compensation of employees	77.6	77.7	83.2	95.7	7.2%	22.7%	103.7	110.9	116.2	6.7%	25.0%
Goods and services ¹	56.4	54.7	58.4	59.7	2.0%	15.6%	61.5	65.0	67.6	4.2%	14.9%
of which:											
Advertising	1.8	0.3	3.0	3.5	23.8%	0.6%	2.6	2.8	2.9	-6.1%	0.7%
Communication	2.7	2.8	2.7	2.4	-4.0%	0.7%	2.3	2.4	2.4	0.9%	0.6%
Computer services	3.5	3.3	3.2	3.1	-3.9%	0.9%	4.1	4.4	4.5	12.5%	0.9%
Agency and support/outsourced services	4.7	5.9	4.5	5.9	8.0%	1.4%	6.4	6.7	7.0	5.9%	1.5%
Travel and subsistence	7.7	7.6	8.3	7.6	-0.4%	2.1%	9.0	9.6	10.1	10.0%	2.1%
Operating payments	33.1	32.6	33.5	31.8	-1.2%	8.9%	33.7	35.6	37.1	5.2%	8.1%
Transfers and subsidies¹	205.1	224.6	231.4	239.9	5.4%	61.1%	249.1	262.9	272.7	4.4%	59.9%
Departmental agencies and accounts	205.0	224.3	231.1	239.7	5.4%	61.1%	249.1	262.9	272.7	4.4%	59.9%
Households	0.1	0.3	0.3	0.2	23.5%	0.1%	—	—	—	-100.0%	—
Payments for capital assets	0.5	1.1	2.7	1.1	28.3%	0.4%	1.0	1.0	1.0	-1.4%	0.2%
Machinery and equipment	0.5	1.1	2.7	1.1	33.0%	0.4%	1.0	1.0	1.0	-1.4%	0.2%
Software and other intangible assets	0.1	—	—	—	-100.0%	—	—	—	—	—	—
Payments for financial assets	0.3	4.1	0.0	—	-100.0%	0.3%	—	—	—	—	—
Total	339.8	362.2	375.7	396.4	5.3%	100.0%	415.4	439.8	457.5	4.9%	100.0%
Proportion of total programme expenditure to vote expenditure	58.1%	58.5%	58.4%	58.0%	—	—	57.7%	57.6%	57.6%	—	—

Table 4.7 Content Processing and Dissemination expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	205.0	224.3	231.1	239.7	5.4%	61.1%	249.1	262.9	272.7	4.4%	59.9%
Brand South Africa	181.2	194.3	200.4	207.9	4.7%	53.2%	216.1	228.0	236.6	4.4%	52.0%
Media Development and Diversity Agency	23.8	30.0	30.7	31.8	10.1%	7.9%	33.0	34.9	36.2	4.4%	7.9%

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

Programme 3: Intergovernmental Coordination and Stakeholder Management

Programme purpose

Implement development communication through mediated and unmediated communication channels, and foster sound stakeholder relations and partnerships.

Objectives

- Improve interdepartmental coordination to ensure that all government messages are coherent and aligned by jointly planning and sharing communications messages across the three spheres of government over the medium term.
- Ensure an informed and empowered citizenry on government's policies, plans, programmes and achievements, and increase public participation in government's activities by engaging with stakeholders over the medium term.
- Implement a proactive and reactive media engagement system by building, maintaining and improving relations with the media, and driving government's communication agenda over the medium term.

Subprogrammes

- *Programme Management for Intergovernmental Coordination and Stakeholder Management* ensures a well-functioning communications system that proactively informs and engages the public, and manages and oversees the implementation of development communications. It does this by building sound stakeholder relations and partnerships, and ensuring that the public is informed about government policies and programmes.
- *Provincial and Local Liaison* ensures that the national communication strategy is aligned with provincial and local communication strategies; procures time on media channels and platforms to promote government messages to the public at the local government level; promotes the Thusong service centres to the public; and coordinates the imbizo programme.
- *Media Engagement* leads and drives interaction and communication between government and the media; ensures effective liaison between ministers and the media; manages ongoing media liaison services to government by providing government information; establishes, strengthens and maintains relationships with foreign and independent media; and establishes relations with South African missions to disseminate government information and key targeted messages.
- *Cluster Supervision (Human Development, Social Protection, and Governance and Administration)* provides strategic cluster communications advice and support to national departments and leadership on key cluster communication issues and campaigns; and coordinates Cabinet cluster communications and the development of government's communications programme. This subprogramme also develops communications strategies and key messages for the campaigns of departments in these clusters.
- *Cluster Supervision (Economic and Infrastructure, Justice and International)* provides strategic cluster communication advice and support to national departments and leadership on key cluster communication

issues and campaigns; and coordinates Cabinet cluster communications and the development of government's communications programme. This subprogramme also develops communications strategies and key messages for the campaigns of departments in these clusters.

Expenditure trends and estimates

Table 4.8 Intergovernmental Coordination and Stakeholder 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Programme Management for Intergovernmental Coordination and Stakeholder Management	2.0	1.4	1.5	2.6	10.6%	1.7%	3.5	3.7	3.9	13.5%	2.5%
Provincial and Local Liaison	70.1	73.9	80.1	85.8	7.0%	71.4%	94.2	99.8	104.5	6.8%	70.4%
Media Engagement	12.2	11.5	14.0	16.2	9.9%	12.4%	16.5	17.5	18.2	4.0%	12.5%
Cluster Supervision (Human Development, Social Protection, and Governance and Administration)	6.6	7.0	8.7	9.5	12.8%	7.3%	10.2	10.9	11.3	5.9%	7.7%
Cluster Supervision (Economic and Infrastructure, Justice and International)	7.1	7.3	8.3	8.5	6.1%	7.2%	9.1	9.7	10.1	5.8%	6.9%
Total	97.9	101.1	112.7	122.6	7.8%	100.0%	133.6	141.6	147.9	6.5%	100.0%
Change to 2019 Budget estimate				(2.4)			(0.9)	(0.9)	–		
Economic classification	96.6	100.3	110.3	121.3	7.9%	98.6%	132.4	140.6	147.0	6.6%	99.2%
Current payments											
Compensation of employees	78.7	82.9	91.6	101.0	8.7%	81.6%	111.2	117.9	123.3	6.9%	83.1%
Goods and services ¹	17.9	17.4	18.7	20.2	4.3%	17.1%	21.3	22.7	23.7	5.4%	16.1%
of which:											
Advertising	0.6	0.5	1.3	1.1	23.6%	0.8%	1.2	1.3	1.3	5.4%	0.9%
Catering: Departmental activities	0.8	0.7	0.8	0.9	6.6%	0.8%	1.0	1.1	1.2	8.2%	0.8%
Communication	4.4	3.8	3.7	4.3	-1.2%	3.8%	4.3	4.6	4.8	3.5%	3.3%
Contractors	0.8	0.8	1.4	1.1	9.6%	1.0%	1.0	1.2	1.3	5.9%	0.9%
Fleet services (including government motor transport)	1.2	1.0	0.8	1.0	-6.1%	0.9%	1.3	1.3	1.3	10.4%	0.9%
Travel and subsistence	7.7	8.4	8.3	7.7	0.3%	7.4%	8.5	9.3	9.5	6.9%	6.4%
Transfers and subsidies¹	0.9	0.1	0.6	0.3	-30.2%	0.4%	0.0	0.0	0.0	-62.0%	0.1%
Departmental agencies and accounts	0.0	0.0	0.0	0.0	63.0%	–	0.0	0.0	0.0	7.2%	–
Households	0.9	0.1	0.6	0.3	-31.1%	0.4%	–	–	–	-100.0%	0.1%
Payments for capital assets	0.5	0.7	1.7	1.0	28.0%	0.9%	1.2	1.0	0.9	-5.7%	0.7%
Buildings and other fixed structures	–	0.0	0.1	0.1	–	0.1%	–	–	–	-100.0%	–
Machinery and equipment	0.5	0.7	1.5	0.9	24.7%	0.8%	1.2	1.0	0.9	-3.2%	0.7%
Payments for financial assets	0.0	0.0	0.1	–	-100.0%	–	–	–	–	–	–
Total	97.9	101.1	112.7	122.6	7.8%	100.0%	133.6	141.6	147.9	6.5%	100.0%
Proportion of total programme expenditure to vote expenditure	16.7%	16.3%	17.5%	17.9%	–	–	18.5%	18.6%	18.6%	–	–

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

Entities

Brand South Africa

Selected performance indicators

Table 4.9 Brand South Africa performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of South Africa Incorporated research analyses produced per year	Brand marketing and reputation management	Priority 5: Social cohesion and safe communities	4	4	4	4	4	4	4
Number of Play Your Part activities used to promote nation brand values, identity and constitutional awareness implemented per year	Brand marketing and reputation management		9	9	9	9	9	9	9

Table 4.9 Brand South Africa performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of marketing platforms used for the constitutional awareness campaign per year	Brand marketing and reputation management		— ¹	— ¹	8	16	16	16	16
Number of content and communication programmes that engage with issues that are strategic to the reputation of the nation brand developed per year	Brand marketing and reputation management		16	16	16	16	16	16	16
Number of reports outlining positive content disseminated on digital platforms per year	Brand marketing and reputation management		0	0	4	4	4	4	4
Number of reports on issues responded to through content and messaging per year	Brand marketing and reputation management		12	12	12	12	12	12	12
Number of media engagement activities to strengthen relations and liaisons with the media implemented per year	Brand marketing and reputation management		4	4	8	8	8	8	8
Number of institutions reached for nation brand alignment training per year	Brand marketing and reputation management		80	80	80	80	80	80	80
Number of coordinated activities implemented in partnership with civil society stakeholders per year	Stakeholder relations		— ¹	12	16	12	14	14	14

1. No historical data available.

Entity overview

Brand South Africa was established as a trust in 2002 and gazetted as a schedule 3A public entity in terms of the Public Finance Management Act (1999) in 2006 to manage South Africa's branding in order to improve its global appeal and competitiveness. The entity's primary objective is to develop and implement proactive and coordinated marketing, communications and reputation management strategies for South Africa to attract investment, trade and tourism.

Through several planned campaigns over the medium term, the entity aims to encourage South Africans to breathe life into the national identity. Key among these is the Play Your Part campaign, which seeks to promote strong South African values, a South African identity and constitutional awareness by encouraging citizens to participate in democratic processes. One of the campaign's initiatives is a project to promote constitutional awareness, which has a budget of R32 million for 9 Play Your Part activities and 16 marketing platforms per year over the MTEF period. All domestic campaigns will comprise community engagements and outdoor or above-the-line advertisements that promote active citizenship. Expenditure for campaigns is in the brand marketing and reputation management programme, which has a total budget of R297.9 million over the medium term.

An integral part of the entity's mandate is to promote South Africa as a brand that attracts local and international investment. Accordingly, to monitor the effectiveness of its efforts to build international media partnerships to portray South Africa as a favourable destination for investment, the entity will continue to commission and subscribe to key research indexes that track factors such as domestic and investor perceptions. The cost of commissioning and subscribing to these studies is estimated at R7 million per year over the medium term in the stakeholder relations programme.

The entity funds its activities through transfer payments from the department, which are expected to increase at an average annual rate of 4.4 per cent, from R207.9 million in 2019/20 to R236.6 million in 2022/23, while total revenue is expected to increase at an average annual rate of 4.2 per cent over the same period. In line with this, total expenditure is expected to increase at an average annual rate of 4.2 per cent, from R218.9 million in 2019/20 to R247.6 million in 2022/23.

Programmes/Objectives/Activities**Table 4.10 Brand South Africa expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Administration	162.7	210.8	98.0	102.7	-14.2%	73.4%	104.8	108.8	116.6	4.3%	47.4%
Brand Marketing and Reputation Management	–	–	85.2	87.8	–	20.2%	92.6	99.2	106.1	6.5%	42.2%
Stakeholder Relations	–	–	26.4	28.5	–	6.4%	19.7	21.1	24.9	-4.4%	10.3%
Total	162.7	210.8	209.6	218.9	10.4%	100.0%	217.1	229.0	247.6	4.2%	100.0%

Statements of historical financial performance, cash flow and financial position**Table 4.11 Brand South Africa statements of historical financial performance, cash flow and financial position**

Statement of financial performance										Average: Outcome/ Budget (%)
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
	2016/17		2017/18		2018/19		2019/20			2016/17 - 2019/20
Revenue										
Non-tax revenue	–	6.4	–	7.5	9.2	9.2	11.0	11.0		169.0%
of which:										
Other non-tax revenue	–	6.4	–	7.5	9.2	9.2	11.0	11.0		169.0%
Transfers received	181.2	181.2	194.3	194.3	200.4	200.4	207.9	207.9		100.0%
Total revenue	181.2	187.6	194.3	201.8	209.6	209.6	218.9	218.9		101.7%
Expenses										
Current expenses	181.2	162.7	194.3	210.8	209.6	209.6	218.9	218.9		99.8%
Compensation of employees	68.6	58.0	62.1	59.8	66.5	66.5	71.1	71.1		95.2%
Goods and services	111.2	103.4	130.6	146.5	141.4	141.4	142.7	142.7		101.5%
Depreciation	1.4	1.3	1.5	4.5	1.7	1.7	5.0	5.0		129.8%
Interest, dividends and rent on land	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		61.3%
Total expenses	181.2	162.7	194.3	210.8	209.6	209.6	218.9	218.9		99.8%
Surplus/(Deficit)	–	25.0	–	(9.0)	–	–	–	–		
Cash flow statement										
Cash flow from operating activities	(63.0)	11.3	5.2	10.0	3.1	6.2	(0.5)	9.5		-67.2%
Receipts										
Non-tax receipts	–	6.3	–	5.8	9.0	12.2	11.0	21.0		226.0%
Sales of goods and services other than capital assets	–	–	–	4.8	–	11.2	–	10.0		–
Sales by market establishment	–	–	–	4.8	–	11.2	–	10.0		–
Other tax receipts	–	6.3	–	1.0	9.0	1.0	11.0	11.0		96.3%
Transfers received	181.2	181.2	194.3	194.3	200.4	200.4	207.9	207.9		100.0%
Total receipts	181.2	187.4	194.3	200.1	209.4	212.6	218.9	228.9		103.1%
Payment										
Current payments	244.1	176.1	189.1	190.1	206.4	206.4	219.4	219.4		92.2%
Compensation of employees	48.8	57.6	62.1	62.1	66.5	66.5	71.1	71.1		103.5%
Goods and services	195.3	118.5	126.9	127.9	139.9	139.9	148.2	148.2		87.6%
Interest and rent on land	–	0.0	0.0	0.0	0.0	0.0	0.0	0.0		133.3%
Total payments	244.1	176.1	189.1	190.1	206.4	206.4	219.4	219.4		92.2%
Net cash flow from investing activities	(2.7)	(9.4)	(7.4)	(7.4)	(3.1)	(3.1)	(3.3)	(3.3)		140.5%
Acquisition of property, plant, equipment and intangible assets	(2.3)	(2.4)	(2.2)	(2.2)	(2.6)	(2.6)	(2.8)	(2.8)		100.7%
Acquisition of software and other intangible assets	(0.4)	(7.0)	(5.2)	(5.2)	(0.4)	(0.4)	(0.5)	(0.5)		200.9%
Net cash flow from financing activities	–	(0.5)	–	–	–	–	–	–		–
Repayment of finance leases	–	(0.2)	–	–	–	–	–	–		–
Other flows from financing activities	–	(0.3)	–	–	–	–	–	–		–
Net increase/(decrease) in cash and cash equivalents	(65.7)	1.5	(2.2)	2.6	(0.0)	3.2	(3.7)	6.3		
Statement of financial position										
Carrying value of assets	4.3	11.7	15.3	17.7	14.3	12.8	14.2	14.2		117.4%
Acquisition of assets	(2.3)	(2.4)	(2.2)	(2.2)	(2.6)	(2.6)	(2.8)	(2.8)		100.7%
Investments	–	1.2	–	1.0	–	1.0	–	–		–
Receivables and prepayments	1.6	19.4	9.7	2.1	2.5	2.5	2.5	2.5		163.3%
Cash and cash equivalents	5.5	22.6	20.0	28.2	20.0	26.7	20.0	20.0		148.8%
Total assets	11.3	54.9	45.0	48.9	36.8	43.0	36.6	36.6		141.4%
Accumulated surplus/(deficit)	1.4	39.2	27.5	30.1	17.0	7.4	16.4	16.4		149.5%
Finance lease	0.6	0.5	1.2	–	–	–	0.2	0.2		36.5%
Trade and other payables	5.3	7.3	6.1	10.5	11.1	25.4	9.1	9.1		165.9%
Provisions	3.9	7.9	10.2	8.3	8.7	10.2	10.8	10.8		110.7%
Derivatives financial instruments	0.2	0.1	0.1	–	–	–	0.1	0.1		41.7%
Total equity and liabilities	11.3	54.9	45.0	48.9	36.8	43.0	36.6	36.6		141.4%

Statements of estimates of financial performance, cash flow and financial position

Table 4.12 Brand South Africa statements of estimates of financial performance, cash flow and financial position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
Revised estimate	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
R million								
Revenue								
Non-tax revenue	11.0	19.7%	4.1%	1.0	1.0	11.0	–	2.6%
Other non-tax revenue	11.0	19.7%	4.1%	1.0	1.0	11.0	–	2.6%
Transfers received	207.9	4.7%	95.9%	216.1	228.0	236.6	4.4%	97.4%
Total revenue	218.9	5.3%	100.0%	217.1	229.0	247.6	4.2%	100.0%
Current expenses	218.9	10.4%	100.0%	217.1	229.0	247.6	4.2%	100.0%
Compensation of employees	71.1	7.1%	32.0%	76.1	81.5	87.2	7.0%	34.6%
Goods and services	142.7	11.3%	66.4%	139.5	146.3	158.9	3.6%	64.4%
Depreciation	5.0	56.5%	1.5%	1.4	1.2	1.5	-33.6%	1.0%
Interest, dividends and rent on land	0.0	8.4%	0.0%	0.0	0.0	0.0	9.4%	0.0%
Total expenses	218.9	10.4%	100.0%	217.1	229.0	247.6	4.2%	100.0%
Surplus/(Deficit)	–			–	–	–		
Cash flow statement								
Cash flow from operating activities	9.5	-5.5%	11.3%	6.0	5.7	1.5	-19.4%	14.3%
Receipts								
Non-tax receipts	21.0	49.7%	5.3%	11.0	11.0	11.0	-19.4%	5.8%
Sales of goods and services other than capital assets	10.0	–	3.0%	10.0	10.0	10.0	–	4.2%
<i>Sales by market establishment</i>	<i>10.0</i>	<i>–</i>	<i>3.0%</i>	<i>10.0</i>	<i>10.0</i>	<i>10.0</i>	<i>–</i>	<i>4.2%</i>
Other tax receipts	11.0	20.7%	2.3%	1.0	1.0	1.0	-55.0%	1.5%
Transfers received	207.9	4.7%	94.7%	216.1	228.0	236.6	4.4%	94.2%
Total receipts	228.9	6.9%	100.0%	227.1	239.0	247.6	2.6%	100.0%
Current payments	219.4	7.6%	99.3%	221.0	233.3	246.1	3.9%	100.0%
Compensation of employees	71.1	7.3%	32.3%	76.1	81.5	87.2	7.0%	34.3%
Goods and services	148.2	7.7%	67.0%	144.9	151.8	158.9	2.4%	65.7%
Interest and rent on land	0.0	–	0.0%	0.0	0.0	0.0	–	0.0%
Total payment	219.4	7.6%	100.0%	221.0	233.3	246.1	3.9%	100.0%
Net cash flow from investing activities	(3.3)	-29.6%	100.0%	(3.3)	(3.3)	(3.5)	2.3%	100.0%
Acquisition of property, plant, equipment and intangible assets	(2.8)	5.6%	56.4%	(2.8)	(2.8)	(3.0)	2.3%	85.4%
Acquisition of software and other intangible assets	(0.5)	-59.1%	43.6%	(0.5)	(0.5)	(0.5)	2.3%	14.6%
Net increase/(decrease) in cash and cash equivalents	6.3	62.4%	100.0%	2.8	2.4	(2.0)	-168.7%	100.0%
Statement of financial position								
Carrying value of assets	14.2	6.6%	31.5%	13.2	13.2	13.5	-1.7%	36.0%
<i>Acquisition of assets</i>	<i>(2.8)</i>	<i>5.6%</i>	<i>-5.6%</i>	<i>(2.8)</i>	<i>(2.8)</i>	<i>(3.0)</i>	<i>2.3%</i>	<i>-7.6%</i>
Receivables and prepayments	2.5	-49.6%	13.1%	9.7	2.5	2.3	-2.4%	10.7%
Cash and cash equivalents	20.0	-4.0%	53.8%	20.0	20.0	20.0	–	53.3%
Total assets	36.6	-12.6%	100.0%	42.9	35.6	35.8	-0.8%	100.0%
Accumulated surplus/(deficit)	16.4	-25.1%	48.7%	22.3	14.1	12.5	-8.8%	42.8%
Finance lease	0.2	-23.4%	0.4%	0.2	–	0.1	-17.2%	0.4%
Trade and other payables	9.1	7.8%	29.7%	9.5	9.8	10.4	4.7%	25.9%
Provisions	10.8	10.9%	21.2%	10.8	11.8	12.7	5.6%	30.8%
Derivatives financial instruments	0.1	8.3%	0.1%	0.1	–	–	-100.0%	0.1%
Total equity and liabilities	36.6	-12.6%	100.0%	42.9	35.6	35.8	-0.8%	100.0%

Personnel information

Table 4.13 Brand South Africa personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number	
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost
Brand South Africa			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	57	57	57	66.5	1.2	57	71.1	1.2	57	76.1	1.3	57	81.5	1.4	57	87.2	1.5	7.0%	100.0%
1 – 6	6	6	6	1.0	0.2	6	1.0	0.2	6	1.1	0.2	6	1.2	0.2	6	1.3	0.2	7.0%	10.5%
7 – 10	21	21	21	10.8	0.5	21	11.6	0.6	21	12.4	0.6	21	13.3	0.6	21	14.2	0.7	7.0%	36.8%
11 – 12	9	9	9	7.6	0.8	9	8.1	0.9	9	8.7	1.0	9	9.3	1.0	9	9.9	1.1	7.0%	15.8%
13 – 16	18	18	18	29.1	1.6	18	31.1	1.7	18	33.3	1.8	18	35.6	2.0	18	38.1	2.1	7.0%	31.6%
17 – 22	3	3	3	18.0	6.0	3	19.3	6.4	3	20.6	6.9	3	22.1	7.4	3	23.6	7.9	7.0%	5.3%

1. Rand million.

Media Development and Diversity Agency

Selected performance indicators

Table 4.14 Media Development and Diversity Agency performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of community broadcasting projects supported through funding per year	Community media and small commercial media	Priority 5: Social cohesion and safe communities	40	25	20	18	20	20	20
Number of funding proposals for the community print project submitted to the board for approval per year	Community media and small commercial media		8	1	4	2	3	3	3
Number of funding proposals for small commercial media projects submitted to the board for approval per year	Community media and small commercial media		10	5	8	2	3	4	4
Number of training interventions aimed at capacitating community media with skills aligned with sector-specific needs per year	Strategy, policy, advocacy, capacity building	Priority 5: Social cohesion and safe communities	4	6	9	6	6	6	6
Number of media literacy workshops conducted per year	Strategy, policy, advocacy, capacity building		— ¹	1	1	1	1	1	1
Number of research projects funded on key trends or developments affecting the community media sector per year	Research, monitoring and evaluation		2	2	1	3	3	3	3

1. No historical data available.

Entity overview

The Media Development and Diversity Agency was set up in terms of the Media Development and Diversity Agency Act (2002) to enable historically disadvantaged communities and individuals to gain access to the media. Its mandate is to create an enabling environment for media development and diversity to reflect the needs and aspirations of all South Africans; redress the exclusion and marginalisation of disadvantaged communities and people from access to the media and the media industry; and promote media development and diversity by providing support primarily to community and small commercial media projects. The agency aims to ensure that all citizens are able to access information in a language of their choice, and to transform media access, ownership and control patterns in South Africa.

The agency aims to continue encouraging media diversity in a rapidly changing telecommunications environment by placing emphasis on promoting indigenous languages and communities that are underserved by the mainstream media, with a focus on gender equity, people living with disabilities, and young people. As such, over the MTEF period, the agency plans to focus on providing financial and non-financial support to 60 community broadcast projects, and 9 community and 11 small commercial print and digital projects. Over the medium term, an estimated R67.5 million is earmarked to provide financial support to community broadcast projects, and R13.7 million for community and small commercial print and digital projects. By investing in initiatives that display good governance, business management skills and capabilities for content generation, the agency intends to ensure the sustainability of the community media sector. An estimated R9.7 million is set aside over the medium term to provide projects with non-financial support through training and sector research. Of this amount, R1.5 million is allocated to providing training to a targeted 120 projects to help bridge skills gaps. However, the number of projects supported depends on the quality and quantity of applications received, and on how much funding is available.

Total expenditure is expected to increase at an average annual rate of 12.2 per cent, from R69 million in 2019/20 to R97.6 million in 2022/23. The agency expects to derive 93.5 per cent (R272 million) of its total revenue over the medium term through transfers from national government and non-governmental donors, of which R104.1 million will be transferred from the department.

Programmes/Objectives/Activities**Table 4.15 Media Development and Diversity Agency 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 (%)
	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Administration	25.1	27.4	23.8	29.1	5.1%	34.9%	35.3	37.5	39.7	11.0%	39.5%
Community media and small commercial media	56.4	49.2	38.6	36.1	-13.9%	58.6%	56.5	56.1	54.0	14.4%	56.0%
Research, monitoring and evaluation,	4.5	3.4	2.2	3.4	-8.4%	4.4%	3.6	3.7	3.4	-0.5%	4.0%
Strategy, policy, advocacy, capacity building	1.2	2.3	2.3	0.4	-31.2%	2.0%	0.4	0.4	0.5	9.5%	0.5%
Total	87.2	82.3	66.9	69.0	-7.5%	100.0%	95.7	97.8	97.6	12.2%	100.0%

Statements of historical financial performance, cash flow and financial position**Table 4.16 Media Development and Diversity Agency statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Revenue									
Non-tax revenue	4.3	4.8	4.5	5.3	4.8	4.8	5.1	5.1	106.8%
of which:									
Other non-tax revenue	4.3	4.8	4.5	5.3	4.8	4.8	5.1	5.1	106.8%
Transfers received	58.2	69.4	82.0	78.3	62.1	62.1	63.9	63.9	102.8%
Total revenue	62.5	74.2	86.6	83.6	66.9	66.9	69.0	69.0	103.1%
Expenses									
Current expenses	34.0	31.6	31.6	34.3	34.3	34.3	46.1	46.1	100.2%
Compensation of employees	17.5	14.1	16.9	16.3	20.6	20.6	27.1	27.1	95.1%
Goods and services	16.2	17.1	13.6	16.9	12.4	12.4	17.8	17.8	106.9%
Depreciation	0.3	0.4	1.1	1.1	1.3	1.3	1.2	1.2	105.3%
Interest, dividends and rent on land	—	—	—	—	—	—	0.0	0.0	100.0%
Transfers and subsidies	28.5	55.6	55.0	48.1	32.6	32.6	22.9	22.9	114.5%
Total expenses	62.5	87.2	86.6	82.3	66.9	66.9	69.0	69.0	107.2%
Surplus/(Deficit)	—	(12.9)	—	1.2	—	—	—	—	
Cash flow statement									
Cash flow from operating activities	5.7	7.9	4.6	5.2	1.7	1.7	1.2	1.2	121.1%
Receipts									
Non-tax receipts	6.0	4.8	4.5	5.3	4.8	4.8	5.1	5.1	98.1%
Other tax receipts	6.0	4.8	4.5	5.3	4.8	4.8	5.1	5.1	98.1%
Transfers received	58.2	88.6	62.2	78.3	62.1	62.1	63.9	63.9	118.9%
Total receipts	64.2	93.4	66.7	83.6	66.9	66.9	69.0	69.0	117.3%
Payment									
Current payments	23.2	27.8	29.5	31.6	31.0	31.0	44.9	44.9	105.1%
Compensation of employees	15.1	10.6	12.3	15.0	13.0	13.0	27.1	27.1	97.4%
Goods and services	8.1	17.2	17.2	16.5	18.0	18.0	17.8	17.8	113.7%
Interest and rent on land	—	—	—	—	—	—	0.0	0.0	100.0%
Transfers and subsidies	35.3	57.7	32.6	46.8	34.2	34.2	22.9	22.9	129.3%
Total payments	58.5	85.5	62.1	78.4	65.2	65.2	67.8	67.8	117.1%
Net cash flow from investing activities	—	(1.5)	(1.6)	(0.2)	(2.2)	—	(2.3)	(2.3)	66.1%
Acquisition of property, plant, equipment and intangible assets	—	(1.0)	(1.1)	(0.2)	(1.5)	—	(1.6)	(1.6)	67.7%
Acquisition of software and other intangible assets	—	(0.5)	(0.5)	—	(0.7)	—	(0.7)	(0.7)	62.6%
Net cash flow from financing activities	—	(0.1)	(0.6)	(0.4)	(0.7)	(0.7)	—	—	99.8%
Repayment of finance leases	—	(0.1)	(0.6)	(0.4)	(0.7)	(0.7)	—	—	99.8%
Net increase/(decrease) in cash and cash equivalents	5.7	6.2	2.4	4.5	(1.2)	1.0	(1.1)	(1.1)	
Statement of financial position									
Carrying value of assets	1.1	3.7	3.0	2.5	2.4	2.4	1.9	1.9	126.4%
Acquisition of assets	—	(1.0)	(1.1)	(0.2)	(1.5)	—	(1.6)	(1.6)	67.7%
Receivables and prepayments	0.5	1.4	0.5	0.8	0.5	0.5	0.5	0.5	165.0%
Cash and cash equivalents	79.9	99.7	73.4	104.2	70.8	70.8	61.0	61.0	117.8%
Total assets	81.4	104.9	76.9	107.6	73.7	73.7	63.4	63.4	118.3%
Accumulated surplus/(deficit)	79.6	72.8	62.4	73.0	68.7	68.7	58.1	58.1	101.4%
Capital reserve fund	—	25.6	11.0	28.3	2.0	2.0	2.0	2.0	386.2%
Finance lease	0.1	1.7	1.3	1.0	1.2	1.2	1.2	1.2	135.6%
Trade and other payables	1.5	1.3	1.5	4.3	1.4	1.4	1.7	1.7	145.1%
Provisions	—	0.7	0.3	0.8	0.3	0.3	0.3	0.3	261.2%
Derivatives financial instruments	0.1	2.6	0.5	0.2	0.3	0.3	0.2	0.2	312.2%
Total equity and liabilities	81.4	104.9	76.9	107.6	73.7	73.7	63.4	63.4	118.3%

Statements of estimates of financial performance, cash flow and financial position**Table 4.17 Media Development and Diversity Agency statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	
R million	2019/20							
Revenue								
Non-tax revenue	5.1	2.0%	6.9%	6.3	6.4	5.3	1.4%	6.5%
Other non-tax revenue	5.1	2.0%	6.9%	6.3	6.4	5.3	1.4%	6.5%
Transfers received	63.9	-2.7%	93.1%	88.9	90.8	92.3	13.0%	93.5%
Total revenue	69.0	-2.4%	100.0%	95.2	97.2	97.6	12.2%	100.0%
Current expenses	46.1	13.4%	49.0%	54.1	57.3	57.8	7.8%	60.4%
Compensation of employees	27.1	24.4%	26.5%	34.8	37.3	39.9	13.7%	38.8%
Goods and services	17.8	1.3%	21.1%	18.0	18.7	16.8	-1.9%	20.3%
Depreciation	1.2	44.3%	1.4%	1.3	1.3	1.1	-2.0%	1.4%
Interest, dividends and rent on land	0.0	—	0.0%	0.0	0.0	—	-100.0%	0.0%
Transfers and subsidies	22.9	-25.6%	51.0%	41.1	39.9	39.8	20.3%	39.6%
Total expenses	69.0	-7.5%	100.0%	95.2	97.2	97.6	12.2%	100.0%
Surplus/(Deficit)	—			—	—	—		
Cash flow statement								
Cash flow from operating activities	1.2	-46.6%	6.5%	0.7	0.3	(41.1)	-100.0%	5.6%
Receipts								
Non-tax receipts	5.1	2.0%	6.5%	5.4	5.7	—	-100.0%	5.6%
Other tax receipts	5.1	2.0%	6.5%	5.4	5.7	—	-100.0%	5.6%
Transfers received	63.9	-10.3%	93.5%	66.4	69.1	36.2	-17.3%	94.4%
Total receipts	69.0	-9.6%	100.0%	71.9	74.9	36.2	-19.4%	100.0%
Current payments	44.9	17.4%	45.4%	47.5	50.3	46.2	0.9%	65.1%
Compensation of employees	27.1	36.7%	22.3%	29.0	31.0	32.7	6.5%	41.2%
Goods and services	17.8	1.2%	23.1%	18.5	19.2	13.5	-8.8%	23.9%
Interest and rent on land	0.0	—	0.0%	0.0	0.0	—	-100.0%	0.0%
Transfers and subsidies	22.9	-26.5%	51.9%	23.6	24.3	31.0	10.7%	34.9%
Total payment	67.8	-7.4%	100.0%	71.1	74.5	77.2	4.4%	100.0%
Net cash flow from investing activities	(2.3)	14.7%	—	(2.4)	(2.4)	—	-100.0%	—
Acquisition of property, plant, equipment and intangible assets	(1.6)	14.3%	—	(1.6)	(1.6)	—	-100.0%	—
Acquisition of software and other intangible assets	(0.7)	15.5%	—	(0.8)	(0.8)	—	-100.0%	—
Net increase/(decrease) in cash and cash equivalents	(1.1)	-155.8%	100.0%	(1.7)	(2.1)	(41.1)	236.1%	100.0%
Statement of financial position								
Carrying value of assets	1.9	-20.0%	3.0%	1.5	1.1	1.8	-1.7%	2.5%
Acquisition of assets	(1.6)	14.3%	-0.9%	(1.6)	(1.6)	—	-100.0%	-2.4%
Receivables and prepayments	0.5	-28.9%	0.9%	0.5	0.5	14.4	204.2%	3.7%
Cash and cash equivalents	61.0	-15.1%	96.1%	50.6	38.1	105.2	20.0%	93.8%
Total assets	63.4	-15.4%	100.0%	52.6	39.7	121.4	24.2%	100.0%
Accumulated surplus/(deficit)	58.1	-7.2%	80.5%	47.9	39.5	—	-100.0%	70.5%
Capital and reserves	—	—	—	—	—	72.9	—	15.0%
Capital reserve fund	2.0	-57.3%	14.2%	2.0	—	—	-100.0%	1.7%
Finance lease	1.2	-12.8%	1.5%	1.2	—	—	-100.0%	1.0%
Trade and other payables	1.7	7.9%	2.5%	1.4	—	36.7	178.6%	8.9%
Provisions	0.3	-28.8%	0.5%	0.3	0.3	11.8	261.4%	2.8%
Derivatives financial instruments	0.2	-61.1%	0.8%	—	—	—	-100.0%	0.1%
Total equity and liabilities	63.4	-15.4%	100.0%	52.6	39.7	121.4	24.2%	100.0%

Personnel information**Table 4.18 Media Development and Diversity Agency personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number	
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Media Development and Diversity Agency			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	39	39	32	20.6	0.6	31	27.1	0.9	39	34.8	0.9	39	37.3	1.0	39	39.9	1.0	13.7%	100.0%
11 – 12	9	9	9	6.2	0.7	7	9.6	1.4	9	12.0	1.3	9	12.9	1.4	9	13.8	1.5	12.6%	23.0%
13 – 16	4	4	3	4.7	1.6	3	5.8	1.9	4	7.8	1.9	4	8.3	2.1	4	8.9	2.2	15.5%	10.1%

1. Rand million.

Vote 5

Home Affairs

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	2 349.1	2 333.2	2.8	13.0	2 384.8	2 417.0
Citizen Affairs	5 066.6	2 680.3	2 386.3	–	5 582.0	5 862.5
Immigration Affairs	1 614.0	1 613.5	0.5	–	1 693.1	1 762.0
Total expenditure estimates	9 029.6	6 627.0	2 389.6	13.0	9 659.9	10 041.5

Executive authority: Minister of Home Affairs
 Accounting officer: Director-General of Home Affairs
 Website: www.dha.gov.za

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Efficiently determine and safeguard the identity and status of citizens. Regulate immigration to ensure security, promote development and fulfil South Africa's international obligations.

Mandate

The mandate of the Department of Home Affairs is derived from the Constitution and various acts of Parliament and policy documents. The department's services are divided into two broad categories: civic services and immigration services. Accordingly, the department is mandated to manage citizenship and civic status, international migration, refugee protection, and the population register. Executing its mandate allows the department to be a key enabler of national security, citizen empowerment, efficient administration and socioeconomic development. These functions must be managed securely and strategically.

Selected performance indicators

Table 5.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of births registered within 30 calendar days per year	Citizen Affairs	Priority 5: Social cohesion and safe communities	745 204	772 035	816 698	810 000	810 000	810 000	810 000
Number of smart identity cards issued per year to citizens (including naturalised and holders of permanent residence permits) 16 years and older 1	Citizen Affairs	Priority 5: Social cohesion and safe communities	2 698 181	2 864 111	3 127 217	3 000 000	3 000 000	3 000 000	3 000 000
Percentage of machine-readable adult passports (new live capture process) issued within 13 working days per year	Citizen Affairs	Priority 1: Economic transformation and job creation Priority 6: A capable, ethical and developmental state	101.5% (641 546/ 632 054)	106.6% (734 669/ 688 613)	91.20% (862 671/ 945 911)	90%	90%	90%	90%
Percentage of permanent residence applications per year adjudicated within 8 months (collected within South Africa) for selected categories	Immigration Affairs	Priority 1: Economic transformation and job creation	98% (5 271/ 5 374)	97% (7 810/ 8 049)	95.1% (8 991/ 9 452)	85%	85%	85%	85%

Table 5.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage of business and general work visa applications per year adjudicated within 8 weeks (processed within South Africa) 2	Immigration Affairs	Priority 1: Economic transformation and job creation	97% (2 007/ 2 062)	98% (15 72/ 1 609)	97.9% (1 717/ 1 754)	90%	90%	90%	90%
Percentage of critical skills visa applications per year adjudicated within 4 weeks (processed within South Africa)	Immigration Affairs	Priority 7: A better Africa and world	94% (5 951/ 6 314)	89% (5 935/ 6 684)	88.5% (5 900/ 6 666)	85%	85%	85%	85%

1. Naturalised citizens and permanent residents holders included as from 2020/21

2. For selected categories

Expenditure analysis

In fulfilling its mandate to affirm and register official identities and civic statuses, including citizenship, as well as to regulate international migration, the Department of Home Affairs contributes to the attainment of the National Development Plan's vision of building a South Africa that is safe and conducive to inclusive development. Accordingly, the department's mandate is fulfilled in terms of priority 1 (economic transformation and job creation), priority 5 (social cohesion and safe communities), priority 6 (a capable, ethical and developmental state) and priority 7 (a better Africa and world) of government's 2019-2024 medium-term strategic framework. In line with these priorities, over the medium term, the department plans to maintain the issuance of smart identity cards and registration of births, simplify the issuance of permits and visas in support of economic growth, continue the IT modernisation programme to expand its client interfaces, and establish a border management authority and secure international migration.

Expenditure increases at an average annual rate of 1.8 per cent, from R9.5 billion in 2019/20 to R10 billion in 2022/23. Spending on compensation of employees accounts for 41.5 per cent (R12.3 billion) of total expenditure over the MTEF period. Goods and services is the department's second largest spending area, accounting for 32.8 per cent (R8.8 billion) of total spending over the period.

Maintain the issuance of smart identity cards and registration of births

In its ongoing commitment to register official identities, the department plans to maintain the rollout of smart identity cards to all eligible people. Accordingly, over the medium term, the department expects to issue 9 million smart identity cards. For this purpose, R7.5 billion is allocated over the period ahead in the *Service Delivery to Provinces* subprogramme in the *Citizen Affairs* programme. Smart identity cards and other enabling documents are funded through the self-financing method, as such, revenue that is generated is appropriated to the department during the adjustments budgeting process. This revenue is projected to be R4 billion over the MTEF period.

The department is also committed to ensuring that all births are registered within 30 days, as required by law, in line with government's priority to provide adequate services to all citizens. Over the medium term, the department plans to register 2.4 million births within 30 days. For this purpose, R289.9 million is allocated over the MTEF period in the *Status Services* subprogramme in the *Citizen Affairs* programme. The programme's expenditure is expected to increase at an average annual rate of 1 per cent, from R5.7 billion in 2019/20 to R5.9 billion in 2022/23.

Simplify the issuance of permits and visas

In line with the national priority of economic transformation and job creation, over the medium term, the department plans to promote business and leisure tourism, and economic development by improving its processing of permits and visas. This will be achieved generally by removing unnecessary barriers requirements. Accordingly, the department plans to continue implementing the simplification process, whereby selected and low-risk countries benefit from visa waivers and the relaxation of conditions as well as the rollout of the e-visa system. For this purpose, R759.5 million is allocated over MTEF period in the *Immigration Services*

subprogramme in the *Immigration Affairs* programme. The programme's expenditure is expected to increase at an annual average rate of 10.8 per cent, from R1.3 billion in 2019/20 to R1.8 billion in 2022/23.

Modernising the department's IT infrastructure and expanding its client interfaces

Through the IT modernisation programme, the department has ensured higher efficiencies and predictability in its business processes and products. The programme has enabled the department to automate its business processes that involve capturing information and images, digitising supporting documents, and issuing identity documents and passports by means of the paperless live capture system. To continue with the modernisation programme, R1.9 billion is allocated in the *Administration* programme over the MTEF period.

To improve its reach and accessibility, over the period ahead, the department plans to expand its public-private partnership with the banking sector to provide services at more branches, and with other service providers such as the South African Post Office. The department also plans to procure new mobile units and refurbish its existing fleet, leading to a projected increase in the number of mobile units from 100 in 2019/20 to 115 in 2020/21 at cost of R20 million. Related activities are carried out at an estimated cost of R50 million in the *Office Accommodation* subprogramme in the *Administration* programme. The programme's expenditure is expected to decrease at an average annual rate of 1.6 per cent, from R2.5 billion in 2019/20 to R2.4 billion in 2022/23. This is due to the shifting of R77 million over the MTEF period to the *Service Delivery to Provinces* subprogramme in the *Citizen Affairs* programme to increase IT capacity in provinces.

Establishing a border management authority and secure international migration

As part of government's priorities to promote social cohesion, and build safe communities and a better Africa and world, the department is committed to adopting an integrated approach to border management that is characterised by a single command-and-control structure. This is in response to Cabinet's decision in 2013 to establish a border management authority under the leadership of the department. The authority's work will be aimed at improving South Africa's borders and will incrementally assume responsibility for enforcing border law at ports of entry.

In this regard, the Border Management Authority Bill was introduced to Parliament in 2016 and endorsed by the portfolio committee on home affairs and the National Assembly in 2017. The bill was adopted with the proposed amendments by the National Council of Provinces in 2019. The bill has now been referred back to the national assembly for adoption and it is anticipated that the bill will be finalised by Parliament in 2020. An amount of R109.5 million over the medium term has been allocated from the department's baseline budget for the establishment of the border management authority. In addition, functions for the authority's operations will be transferred from departments and entities with the associated funding and other resources, including assets.

As part of the iBorders strategy, which entails a risk-based approach to the management of migration, over the MTEF period the department plans to focus on establishing necessary systems and a legislative framework. This with the aim of implementing a passenger name record system and an advance passenger processing system. The passenger name record is used to identify unknown threats based on passenger profiles and the advance passenger processing system is used to identify known suspects (for example, those on stop and watchlists). In the *Admission Services* subprogramme in the *Immigration* programme, an additional R606 million over the medium term has been allocated to implement the passenger name record system and R486 million over the medium term has been allocated for the advanced passenger processing system.

The department is in the process of establishing public-private partnerships for the redevelopment and modernisation of 6 priority land ports of entry (Beitbridge, Maseru Bridge, Kopfontein, Lebombo, Oshoek and Ficksburg). Related activities will be carried out in the *Office Accommodation* subprogramme in the *Administration* programme at an estimated cost of R233 million over the MTEF period.

Expenditure trends and estimates

Table 5.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Citizen Affairs											
3. Immigration Affairs											
Programme					Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Adjusted appropriation							
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	2 210.8	2 516.2	2 326.0	2 540.5	4.7%	27.3%	2 349.1	2 384.8	2 417.0	-1.6%	25.3%
Programme 2	4 787.0	4 687.0	5 447.4	5 692.9	5.9%	58.7%	5 066.6	5 582.0	5 862.5	1.0%	58.0%
Programme 3	1 145.7	1 198.5	1 273.9	1 294.3	4.1%	14.0%	1 614.0	1 693.1	1 762.0	10.8%	16.6%
Subtotal	8 143.5	8 401.7	9 047.2	9 527.7	5.4%	100.0%	9 029.6	9 659.9	10 041.5	1.8%	100.0%
Total	8 143.5	8 401.7	9 047.2	9 527.7	5.4%	100.0%	9 029.6	9 659.9	10 041.5	1.8%	100.0%
Change to 2019 Budget estimate				1 188.0			286.1	47.2	67.6		
Economic classification											
Current payments	6 104.4	6 389.3	6 574.6	7 338.9	6.3%	75.2%	6 627.0	7 081.2	7 368.4	0.1%	74.3%
Compensation of employees	3 069.8	3 192.6	3 403.2	3 559.0	5.1%	37.7%	3 892.9	4 140.1	4 278.8	6.3%	41.5%
Goods and services ¹	3 034.6	3 196.7	3 171.4	3 780.0	7.6%	37.5%	2 734.1	2 941.1	3 089.6	-6.5%	32.8%
of which:											
Minor assets	8.3	13.5	17.4	184.0	180.7%	0.6%	167.9	186.1	188.8	0.9%	1.9%
Computer services	366.8	633.4	575.8	706.1	24.4%	6.5%	969.1	1 026.3	1 082.9	15.3%	9.9%
Contractors	307.9	302.6	319.0	341.9	3.6%	3.6%	349.3	372.9	377.1	3.3%	3.8%
Fleet services (including government motor transport)	104.8	94.6	52.0	46.8	-23.6%	0.8%	31.6	163.4	204.2	63.4%	1.2%
Operating leases	348.8	406.8	414.3	464.7	10.0%	4.7%	491.2	522.4	539.9	5.1%	5.3%
Property payments	190.1	202.8	222.7	349.3	22.5%	2.7%	224.6	187.5	151.4	-24.3%	2.4%
Transfers and subsidies ¹	1 815.7	1 458.5	2 135.4	2 176.2	6.2%	21.6%	2 389.6	2 565.0	2 658.8	6.9%	25.6%
Provinces and municipalities	0.9	1.3	2.5	2.0	28.6%	0.0%	2.1	2.2	2.0	0.0%	0.0%
Departmental agencies and accounts	1 792.4	1 441.1	2 114.4	2 170.5	6.6%	21.4%	2 383.6	2 558.7	2 652.5	6.9%	25.5%
Households	22.3	16.1	18.4	3.7	-45.1%	0.2%	3.9	4.1	4.3	5.2%	0.0%
Payments for capital assets	223.5	553.9	332.3	12.6	-61.7%	3.2%	13.0	13.7	14.3	4.3%	0.1%
Buildings and other fixed structures	112.6	60.9	131.3	—	-100.0%	0.9%	—	—	—	0.0%	0.0%
Machinery and equipment	81.6	318.9	161.3	12.6	-46.4%	1.6%	13.0	13.7	14.3	4.3%	0.1%
Software and other intangible assets	29.3	174.1	39.7	—	-100.0%	0.7%	—	—	—	0.0%	0.0%
Payments for financial assets	—	—	5.0	—	0.0%	0.0%	—	—	—	0.0%	0.0%
Total	8 143.5	8 401.7	9 047.2	9 527.7	5.4%	100.0%	9 029.6	9 659.9	10 041.5	1.8%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 5.3 Vote transfers and subsidies trends and estimates

				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20					2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 792 387	1 441 123	2 114 407	2 170 516	6.6%	99.1%	2 383 600	2 558 680	2 652 538	6.9%	99.8%
Employee social benefits	4	7	2	—	-100.0%	—	—	—	—	—	—
Communication	2	—	7	7	51.8%	—	7	7	7	—	—
Electoral Commission	1 657 901	1 299 912	1 965 004	2 012 749	6.7%	91.4%	2 218 911	2 384 981	2 472 575	7.1%	92.8%
Represented Political Parties' Fund	134 480	141 204	149 394	157 760	5.5%	7.7%	164 682	173 692	179 956	4.5%	6.9%
Households											
Other transfers to households											
Current	274	994	2 619	—	-100.0%	0.1%	—	—	—	—	—
Employee social benefits	274	994	2 619	—	-100.0%	0.1%	—	—	—	—	—
Households											
Social benefits											
Current	22 056	15 096	15 787	3 689	-44.9%	0.7%	3 891	4 105	4 300	5.2%	0.2%
Employee social benefits	22 056	15 096	3 721	3 689	-44.9%	0.6%	3 891	4 105	4 300	5.2%	0.2%
Vehicle licences	—	—	12 066	—	—	0.2%	—	—	—	—	—
Provinces and municipalities											
Municipal bank accounts											
Current	936	1 281	2 543	1 989	28.6%	0.1%	2 099	2 214	1 990	—	0.1%
Vehicle licences	936	1 281	2 543	1 989	28.6%	0.1%	2 099	2 214	1 990	—	0.1%
Total	1 815 653	1 458 494	2 135 356	2 176 194	6.2%	100.0%	2 389 590	2 564 999	2 658 828	6.9%	100.0%

Personnel information

Table 5.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																						
1. Administration																						
2. Citizen Affairs																						
3. Immigration Affairs																						
Number of posts estimated for 31 March 2020			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 (%)						
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23					
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number			Cost	Unit cost			
Home Affairs			9 055	107		9 127	3 403.2	0.4	8 655	3 558.8	0.4	8 854	3 892.8	0.4	8 783	4 139.8	0.5	8 539	4 278.7	0.5	-0.4%	100.0%
Salary level			9 055	107		9 127	3 403.2	0.4	8 655	3 558.8	0.4	8 854	3 892.8	0.4	8 783	4 139.8	0.5	8 539	4 278.7	0.5	-0.4%	100.0%
1 – 6			6 003	101		5 981	1 594.2	0.3	5 639	1 662.0	0.3	5 725	1 800.7	0.3	5 676	1 915.7	0.3	5 578	2 020.5	0.4	-0.4%	64.9%
7 – 10			2 665	5		2 707	1 306.0	0.5	2 604	1 390.8	0.5	2 715	1 549.8	0.6	2 693	1 647.5	0.6	2 561	1 667.2	0.7	-0.6%	30.4%
11 – 12			234	1		225	269.3	1.2	213	268.2	1.3	213	285.2	1.3	213	303.3	1.4	199	300.6	1.5	-2.2%	2.4%
13 – 16			148	–		129	228.8	1.8	114	232.5	2.0	116	251.4	2.2	116	267.3	2.3	116	284.0	2.4	0.6%	1.3%
Other			5	–		85	4.9	0.1	85	5.4	0.1	85	5.7	0.1	85	6.1	0.1	85	6.4	0.1	–	1.0%
Programme			9 055	107		9 127	3 403.2	0.4	8 655	3 558.8	0.4	8 854	3 892.8	0.4	8 783	4 139.8	0.5	8 539	4 278.7	0.5	-0.4%	100.0%
Programme 1			1 131	79		1 103	519.0	0.5	1 031	490.9	0.5	1 083	547.4	0.5	1 047	571.6	0.5	948	556.1	0.6	-2.8%	11.8%
Programme 2			5 897	–		6 003	2 115.0	0.4	5 705	2 216.7	0.4	5 769	2 410.6	0.4	5 753	2 575.2	0.4	5 677	2 696.7	0.5	-0.2%	65.8%
Programme 3			2 027	28		2 021	769.2	0.4	1 919	851.2	0.4	2 002	934.7	0.5	1 983	993.0	0.5	1 914	1 025.9	0.5	-0.1%	22.4%

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

2. Rand million.

Departmental receipts

Table 5.5 Departmental receipts by economic classification

				Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
Audited outcome			2019/20					2020/21 2021/22 2022/23				
R thousand	2016/17	2017/18	2018/19				2016/17 - 2019/20				2019/20 - 2022/23	
Departmental receipts	1 099 536	1 159 278	1 130 466	1 183 296	1 183 296	2.5%	100.0%	1 249 377	1 322 343	1 388 460	5.5%	100.0%
Sales of goods and services produced by department	1 074 147	1 134 403	1 110 249	1 164 348	1 164 348	2.7%	98.0%	1 229 386	1 301 043	1 366 095	5.5%	98.4%
Sales by market establishments of which:	—	—	3 796	3 824	3 824	—	0.2%	4 034	4 234	4 445	5.1%	0.3%
Market establishment: Non-residential building	—	—	3 796	—	—	—	0.1%	—	—	—	—	—
Market establishment: Rental dwelling	—	—	—	3 801	3 801	—	0.1%	4 010	4 210	4 420	5.2%	0.3%
Market establishment: Rental parking: Covered and open	—	—	—	23	23	—	—	24	24	25	3.1%	—
Administrative fees	1 074 113	1 134 385	1 103 541	1 157 499	1 157 499	2.5%	97.7%	1 222 161	1 293 458	1 358 131	5.5%	97.8%
Certificates	93 010	93 010	55 405	56 421	56 421	-15.3%	6.5%	59 524	62 500	65 625	5.2%	4.7%
Identity documents	338 755	399 027	687 409	737 469	737 469	29.6%	47.3%	779 030	817 981	858 880	5.2%	62.1%
Passports	595 893	595 893	230 501	231 564	231 564	-27.0%	36.2%	244 300	266 705	280 040	6.5%	19.9%
Permits	38 311	38 311	117 281	119 020	119 020	45.9%	6.8%	125 566	131 844	138 436	5.2%	10.0%
Other	8 144	8 144	12 945	13 025	13 025	16.9%	0.9%	13 741	14 428	15 149	5.2%	1.1%
Other sales	34	18	2 912	3 025	3 025	346.4%	0.1%	3 191	3 351	3 519	5.2%	0.3%
Commission on insurance	34	18	2 110	2 201	2 201	301.5%	0.1%	2 322	2 438	2 560	5.2%	0.2%
Clearance fees	—	—	572	589	589	—	—	621	652	685	5.1%	—
Postal fees for travel documents	—	—	13	14	14	—	—	15	16	17	6.3%	—
Photocopies and faxes	—	—	145	147	147	—	—	155	163	171	5.2%	—
Other	—	—	72	74	74	—	—	78	82	86	5.2%	—
Sales of scrap, waste, arms and other used current goods	17	27	—	46	46	39.3%	—	49	51	54	5.2%	—
Sales: Wastepaper	17	27	—	46	46	39.3%	—	49	51	54	5.2%	—
Transfers received	1 162	—	—	—	—	-100.0%	—	—	—	—	—	—
Fines, penalties and forfeits	10 271	15 375	8 739	7 365	7 365	-10.5%	0.9%	7 770	8 135	8 542	5.1%	0.6%
Interest, dividends and rent on land	616	538	2 202	283	283	-22.8%	0.1%	299	310	326	4.8%	—
Interest	616	538	2 202	283	283	-22.8%	0.1%	299	310	326	4.8%	—
Sales of capital assets	3 058	—	9	2 501	2 501	-6.5%	0.1%	2 639	2 789	2 928	5.4%	0.2%
Transactions in financial assets and liabilities	10 265	8 935	9 267	8 753	8 753	-5.2%	0.8%	9 234	10 015	10 516	6.3%	0.7%
Total	1 099 536	1 159 278	1 130 466	1 183 296	1 183 296	2.5%	100.0%	1 249 377	1 322 343	1 388 460	5.5%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 5.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Ministry	36.9	28.6	38.3	42.6	4.9%	1.5%	38.7	43.0	48.2	4.2%	1.8%
Management Support Services	226.0	289.8	223.3	248.3	3.2%	10.3%	207.5	189.2	198.3	-7.2%	8.7%
Corporate Services	631.9	691.2	680.4	795.3	8.0%	29.2%	587.2	551.2	505.2	-14.0%	25.2%
Transversal Information	807.9	1 095.1	886.5	909.6	4.0%	38.6%	940.9	995.1	1 036.4	4.4%	40.1%
Technology Management											
Office Accommodation	508.2	411.4	497.4	544.8	2.3%	20.4%	574.7	606.3	628.9	4.9%	24.3%
Total	2 210.8	2 516.2	2 326.0	2 540.5	4.7%	100.0%	2 349.1	2 384.8	2 417.0	-1.6%	100.0%
Change to 2019				200.3			(141.4)	(309.7)	(378.2)		
Budget estimate											
Economic classification											
Current payments	2 000.7	2 011.4	2 046.9	2 525.2	8.1%	89.5%	2 333.2	2 368.1	2 399.9	-1.7%	99.3%
Compensation of employees	481.4	494.4	519.0	537.8	3.8%	21.2%	547.4	571.6	556.1	1.1%	22.8%
Goods and services ¹	1 519.3	1 517.0	1 527.9	1 987.4	9.4%	68.3%	1 785.8	1 796.5	1 843.9	-2.5%	76.5%
of which:											
Minor assets	6.1	7.9	9.5	145.1	188.4%	1.8%	161.8	171.3	176.9	6.8%	6.8%
Communication	74.3	49.9	45.3	161.4	29.5%	3.4%	56.5	48.9	54.5	-30.4%	3.3%
Computer services	363.3	409.2	385.8	472.2	9.1%	17.0%	503.8	527.9	550.6	5.3%	21.2%
Contractors	306.5	189.7	293.5	207.1	-12.2%	10.4%	207.0	226.0	229.2	3.4%	9.0%
Operating leases	322.7	378.7	390.8	448.3	11.6%	16.1%	472.8	496.6	514.9	4.7%	19.9%
Property payments	188.3	199.2	214.6	326.7	20.2%	9.7%	211.1	163.0	127.5	-26.9%	8.5%
Transfers and subsidies ¹	6.7	1.9	4.5	2.7	-26.4%	0.2%	2.8	3.0	2.8	1.5%	0.1%
Provinces and municipalities	0.1	0.3	1.3	0.9	90.4%	—	0.9	1.0	0.7	-7.2%	—
Departmental agencies and accounts	—	—	—	0.0	—	—	0.0	0.0	0.0	—	—
Households	6.6	1.6	3.2	1.8	-35.0%	0.1%	1.9	2.0	2.1	5.2%	0.1%
Payments for capital assets	203.5	503.0	269.6	12.6	-60.5%	10.3%	13.0	13.7	14.3	4.3%	0.6%
Buildings and other fixed structures	112.6	45.3	105.3	—	-100.0%	2.7%	—	—	—	—	—
Machinery and equipment	61.8	283.6	124.7	12.6	-41.2%	5.0%	13.0	13.7	14.3	4.3%	0.6%
Software and other intangible assets	29.0	174.1	39.5	—	-100.0%	2.5%	—	—	—	—	—
Payments for financial assets	—	—	5.0	—	—	0.1%	—	—	—	—	—
Total	2 210.8	2 516.2	2 326.0	2 540.5	4.7%	100.0%	2 349.1	2 384.8	2 417.0	-1.6%	100.0%
Proportion of total programme expenditure to vote expenditure	27.1%	29.9%	25.7%	26.7%	—	—	26.0%	24.7%	24.1%	—	—

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

Programme 2: Citizen Affairs

Programme purpose

Provide secure, efficient and accessible services and documents to citizens and lawful residents.

Objectives

- Ensure that registration at birth is the only entry point to the national population register by maintaining the number of births registered within 30 calendar days at 810 000 over the medium term.
- Maintain the number of smart identity cards (including naturalised citizens and permanent residence permit holders) issued at 3 million per year over the medium term.
- Maintain the standard of service delivery for the issuing of enabling documents by issuing 90 per cent of machine-readable adult passports through the new live capture process within 13 working days over the medium term.

Subprogrammes

- *Citizen Affairs Management* provides for the overall management of the branch for both head office and frontline offices, and provides policy direction, sets standards and manages back office processes.
- *Status Services* regulates all matters relating to the national population register. These include: maintaining an accurate register of all citizens and immigrants who have acquired the right to permanent residence; registering births, deaths and marriages; providing travel and citizenship documents; providing financial assistance to citizens abroad who wish to return to South Africa but have no means of doing so; and determining and granting citizenship.
- *Identification Services* oversees issues relating to identity such as fingerprints, photographs and identity documents. This entails establishing and maintaining national identity systems such as the automated fingerprint identification system.
- *Service Delivery to Provinces* provides for all civic, immigration and refugee affairs functions in all provinces. This entails providing a client interface for the collection and processing of applications, issuing enabling documents that are available on demand (such as temporary identity certificates), and conducting quality assurance checks for civic and immigration applications.
- *Electoral Commission* transfers funds to the Electoral Commission, which manages national and provincial, and local government elections; ensures that those elections are free and fair; and declares the results within a prescribed period. This subprogramme's total budget is transferred in full to the commission.
- *Represented Political Parties' Fund* transfers funds to the Represented Political Parties' Fund to provide funding for political parties participating in Parliament and provincial legislatures.

Expenditure trends and estimates

Table 5.7 Citizen Affairs 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Citizen Affairs Management	30.8	23.3	34.3	25.2	-6.5%	0.6%	19.3	22.6	27.0	2.4%	0.4%
Status Services	1 029.4	1 051.2	1 113.7	1 084.2	1.7%	20.8%	91.9	96.8	101.2	-54.6%	6.2%
Identification Services	140.1	275.0	153.6	316.4	31.2%	4.3%	322.8	342.2	360.0	4.4%	6.0%
Service Delivery to Provinces	1 794.3	1 896.4	2 031.4	2 096.7	5.3%	37.9%	2 248.9	2 561.6	2 721.7	9.1%	43.4%
Electoral Commission	1 657.9	1 299.9	1 965.0	2 012.7	6.7%	33.6%	2 218.9	2 385.0	2 472.6	7.1%	40.9%
Represented Political Parties' Fund	134.5	141.2	149.4	157.8	5.5%	2.8%	164.7	173.7	180.0	4.5%	3.0%
Total	4 787.0	4 687.0	5 447.4	5 692.9	5.9%	100.0%	5 066.6	5 582.0	5 862.5	1.0%	100.0%
Change to 2019				956.2			144.1	46.9	119.9		
Budget estimate											
Economic classification											
Current payments	2 968.3	3 220.1	3 287.7	3 519.8	5.8%	63.0%	2 680.3	3 020.4	3 206.9	-3.1%	56.0%
Compensation of employees	1 879.9	1 975.7	2 115.0	2 239.1	6.0%	39.8%	2 410.8	2 575.5	2 696.8	6.4%	44.7%
Goods and services ¹	1 088.4	1 244.4	1 172.7	1 280.7	5.6%	23.2%	269.5	444.9	510.1	-26.4%	11.3%
of which:											
Computer services	—	41.3	0.2	50.9	—	0.4%	40.9	44.4	52.8	1.2%	0.9%
Contractors	0.5	87.5	0.6	104.7	495.0%	0.9%	108.9	114.0	116.5	3.6%	2.0%
Fleet services (including government motor transport)	48.3	46.3	35.3	23.7	-21.2%	0.7%	16.1	144.9	200.5	103.8%	1.7%
Consumables: Stationery, printing and office supplies	901.1	927.6	978.0	1 011.4	3.9%	18.5%	12.1	11.1	11.4	-77.6%	4.7%
Operating leases	25.5	27.9	23.1	16.0	-14.4%	0.4%	18.2	25.6	24.7	15.4%	0.4%
Travel and subsistence	29.9	31.6	37.1	35.9	6.3%	0.7%	48.2	65.3	69.5	24.7%	1.0%
Transfers and subsidies¹	1 807.6	1 455.7	2 128.6	2 173.1	6.3%	36.7%	2 386.3	2 561.5	2 655.5	6.9%	44.0%
Provinces and municipalities	0.8	1.0	1.2	1.1	11.6%	—	1.2	1.3	1.3	4.9%	—
Departmental agencies and accounts	1 792.4	1 441.1	2 114.4	2 170.5	6.6%	36.5%	2 383.6	2 558.7	2 652.5	6.9%	44.0%
Households	14.4	13.6	13.0	1.5	-53.5%	0.2%	1.5	1.6	1.7	5.2%	—

Table 5.7 Citizen Affairs expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Payments for capital assets	11.1	11.2	31.1	–	-100.0%	0.3%	–	–	–	–	–
Buildings and other fixed structures	–	0.0	–	–	–	–	–	–	–	–	–
Machinery and equipment	10.8	11.2	31.1	–	-100.0%	0.3%	–	–	–	–	–
Software and other intangible assets	0.3	–	–	–	-100.0%	–	–	–	–	–	–
Total	4 787.0	4 687.0	5 447.4	5 692.9	5.9%	100.0%	5 066.6	5 582.0	5 862.5	1.0%	100.0%
Proportion of total programme expenditure to vote expenditure	58.8%	55.8%	60.2%	59.8%	–	–	56.1%	57.8%	58.4%	–	–
Details of selected transfers and subsidies											
Households											
Social benefits											
Current	13.3	12.2	10.7	1.5	-52.2%	0.2%	1.5	1.6	1.7	5.2%	–
Employee social benefits	13.3	12.2	–	1.5	-52.2%	0.1%	1.5	1.6	1.7	5.2%	–
Vehicle licences	–	–	10.7	–	–	0.1%	–	–	–	–	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 792.4	1 441.1	2 114.4	2 170.5	6.6%	36.5%	2 383.6	2 558.7	2 652.5	6.9%	44.0%
Electoral Commission	1 657.9	1 299.9	1 965.0	2 012.7	6.7%	33.6%	2 218.9	2 385.0	2 472.6	7.1%	40.9%
Represented Political Parties' Fund	134.5	141.2	149.4	157.8	5.5%	2.8%	164.7	173.7	180.0	4.5%	3.0%

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

Programme 3: Immigration Affairs

Programme purpose

Facilitate and regulate the secure movement of people through ports of entry into and out of the Republic of South Africa. Determine the status of asylum seekers and regulate refugee affairs.

Objectives

- Maintain the standard of service delivery for enabling documents by:
 - adjudicating permanent residence applications (collected within South Africa for selected categories) within 8 months, maintaining the percentage at 85 per cent over the medium term
 - adjudicating business and general work visa applications (processed within South Africa) within 8 weeks, maintaining the percentage at 90 per cent over the medium term
 - adjudicating critical skills visa applications (collected within South Africa) within 4 weeks, maintaining the percentage at 85 per cent over the medium term.

Subprogrammes

- *Immigration Affairs Management* provides for the overall management of the branch and policy direction; sets standards; and manages back office processes.
- *Admission Services* is responsible for issuing visas, securely facilitating the entry and departure of persons to and from South Africa in line with the Immigration Act (2002); recording their movements on the movement control system; and controlling the processing of applications for permanent and temporary residence permits/visas, including work, study and business visas.
- *Immigration Services* deals with immigration matters in foreign countries; detects, detains and deports illegal immigrants in terms of the Immigration Act (2002); conducts investigations with other law enforcement entities; and provides policy directives on immigration matters.
- *Asylum Seekers* considers and processes applications for asylum, issues enabling documents to refugees, and facilitates processes to find durable solutions to refugee problems in line with the Refugees Act (1998). The

head office is responsible for providing strategic leadership, whereas refugee reception offices are responsible for operations.

Expenditure trends and estimates

Table 5.8 Immigration Affairs expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/Total (%)
R million				2019/20	2016/17 - 2019/20						
Immigration Affairs Management	7.3	6.9	42.5	61.1	103.3%	2.4%	22.6	24.0	27.7	-23.1%	2.1%
Admission Services	763.7	769.5	816.4	768.8	0.2%	63.5%	1 106.9	1 202.8	1 243.0	17.4%	67.9%
Immigration Services	249.2	243.7	228.4	257.6	1.1%	19.9%	272.4	237.3	249.8	-1.0%	16.0%
Asylum Seekers	125.6	178.3	186.6	206.9	18.1%	14.2%	212.1	228.9	241.5	5.3%	14.0%
Total	1 145.7	1 198.5	1 273.9	1 294.3	4.1%	100.0%	1 614.0	1 693.1	1 762.0	10.8%	100.0%
Change to 2019 Budget estimate				31.5			283.4	310.0	326.0		
Economic classification											
Current payments	1 135.4	1 157.8	1 240.0	1 293.8	4.4%	98.3%	1 613.5	1 692.7	1 761.5	10.8%	100.0%
Compensation of employees	708.5	722.5	769.2	782.0	3.3%	60.7%	934.7	993.0	1 025.9	9.5%	58.7%
Goods and services ¹	426.9	435.3	470.8	511.8	6.2%	37.6%	678.8	699.6	735.6	12.8%	41.3%
of which:											
Computer services	3.5	182.9	189.8	183.0	273.5%	11.4%	424.4	454.0	479.6	37.9%	24.2%
Legal services	—	—	32.1	17.4	—	1.0%	10.8	11.6	15.6	-3.6%	0.9%
Contractors	0.9	25.5	24.9	30.1	223.0%	1.7%	33.4	32.9	31.3	1.3%	2.0%
Agency and support/outsourced services	109.2	131.7	103.0	120.2	3.2%	9.4%	98.1	116.4	124.0	1.0%	7.2%
Property payments	1.3	2.3	3.9	18.1	137.8%	0.5%	9.6	17.1	16.1	-3.8%	1.0%
Travel and subsistence	45.9	36.8	43.3	19.2	-25.1%	3.0%	23.1	12.5	13.0	-12.2%	1.1%
Transfers and subsidies¹	1.3	0.9	2.2	0.4	-31.3%	0.1%	0.5	0.5	0.5	5.2%	—
Departmental agencies and accounts	0.0	—	0.0	0.0	14.5%	—	0.0	0.0	0.0	—	—
Households	1.3	0.9	2.2	0.4	-31.5%	0.1%	0.5	0.5	0.5	5.3%	—
Payments for capital assets	9.0	39.7	31.7	—	-100.0%	1.6%	—	—	—	—	—
Buildings and other fixed structures	—	15.6	26.0	—	—	0.8%	—	—	—	—	—
Machinery and equipment	9.0	24.1	5.5	—	-100.0%	0.8%	—	—	—	—	—
Software and other intangible assets	—	—	0.2	—	—	—	—	—	—	—	—
Total	1 145.7	1 198.5	1 273.9	1 294.3	4.1%	100.0%	1 614.0	1 693.1	1 762.0	10.8%	100.0%
Proportion of total programme expenditure to vote expenditure	14.1%	14.3%	14.1%	13.6%	—	—	17.9%	17.5%	17.5%	—	—

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

Public Entities

Electoral Commission

Selected performance indicators

Table 5.9 Electoral Commission performance indicators by programme/objective/activity and related MTSF priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Number of registered voters as at 31 March each year	Electoral operations		26 099 774	26 253 822	26 749 557	26 800 000	25 960 000	26 540 000	25 960 000
Number of contracted voting stations in place on main registration weekends or general election days in the years where applicable	Electoral operations	Priority 5: Social cohesion and safe communities	22 612	22 617	22 924	22 924	23 200	23 200	N/A

Table 5.9 Electoral Commission performance indicators by programme/objective/activity and related MTSF priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of liaison sessions held with members of party liaison committees at national, provincial and municipal levels per year	Electoral operations	Priority 5: Social cohesion and safe communities	1 937	1 285	2 084	1 338	1 338	1 784	1 338
Number of voters who turn out in national and provincial, and local government elections as a percentage of registered voters in years when applicable	Outreach		58% (15.3 million/ 26.4 million)	N/A	N/A	66.1%	N/A	58%	N/A
Number of civic and democracy education events held per year	Outreach		48 449	14 074	82 388	15 000	35 000	25 000	15 000
Number of interactions/ liaisons internationally achieved per year	Outreach		20	30	20	20	20	20	20

Entity overview

The Electoral Commission is a chapter 9 constitutional institution that reports directly to Parliament. It was established in terms of the Electoral Commission Act (1996), which sets out its composition, powers, functions and duties. The commission is mandated to manage national and provincial, and local government elections; ensure that those elections are free and fair; and declare results within a prescribed period. The commission's ongoing focus is on: strengthening institutional effectiveness, delivering free and fair elections, informing and engaging citizens and stakeholders in electoral democracy, and contributing to the enhancement of the transparency of elections and party funding.

Over the medium term, the commission will focus on preparations for the 2021 local government elections and the 2024 national and provincial elections. These preparations entail extensive activities around creating awareness among citizens, registering voters, improving technologies, and delivering elections in accordance with the commission's governing legislation and mandate. Preparations for the 2021 local government elections will begin by conducting 2 general voter registration events across the country over 2 weekends, in March 2021 and May 2021. These registration events will be followed by the 2021 local government elections, which are expected to take place between August and November 2021. Preparations for the 2024 national and provincial elections will commence in 2022/23.

Over the medium term, the commission will undertake extensive outreach activities to keep the electorate informed and attain high voter turnouts on election days. Part of this entails democracy education and communications campaigns on various media platforms. For this purpose, R615 million has been budgeted for, over the MTEF period and R826.7 million over the same period has been budgeted for the technology improvements to enhance its registration, voting and counting processes, including the updating of databases in line with electoral requirements. In addition, R255 million is allocated in 2020/21 for the procurement of 60 000 new and improved voter registration and voting management devices.

Significant cost drivers associated with delivering elections are the procurement, distribution and warehousing of registration and election materials; rental and infrastructure costs associated with voting stations (approximately 23 200); the procurement of items on the bill of electoral material, including ballot papers, ballot boxes and stationery used at voting stations during electoral events; and the maintenance of addresses on the voters' roll. For this purpose, R702 million is allocated in 2021/22 for the local government elections. Allocations for the 2024 national and provincial elections will be made during the next MTEF period. To carry out preparations for the local government elections and the national and provincial elections; and operations for the 2021 local government elections, R614 million is allocated for the appointment of approximately 350 000 fixed-term and temporary electoral employees to work during registration and election periods. This allocation

is also expected to enable the improvement of training programmes.

Expenditure is expected to decrease at an average annual rate of 7 per cent, from R2.2 billion in 2019/20 to R1.7 billion in 2022/23, mainly as a result of capital expenditure amounting to R735.2 million over the MTEF period for the acquisition of a building. Revenue is expected to increase at an average annual rate of 6.5 per cent, from R2.1 billion in 2019/20 to R2.5 billion in 2022/23. The commission derives 99 per cent (R7.1 billion) of its revenue from transfer payments from the department.

Programmes/Objectives/Activities

Table 5.10 Electoral Commission 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	612.9	537.5	564.6	720.4	5.5%	35.4%	683.7	774.9	788.7	3.1%	35.9%
Electoral operations	1 203.4	649.7	769.4	1 244.9	1.1%	54.3%	1 120.6	1 437.3	832.5	-12.6%	54.6%
Outreach	197.8	108.6	219.9	195.8	-0.3%	10.4%	221.8	276.7	116.1	-16.0%	9.5%
Total	2 014.1	1 295.8	1 553.8	2 161.1	2.4%	100.0%	2 026.1	2 489.0	1 737.3	-7.0%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 5.11 Electoral Commission statements of historical financial performance, cash flow and financial position

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Budget estimate		Average: Outcome/ Budget (%)
	Budget	2016/17	Budget	2017/18	Budget	2018/19	2019/20	Revised estimate	
Revenue									
Non-tax revenue	33.0	44.7	10.0	17.3	15.0	44.6	15.0	45.0	207.7%
of which:									
Other non-tax revenue	33.0	44.7	10.0	17.3	15.0	44.6	15.0	45.0	207.7%
Transfers received	1 657.9	1 657.9	1 299.9	1 299.9	1 965.0	1 965.0	2 012.7	2 012.7	100.0%
Total revenue	1 690.9	1 702.6	1 309.9	1 317.3	1 980.0	2 009.6	2 027.7	2 057.7	101.1%
Expenses									
Current expenses	2 017.9	2 014.1	1 353.3	1 295.8	1 963.1	1 553.8	2 056.4	2 161.1	95.0%
Compensation of employees	741.9	755.7	604.5	638.8	780.4	793.9	803.6	813.4	102.4%
Goods and services	1 206.5	1 190.4	678.3	584.3	995.7	724.0	1 129.2	1 297.3	94.7%
Depreciation	69.5	68.0	70.5	72.7	186.9	35.8	86.9	50.3	54.8%
Interest, dividends and rent on land	—	0.0	—	0.0	0.0	0.0	36.7	0.0	0.1%
Total expenses	2 017.9	2 014.1	1 353.3	1 295.8	1 963.1	1 553.8	2 056.4	2 161.1	95.0%
Surplus/(Deficit)	(327.0)	(312.0)	(43.0)	21.0	17.0	456.0	(29.0)	(103.0)	
Cash flow statement									
Cash flow from operating activities	(257.5)	(284.3)	27.3	121.9	203.8	542.2	94.9	(53.0)	476.5%
Receipts									
Non-tax receipts	33.0	41.4	10.0	15.1	15.0	42.0	15.0	45.0	196.6%
Other tax receipts	33.0	41.4	10.0	15.1	15.0	42.0	15.0	45.0	196.6%
Transfers received	1 657.9	1 657.9	1 299.9	1 299.9	1 965.0	1 965.0	2 012.7	2 012.7	100.0%
Total receipts	1 690.9	1 699.3	1 309.9	1 315.0	1 980.0	2 007.0	2 027.7	2 057.7	101.0%
Payment									
Current payments	1 948.4	1 983.5	1 282.6	1 193.1	1 776.2	1 464.9	1 932.8	2 110.7	97.3%
Compensation of employees	741.9	752.7	604.5	638.8	780.4	793.9	803.6	813.4	102.3%
Goods and services	1 206.5	1 230.8	678.1	554.3	995.7	670.9	1 129.2	1 297.3	93.6%
Interest and rent on land	—	0.0	—	0.0	—	—	—	—	—
Total payments	1 948.4	1 983.5	1 282.6	1 193.1	1 776.2	1 464.9	1 932.8	2 110.7	97.3%
Net cash flow from investing activities	(24.3)	(42.7)	(26.5)	(6.0)	(130.0)	(54.9)	(12.6)	(110.0)	110.5%
Acquisition of property, plant, equipment and intangible assets	(23.4)	(23.3)	(24.6)	(1.8)	(129.2)	(40.9)	(12.3)	(109.6)	92.6%
Acquisition of software and other intangible assets	(0.9)	(19.8)	(1.8)	(4.9)	(0.8)	(14.6)	(0.4)	(0.4)	1 034.6%
Proceeds from sale of property, plant, equipment and intangible assets	—	—	—	0.7	—	0.6	—	—	—
Other flows from investing activities	—	0.4	—	—	—	—	—	—	—
Net cash flow from financing activities	—	—	—	—	(143.5)	—	(86.5)	—	—
Repayment of finance leases	—	—	—	—	(143.5)	—	(49.8)	—	—
Other flows from financing activities	—	—	—	—	—	—	(36.7)	—	—

Table 5.11 Electoral Commission statements of historical financial performance, cash flow and financial position

Statement of financial performance									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Net increase/(decrease) in cash and cash equivalents	(281.8)	(326.9)	0.8	115.9	(69.6)	487.3	(4.2)	(163.0)	
Statement of financial position									
Carrying value of assets	274.4	294.2	250.4	227.4	823.7	246.2	749.4	306.0	51.2%
Acquisition of assets	(23.4)	(23.3)	(24.6)	(1.8)	(129.2)	(40.9)	(12.3)	(109.6)	92.6%
Inventory	15.0	11.9	8.0	9.0	45.0	45.8	8.0	15.0	107.5%
Accrued investment interest	—	0.0	—	0.1	—	1.9	—	—	—
Receivables and prepayments	18.0	22.3	18.0	32.3	18.5	47.8	18.5	35.0	188.3%
Cash and cash equivalents	5.0	14.1	15.0	130.0	10.8	617.2	15.0	450.0	2 643.4%
Total assets	312.4	342.5	291.4	398.8	898.0	959.0	790.9	806.0	109.3%
Accumulated surplus/(deficit)	180.1	195.6	145.9	217.0	306.9	673.0	328.9	650.0	180.4%
Finance lease	—	—	—	—	366.5	—	316.7	—	—
Trade and other payables	131.8	145.2	142.5	179.7	222.5	280.6	143.5	150.5	118.1%
Provisions	0.5	1.7	1.7	2.1	2.1	5.4	1.7	5.5	243.6%
Derivatives financial instruments	—	—	1.3	—	—	—	—	—	—
Total equity and liabilities	312.4	342.5	291.4	398.8	898.0	959.0	790.9	806.0	109.3%

Statements of estimates of financial performance, cash flow and financial position**Table 5.12 Electoral Commission statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Revenue								
Non-tax revenue	45.0	0.3%	2.1%	15.0	15.0	15.0	-30.7%	1.0%
Other non-tax revenue	45.0	0.3%	2.1%	15.0	15.0	15.0	-30.7%	1.0%
Transfers received	2 012.7	6.7%	97.9%	2 218.9	2 385.0	2 472.6	7.1%	99.0%
Total revenue	2 057.7	6.5%	100.0%	2 233.9	2 400.0	2 487.6	6.5%	100.0%
Current expenses	2 161.1	2.4%	100.0%	2 026.1	2 489.0	1 737.3	-7.0%	100.0%
Compensation of employees	813.4	2.5%	43.9%	850.4	1 012.1	908.4	3.7%	43.1%
Goods and services	1 297.3	2.9%	52.7%	1 114.9	1 370.8	727.1	-17.6%	53.0%
Depreciation	50.3	-9.6%	3.4%	60.8	106.1	101.9	26.5%	3.9%
Interest, dividends and rent on land	0.0	—	0.0%	—	—	—	-100.0%	0.0%
Total expenses	2 161.1	2.4%	100.0%	2 026.1	2 489.0	1 737.3	-7.0%	100.0%
Surplus/(Deficit)	(103.0)			208.0	(89.0)	750.0		
Cash flow statement								
Cash flow from operating activities	(53.0)	-42.9%	2.0%	268.6	17.1	852.1	-30.7%	1.0%
Receipts								
Non-tax receipts	45.0	2.8%	2.0%	15.0	15.0	15.0	-30.7%	1.0%
Other tax receipts	45.0	2.8%	2.0%	15.0	15.0	15.0	-30.7%	1.0%
Transfers received	2 012.7	6.7%	98.0%	2 218.9	2 385.0	2 472.6	7.1%	99.0%
Total receipts	2 057.7	6.6%	100.0%	2 233.9	2 400.0	2 487.6	6.5%	100.0%
Current payments	2 110.7	2.1%	95.6%	1 965.3	2 382.9	1 635.4	-8.2%	100.0%
Compensation of employees	813.4	2.6%	43.9%	850.4	1 012.1	908.4	3.7%	45.0%
Goods and services	1 297.3	1.8%	51.8%	1 114.9	1 370.8	727.1	-17.6%	55.0%
Total payment	2 110.7	2.1%	100.0%	1 965.3	2 382.9	1 635.4	-8.2%	100.0%
Net cash flow from investing activities	(110.0)	37.1%	100.0%	(593.6)	(17.1)	(852.1)	97.9%	100.0%
Acquisition of property, plant, equipment and intangible assets	(109.6)	67.6%	64.4%	(593.6)	(16.6)	(851.6)	98.1%	99.2%
Acquisition of software and other intangible assets	(0.4)	-72.5%	38.9%	—	(0.5)	(0.5)	9.5%	0.8%
Net increase/(decrease) in cash and cash equivalents	(163.0)	-20.7%	100.0%	(325.0)	0.0	(0.0)	-100.0%	100.0%
Statement of financial position								
Carrying value of assets	306.0	1.3%	51.6%	838.7	749.7	1 525.5	70.8%	78.7%
Acquisition of assets	(109.6)	67.6%	-6.3%	(593.6)	(16.6)	(851.6)	98.1%	-33.1%
Inventory	15.0	8.0%	3.1%	50.0	15.0	15.0	—	2.5%
Receivables and prepayments	35.0	16.2%	6.0%	36.0	37.0	38.0	2.8%	3.8%
Cash and cash equivalents	450.0	217.4%	39.2%	15.0	15.0	15.0	-67.8%	15.1%
Total assets	806.0	33.0%	100.0%	939.7	816.7	1 593.5	25.5%	100.0%
Accumulated surplus/(deficit)	650.0	49.2%	65.6%	693.2	654.7	1 436.0	30.2%	81.2%
Trade and other payables	150.5	1.2%	33.8%	241.0	156.5	152.0	0.3%	18.3%
Provisions	5.5	47.2%	0.6%	5.5	5.5	5.5	—	0.6%
Total equity and liabilities	806.0	33.0%	100.0%	939.7	816.7	1 593.5	25.5%	100.0%

Personnel information

Table 5.13 Electoral Commission personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number	
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/Total (%)
			2018/19			2019/20			2020/21			2021/22			2022/23				
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Electoral Commission			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	15 779	15 860	15 377	793.9	0.1	15 783	813.4	0.1	11 410	850.4	0.1	16 179	1 012.1	0.1	4 890	908.4	0.2	3.7%	100.0%
1 – 6	14 853	14 861	14 529	158.2	0.0	14 853	130.8	0.0	10 484	101.2	0.0	15 253	208.3	0.0	3 963	46.9	0.0	-29.0%	90.3%
7 – 10	830	869	766	490.6	0.6	834	525.0	0.6	830	575.0	0.7	830	617.1	0.7	830	661.4	0.8	8.0%	8.7%
13 – 16	95	129	81	142.1	1.8	95	154.5	1.6	95	171.0	1.8	95	183.3	1.9	96	196.4	2.0	8.3%	1.0%
17 – 22	1	1	1	3.1	3.1	1	3.2	3.2	1	3.2	3.2	1	3.4	3.4	1	3.7	3.7	4.7%	0.0%

1. Rand million.

Government Printing Works

Selected performance indicators

Table 5.14 Government Printing Works performance indicators by programme/objective/activity and related MTSF priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of editions of government and provincial gazettes published per year	Production and operations	Priority 6: A capable, ethical and developmental state	2 400	2 400	2 400	2 400	2 400	2 400	2 400
Number of new passports printed per year	Production and operations		886 119	912 426	900 000	1 000 000	1 000 000	1 000 000	1 000 000
Number of smart identity cards issued per year	Production and operations		2 699 047	2 642 428	3 000 000	3 000 000	3 000 000	3 000 000	3 000 000

Entity overview

Government Printing Works is mandated to provide security printing and ancillary services to all organs of state in all spheres of government. It was converted to a full government component in 2009 in terms of the Public Service Act (1999), enabling it to operate on sound business principles. The entity fulfils its mandate subject to policies as prescribed by the Minister of Home Affairs. Accordingly, the entity's ongoing objectives are to: provide secure printing services to South Africa and some countries in the Southern African Development Community, produce secure documents for identification and effective border security, and establish itself as the security printer of choice in the region. Over the medium term, the entity will focus on replacing old equipment and machinery, refurbishing its production facility, and developing and attracting specialised skills.

The equipment recapitalisation plan is expected to cost R1.9 billion over the medium term. An existing building in Pretoria has been identified for refurbishment to serve as the entity's new headquarters from 2020/21. The total cost in 2020/21 for refurbishing the building is estimated at R107 million. As a significant portion of the entity's personnel are nearing retirement, the number of personnel in the entity is expected to decrease from 884 in 2019/20 to 874 in 2022/23.

Expenditure is expected to increase at an average annual rate of 10.1 per cent, from R1.5 billion in 2019/20 to R2.0 billion in 2022/23. Revenue is expected to increase at an average annual rate of 8.1 per cent, from R1.6 billion in 2019/20 to R2.1 billion in 2022/23. The entity is set to generate 94.4 per cent (R5.4 billion) of its revenue over the medium term through business operations.

Programmes/Objectives/Activities

Table 5.15 Government Printing Works expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19		2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23		
Administration	208.5	260.5	254.0	379.1	22.1%	25.0%	426.1	482.1	537.9	12.4%	26.8%
Production and operations	713.4	693.1	774.0	1 108.9	15.8%	75.0%	1 092.2	1 334.4	1 449.5	9.3%	73.2%
Total	921.9	953.5	1 028.0	1 488.0	17.3%	100.0%	1 518.3	1 816.6	1 987.4	10.1%	100.0%

Statements of historical financial performance, cash flow and financial position**Table 5.16 Government Printing Works statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Revenue									
Non-tax revenue	1 341.0	1 442.0	1 453.5	1 409.4	1 501.4	1 500.8	1 536.3	1 536.3	101.0%
Sale of goods and services other than capital assets	1 338.0	1 432.0	1 450.2	1 405.5	1 497.9	1 497.0	1 532.4	1 532.4	100.8%
<i>of which:</i>									
<i>Sales by market establishment</i>	<i>1 338.0</i>	<i>1 432.0</i>	<i>1 450.2</i>	<i>1 405.5</i>	<i>1 497.9</i>	<i>1 497.0</i>	<i>1 532.4</i>	<i>1 532.4</i>	<i>100.8%</i>
Other non-tax revenue	3.0	10.0	3.3	3.9	3.6	3.8	3.8	3.8	156.8%
Transfers received	68.7	71.9	72.3	69.4	82.4	55.4	105.0	105.0	91.9%
Total revenue	1 409.8	1 513.9	1 525.8	1 478.8	1 583.8	1 556.2	1 641.2	1 641.2	100.5%
Expenses									
Current expenses	1 211.4	921.9	1 305.1	953.5	1 453.3	1 028.0	1 488.0	1 488.0	80.5%
Compensation of employees	212.8	201.5	269.2	212.4	331.0	235.1	366.7	366.7	86.1%
Goods and services	875.6	627.3	886.4	650.0	928.7	719.5	1 038.0	1 038.0	81.4%
Depreciation	123.1	93.2	149.4	91.1	193.5	73.4	83.3	83.3	62.1%
Total expenses	1 211.4	921.9	1 305.1	953.5	1 453.3	1 028.0	1 488.0	1 488.0	80.5%
Surplus/(Deficit)	198.0	592.0	221.0	525.0	130.0	528.0	153.0	153.0	
Cash flow statement									
Cash flow from operating activities	(88.7)	675.2	230.5	379.9	(40.5)	178.5	453.2	455.2	304.5%
Receipts									
Non-tax receipts	1 299.4	1 668.1	1 428.5	1 586.8	1 510.0	1 454.8	1 523.3	1 525.4	108.2%
Sales of goods and services other than capital assets	1 299.4	1 668.1	1 428.5	1 584.9	1 510.0	1 453.2	1 523.3	1 523.3	108.1%
<i>Sales by market establishment</i>	<i>1 299.4</i>	<i>1 668.1</i>	<i>1 428.5</i>	<i>1 584.9</i>	<i>1 510.0</i>	<i>1 453.2</i>	<i>1 523.3</i>	<i>1 523.3</i>	<i>108.1%</i>
Other tax receipts	—	—	—	1.9	—	1.7	—	2.0	—
Total receipts	1 299.4	1 668.1	1 428.5	1 586.8	1 510.0	1 454.8	1 523.3	1 525.4	108.2%
Payment									
Current payments	1 388.1	992.9	1 198.0	1 106.9	1 550.5	976.4	1 070.1	1 070.1	79.6%
Compensation of employees	212.8	101.4	269.2	212.4	331.0	235.3	366.7	366.7	77.6%
Goods and services	1 175.4	891.5	928.7	894.5	1 219.4	741.1	703.5	703.5	80.2%
Transfers and subsidies	—	—	—	100.0	—	300.0	—	—	—
Total payments	1 388.1	992.9	1 198.0	1 206.9	1 550.5	1 276.4	1 070.1	1 070.1	87.3%
Net cash flow from investing activities	(183.8)	(210.7)	(319.5)	(103.6)	(794.0)	(120.4)	(675.0)	(675.0)	56.3%
Acquisition of property, plant, equipment and intangible assets	(183.8)	(197.8)	(319.5)	(101.2)	(794.0)	(120.4)	(675.0)	(675.0)	55.5%
Acquisition of software and other intangible assets	—	(12.9)	—	(2.5)	—	—	—	—	—
Net increase/(decrease) in cash and cash equivalents	(272.5)	464.6	(88.9)	276.2	(834.5)	58.1	(221.8)	(219.8)	
Statement of financial position									
Carrying value of assets	974.6	829.9	1 144.6	842.5	1 349.4	1 005.9	1 662.1	1 662.1	84.6%
<i>Acquisition of assets</i>	<i>(183.8)</i>	<i>(197.8)</i>	<i>(319.5)</i>	<i>(101.2)</i>	<i>(794.0)</i>	<i>(120.4)</i>	<i>(675.0)</i>	<i>(675.0)</i>	<i>55.5%</i>
Inventory	277.9	192.7	333.0	204.0	251.9	307.4	202.0	202.0	85.1%
Receivables and prepayments	352.7	278.9	396.3	298.1	284.6	215.7	293.7	293.7	81.8%
Cash and cash equivalents	1 138.5	1 875.6	1 049.6	2 151.8	1 317.3	2 209.9	1 095.5	1 095.5	159.4%
Total assets	2 743.8	3 177.1	2 923.6	3 496.3	3 203.3	3 738.8	3 253.4	3 253.4	112.7%
Capital and reserves	2 021.1	2 414.6	2 241.7	2 839.9	2 617.4	3 068.2	2 770.7	2 770.7	114.9%
Deferred income	564.9	561.8	492.6	492.4	407.1	438.6	302.2	302.2	101.6%
Trade and other payables	155.6	196.2	186.4	159.1	174.1	226.5	175.9	175.9	109.5%
Provisions	2.2	4.6	2.9	4.9	4.6	5.5	4.6	4.6	138.0%
Total equity and liabilities	2 743.8	3 177.1	2 923.6	3 496.3	3 203.3	3 738.8	3 253.4	3 253.4	112.7%

Statements of estimates of financial performance, cash flow and financial position**Table 5.17 Government Printing Works statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Revenue								
Non-tax revenue	1 536.3	2.1%	95.2%	1 563.5	1 888.1	1 998.9	9.2%	94.4%
Sale of goods and services other than capital assets	1 532.4	2.3%	94.8%	1 559.4	1 883.6	1 994.1	9.2%	94.2%
<i>Sales by market establishment</i>	<i>1 532.4</i>	<i>2.3%</i>	<i>94.8%</i>	<i>1 559.4</i>	<i>1 883.6</i>	<i>1 994.1</i>	<i>9.2%</i>	<i>94.2%</i>
Other non-tax revenue	3.8	-27.4%	0.3%	4.1	4.5	4.7	7.4%	0.2%

Table 5.17 Government Printing Works statements of estimates of financial performance, cash flow and financial position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
R million	2019/20							
Transfers received	105.0	13.4%	4.8%	110.7	116.8	73.6	-11.2%	5.6%
Total revenue	1 641.2	2.7%	100.0%	1 674.3	2 004.9	2 072.4	8.1%	100.0%
Current expenses	1 488.0	17.3%	100.0%	1 518.3	1 816.6	1 987.4	10.1%	100.0%
Compensation of employees	366.7	22.1%	22.9%	334.9	359.1	384.1	1.6%	21.4%
Goods and services	1 038.0	18.3%	69.0%	977.6	1 173.0	1 232.3	5.9%	65.2%
Depreciation	83.3	-3.7%	8.1%	205.8	284.4	371.0	64.5%	13.4%
Total expenses	1 488.0	17.3%	100.0%	1 518.3	1 816.6	1 987.4	10.1%	100.0%
Surplus/(Deficit)	153.0			156.0	188.0	85.0		
Cash flow statement								
Cash flow from operating activities	455.2	-12.3%	299.8%	205.2	310.9	153.9	27.0%	299.7%
Receipts								
Non-tax receipts	1 525.4	-2.9%	100.0%	1 556.4	1 823.7	1 975.3	9.0%	100.0%
Sales of goods and services other than capital assets	1 523.3	-3.0%	99.9%	1 554.3	1 821.5	1 972.9	9.0%	99.9%
Sales by market establishment	1 523.3	-3.0%	99.9%	1 554.3	1 821.5	1 972.9	9.0%	99.9%
Other tax receipts	2.0	—	0.1%	2.1	2.2	2.3	4.8%	0.1%
Total receipts	1 525.4	-2.9%	100.0%	1 556.4	1 823.7	1 975.3	9.0%	100.0%
Current payments	1 070.1	2.5%	97.7%	1 351.2	1 512.8	1 821.4	19.4%	100.0%
Compensation of employees	366.7	53.5%	20.2%	334.9	359.1	384.1	1.6%	26.0%
Goods and services	703.5	-7.6%	77.5%	1 016.3	1 153.6	1 437.3	26.9%	74.0%
Total payment	1 070.1	2.5%	100.0%	1 351.2	1 512.8	1 821.4	19.4%	100.0%
Net cash flow from investing activities	(675.0)	47.4%	100.0%	(983.0)	(630.0)	(1 087.0)	17.2%	100.0%
Acquisition of property, plant, equipment and intangible assets	(675.0)	50.6%	97.9%	(983.0)	(630.0)	(1 087.0)	17.2%	100.0%
Net increase/(decrease) in cash and cash equivalents	(219.8)	-177.9%	100.0%	(777.8)	(319.1)	(933.1)	61.9%	100.0%
Statement of financial position								
Carrying value of assets	1 662.1	26.0%	32.1%	2 439.3	2 784.9	3 478.6	27.9%	79.0%
Acquisition of assets	(675.0)	50.6%	-8.3%	(983.0)	(630.0)	(1 087.0)	17.2%	-25.8%
Inventory	202.0	1.6%	6.6%	246.3	270.9	298.0	13.8%	7.8%
Receivables and prepayments	293.7	1.7%	8.0%	298.9	361.0	382.2	9.2%	10.2%
Cash and cash equivalents	1 095.5	-16.4%	53.3%	205.7	(113.3)	(819.8)	-190.8%	3.0%
Total assets	3 253.4	0.8%	100.0%	3 190.2	3 303.4	3 339.0	0.9%	100.0%
Capital and reserves	2 770.7	4.7%	81.1%	2 814.7	3 007.3	3 092.4	3.7%	89.3%
Deferred income	302.2	-18.7%	13.2%	191.4	73.6	—	-100.0%	4.4%
Trade and other payables	175.9	-3.6%	5.5%	179.5	218.0	242.0	11.2%	6.2%
Provisions	4.6	—	0.1%	4.6	4.6	4.6	—	0.1%
Total equity and liabilities	3 253.4	0.8%	100.0%	3 190.2	3 303.4	3 339.0	0.9%	100.0%

Personnel information**Table 5.18 Government Printing Works personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number				
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)					
		2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23				
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost							
Government Printing Works		884	884	633	235.1	0.4	884	366.7	0.4	874	334.9	0.4	874	359.1	0.4	874	384.1	0.4	1.6%	100.0%
1 – 6	629	629	433	109.6	0.3	629	170.7	0.3	621	160.3	0.3	621	173.2	0.3	621	185.6	0.3	2.8%	71.1%	
7 – 10	181	181	145	67.5	0.5	181	92.2	0.5	184	94.4	0.5	184	100.9	0.5	184	108.6	0.6	5.6%	20.9%	
11 – 12	42	42	34	31.6	0.9	42	48.8	1.2	42	40.0	1.0	42	42.5	1.0	42	44.9	1.1	-2.7%	4.8%	
13 – 16	32	32	21	26.3	1.3	32	55.1	1.7	27	40.2	1.5	27	42.6	1.6	27	45.1	1.7	-6.4%	3.2%	

1. Rand million.

Vote 6

International Relations and Cooperation

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	1 762.9	1 404.4	1.7	356.8	1 846.3	1 950.2
International Relations	3 308.3	3 283.3	6.1	18.9	3 541.7	3 670.5
International Cooperation	536.3	534.6	1.4	0.3	548.1	557.9
Public Diplomacy and Protocol Services	338.6	336.9	1.7	0.0	373.5	393.7
International Transfers	904.0	–	904.0	–	728.9	756.6
Total expenditure estimates	6 850.2	5 559.2	914.9	376.1	7 038.5	7 328.9

Executive authority Minister of International Relations and Cooperation
 Accounting officer Director-General of International Relations and Cooperation
 Website www.dirco.gov.za

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Formulate, coordinate, implement and manage South Africa's foreign policy and international relations programmes.

Mandate

According to the Constitution, the President is responsible for South Africa's foreign policy and international relations. It is the President's prerogative to appoint heads of mission, to receive foreign heads of mission, to conduct state-to-state relations, and to negotiate and sign all international agreements. International agreements that are not of a technical, administrative or executive nature bind the country only after being approved by Parliament, which also approves the country's ratification of or accession to multilateral agreements. All international agreements must be tabled in Parliament for reference. The Minister of International Relations and Cooperation is entrusted with the formulation, promotion, execution and daily conduct of South Africa's foreign policy.

The department's overall mandate is to work for the realisation of South Africa's foreign policy objectives. This is done by:

- coordinating and aligning South Africa's international relations
- monitoring developments in the international environment
- communicating government's policy positions
- developing and advising government on policy options to create mechanisms and avenues for achieving objectives
- protecting South Africa's sovereignty and territorial integrity
- contributing to the creation of an enabling international environment for South African businesses
- sourcing developmental assistance
- assisting South African citizens abroad.

Selected performance indicators

Table 6.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Number of regional reports on outcomes of structured bilateral mechanisms and high-level visits showing delivery against country strategies per year	International Relations	Priority 7: A better Africa and world	— ¹	— ¹	— ¹	— ¹	12	12	12
Number of regional reports on investment pledges/agreements made at investment conferences during structured bilateral mechanisms and high-level visits, as well as at missions through the department's intervention, followed up and monitored per year	International Relations		— ¹	— ¹	— ¹	— ¹	12	12	12
Number of regional reports on trade leads submitted to the Department of Trade, Industry and Competition monitored and followed up per year	International Relations		— ¹	— ¹	— ¹	— ¹	12	12	12
Number of biannual assessments of South Africa's contribution towards peace, stability, socioeconomic development, good governance, democracy, regional integration and implementation of the Revised Regional Indicative Strategy Development Plan	International Relations		— ¹	— ¹	— ¹	— ¹	2	2	2
Development of a long-term strategy for South Africa's membership/candidatures	International Cooperation		— ¹	— ¹	— ¹	— ¹	Long-term strategy developed	Approved strategy implemented	Assessment of effectiveness of strategy
Percentage of resolutions to and outcomes of multilateral, multistate organisations reflecting South Africa's interests and the African Agenda on peace, security, human rights, economic and social development, and climate change per year	International Cooperation		— ¹	— ¹	— ¹	— ¹	85%	85%	85%
Number of assessment reports reflecting how the outcomes of 3 African partnerships are aligned with the African Union's Agenda 2063 per year	International Cooperation		— ¹	— ¹	— ¹	— ¹	3	3	3
Implementation of African Union chairpersonship strategies	International Cooperation		— ¹	— ¹	— ¹	— ¹	African Union's objective strategies achieved	Assessment of South Africa's African Union Chairship	— ²
Percentage of South Africa's commitments to resolve continental conflicts per year	International Cooperation		— ¹	— ¹	— ¹	— ¹	100%	100%	100%
Percentage of South-South engagement outcomes aligned with the structure strategies per year	International Cooperation		— ¹	— ¹	— ¹	— ¹	100%	100%	100%
Percentage of North-South engagement outcomes aligned with the structure strategies per year	International Cooperation		— ¹	— ¹	— ¹	— ¹	100%	100%	100%

Table 6.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of platforms utilised per year to inform and promote South Africa's foreign policy to domestic and international audiences through: - public participation programmes - media statements published - opinion pieces published	Public Diplomacy and Protocol Services	Priority 7: A better Africa and world							
			19	18	12	12	12	12	12
			186	149	153	100	90	90	90
			14	14	15	12	9	9	9
Percentage of requests rendered for consular assistance per year	Public Diplomacy and Protocol Services		100% (838)	100% (664)	100% (995)	100%	100%	100%	100%

1. New indicator.

2. Indicator discontinued.

Expenditure analysis

Chapter 7 of the National Development Plan details a vision for facilitating South Africa's broad-based socioeconomic development and fostering strong international ties. This articulation is supported by priority 7 (a better Africa and world) of government's 2019-2024 medium-term strategic framework. Over the medium term, the Department of International Relations and Cooperation aims to give effect to these guiding policies by focusing on strengthening the African Agenda and regional integration; consolidating global economic, political and social relations; and developing and managing state-owned properties in foreign missions.

The work of the department is primarily realised through the 125 diplomatic missions in 108 countries in which South Africa has representation. As the department largely relies on its personnel to perform its functions, an estimated 45.6 per cent (R9.8 billion) of its total expenditure over the medium term is earmarked for compensation of employees. This includes the foreign service wage bill, allowances payable to transferred staff in terms of the foreign service dispensation policy, membership fees payable to international organisations, and the development and maintenance of infrastructure in foreign missions. Spending on compensation of employees is expected to increase at an average annual rate of 5.9 per cent, from R2.9 billion in 2019/20 to R3.4 billion in 2022/23. Total expenditure is expected to increase at an average annual rate of 4 per cent, from R6.5 billion in 2019/20 to R7.3 billion in 2022/23.

Strengthening the African Agenda and regional integration

The department will continue to play an active role in the African Union's structures and processes for the advancement of peace, security and conflict prevention in Africa. South Africa has been nominated to chair the African Union in 2020 with a mandate to ensure that there are linkages between development, good governance, peace and stability. As chair, the department will focus on promoting economic development, trade and investment by seeking ways to foster inclusive growth and sustainable development; enhancing peace and security efforts in Africa; and supporting good governance through the African peer review mechanism, the African Union structure responsible for driving the union's agenda of good governance. These activities will be carried out in the *International Transfers* programme, which has a total budget of R2.4 billion over the MTEF period.

South Africa's membership contribution to the African Union is expected to decrease from R437.9 million in 2019/20 to R275.4 million in 2022/23. This is due to South Africa having contributed an additional amount of R413.3 million in 2019/20 and 2020/21, due to funding shortfalls. The decrease in contributions in 2021/22 and 2022/23 is expected to lead to a decrease in spending in the *International Transfers* programme, from R855.6 million in 2019/20 to R756.6 million in 2022/23.

Consolidating global economic, political and social relations

The department will continue to focus on consolidating economic, political and social relations through

structured bilateral mechanisms, high-level engagements and the creation of country-specific strategies to promote national priorities. South Africa will continue to accelerate its economic diplomacy and grow its regional, continental and global trade and investment partnerships through engagements and activities undertaken by South African missions abroad to promote the country's economic interests, investment opportunities, tourism, skills development and cultural exchange. Examples of this include foreign missions holding tourism promotion events and meetings to boost South African tourism and promote South Africa as a destination of choice for business and leisure.

Accordingly, in each year over the medium term, the department will seek to inform and promote South Africa's foreign policy to domestic and international audiences by producing a targeted 12 public participation programmes, and publishing 90 media statements and 9 opinion pieces. As a result of these activities, spending in the *Public Diplomacy and Protocol Services* programme is expected to increase at an average annual rate of 7.3 per cent, from R318.9 million in 2019/20 to R393.7 million in 2022/23. This expenditure includes compensation of employees, property payments, operating leases, and travel and subsistence.

Developing and managing state-owned properties in foreign missions

Over the medium term, the department will seek to reduce its rental portfolio and operational costs associated with the rental of more than 1 000 properties abroad; and ensure the longevity of its 127 state-owned properties by conducting essential maintenance, repairs and renovations. As such, the department will focus on developing vacant state-owned land in Luanda (Angola), New Delhi (India) and Gaborone (Botswana); and renovating state-owned properties in Mbabane (Eswatini), the Hague (Netherlands), Windhoek and Walvis Bay (Namibia), and Brasilia (Brazil). This is expected to lead to a decrease in expenditure on leases. The department also plans to assess the conditions of its properties in Europe that are more than 50 years old, particularly in London (England), Paris (France), Vienna (Austria), Rome (Italy), Brussels (Belgium), Madrid (Spain) and Copenhagen (Denmark) to inform decisions on their future holding and use. For these capital investment objectives, R1.2 billion over the medium term has been set aside in the *Office Accommodation* subprogramme in the *Administration* programme.

Expenditure trends and estimates

Table 6.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. International Relations											
3. International Cooperation											
4. Public Diplomacy and Protocol Services											
5. International Transfers											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	1 544.8	1 229.4	1 355.5	1 715.9	3.6%	22.7%	1 762.9	1 846.3	1 950.2	4.4%	26.2%
Programme 2	3 742.9	3 470.2	3 377.5	3 079.5	-6.3%	53.1%	3 308.3	3 541.7	3 670.5	6.0%	49.1%
Programme 3	462.9	445.3	525.7	538.5	5.2%	7.7%	536.3	548.1	557.9	1.2%	7.9%
Programme 4	271.9	270.4	352.5	318.9	5.5%	4.7%	338.6	373.5	393.7	7.3%	5.1%
Programme 5	822.4	581.5	759.0	855.6	1.3%	11.7%	904.0	728.9	756.6	-4.0%	11.7%
Total	6 844.9	5 996.9	6 370.2	6 508.5	-1.7%	100.0%	6 850.2	7 038.5	7 328.9	4.0%	100.0%
Change to 2019 Budget estimate				-			(75.9)	(79.7)	(63.1)		
Economic classification											
Current payments	5 747.7	5 328.6	5 507.5	5 247.3	-3.0%	84.9%	5 559.2	5 926.8	6 160.9	5.5%	82.6%
Compensation of employees	3 115.6	3 018.8	3 089.0	2 874.5	-2.6%	47.0%	3 071.5	3 271.2	3 413.4	5.9%	45.6%
Goods and services ¹	2 563.8	2 227.4	2 323.6	2 267.7	-4.0%	36.5%	2 379.5	2 544.2	2 632.7	5.1%	35.4%
of which:											
Computer services	181.3	94.0	90.4	129.4	-10.6%	1.9%	139.8	146.6	166.8	8.8%	2.1%
Consultants: Business and advisory services	3.5	3.6	140.2	143.8	243.9%	1.1%	148.6	153.0	157.6	3.1%	2.2%
Operating leases	1 070.3	997.3	1 004.6	928.3	-4.6%	15.6%	971.5	1 028.7	1 069.7	4.8%	14.4%
Property payments	393.8	390.6	268.9	250.2	-14.0%	5.1%	262.7	283.1	283.4	4.2%	3.9%
Travel and subsistence	272.4	239.6	271.0	282.1	1.2%	4.1%	264.0	299.6	312.2	3.4%	4.2%
Operating payments	246.6	212.3	203.9	221.8	-3.5%	3.4%	252.4	255.9	264.0	6.0%	3.6%
Interest and rent on land	68.3	82.4	94.9	105.1	15.5%	1.4%	108.2	111.4	114.8	3.0%	1.6%

Table 6.2 Vote expenditure trends and estimates by programme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19		2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23		
R million											
Transfers and subsidies¹	828.6	608.2	795.5	866.0	1.5%	12.0%	914.9	740.4	768.6	-3.9%	11.9%
Departmental agencies and accounts	0.0	22.2	38.7	56.3	1120.3%	0.5%	58.5	61.7	64.0	4.3%	0.9%
Foreign governments and international organisations	822.4	559.3	720.3	799.3	-0.9%	11.3%	845.5	667.3	692.6	-4.7%	10.8%
Households	6.2	26.7	36.4	10.3	18.6%	0.3%	10.9	11.5	12.0	5.1%	0.2%
Payments for capital assets	268.6	60.0	54.3	395.3	13.7%	3.0%	376.1	371.3	399.4	0.3%	5.6%
Buildings and other fixed structures	215.2	29.2	40.8	282.9	9.6%	2.2%	272.7	292.4	308.8	3.0%	4.2%
Machinery and equipment	53.5	30.8	13.5	112.3	28.1%	0.8%	103.4	78.9	90.6	-6.9%	1.4%
Payments for financial assets	–	–	13.0	–	0.0%	0.1%	–	–	–	0.0%	0.0%
Total	6 844.9	5 996.9	6 370.2	6 508.5	-1.7%	100.0%	6 850.2	7 038.5	7 328.9	4.0%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 6.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19		2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23		
R thousand											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	31	22 243	38 692	56 337	1120.3%	3.8%	58 459	61 675	63 968	4.3%	7.3%
African Renaissance and International Cooperation Fund	31	22 243	38 692	46 272	1042.8%	3.5%	47 840	50 423	52 297	4.2%	6.0%
South African Development Partnership Agency	–	–	–	10 065	–	0.3%	10 619	11 252	11 671	5.1%	1.3%
Households											
Social benefits											
Current	6 199	26 699	36 444	10 349	18.6%	2.6%	10 885	11 484	12 031	5.1%	1.4%
Employee social benefits	6 199	26 699	36 444	10 349	18.6%	2.6%	10 885	11 484	12 031	5.1%	1.4%
Foreign governments and international organisations											
Current	822 355	559 302	720 322	799 274	-0.9%	93.6%	845 535	667 261	692 601	-4.7%	91.3%
African Union	406 296	213 500	346 820	437 912	2.5%	45.3%	397 897	265 053	275 441	-14.3%	41.8%
India-Brazil-South Africa Trust Fund	13 139	11 778	14 541	14 616	3.6%	1.7%	15 690	16 553	17 169	5.5%	1.9%
New Partnership for Africa's Development	7 354	6 814	6 029	7 654	1.3%	0.9%	8 686	9 164	9 506	7.5%	1.1%
African peer review mechanism	1 471	2 729	2 412	1 755	6.1%	0.3%	3 613	3 812	3 955	31.1%	0.4%
Organisation for Economic Cooperation and Development	522	552	595	634	6.7%	0.1%	340	359	372	-16.3%	0.1%
United Nations Development Programme	7 481	5 570	6 707	7 667	0.8%	0.9%	14 293	14 988	15 767	27.2%	1.6%
African, Caribbean and Pacific Group of States	7 755	10 561	7 067	7 624	-0.6%	1.1%	7 921	8 357	8 667	4.4%	1.0%
Commonwealth of Nations	8 044	7 536	8 556	8 484	1.8%	1.1%	12 252	12 926	13 406	16.5%	1.4%
Southern African Development Community	113 164	104 751	107 644	86 643	-8.5%	13.3%	144 965	82 886	85 967	-0.3%	12.2%
United Nations	216 958	156 035	177 683	180 763	-5.9%	23.6%	190 705	201 194	208 673	4.9%	23.7%
United Nations Human Rights Council	405	–	–	–	-100.0%	–	–	528	547	–	–
Biological and Toxin Weapons Convention	708	273	394	685	-1.1%	0.1%	723	763	791	4.9%	0.1%
Comprehensive Nuclear-Test-Ban Treaty	6 401	6 447	6 412	6 586	1.0%	0.8%	7 531	7 945	8 239	7.8%	0.9%
Humanitarian aid	28 779	29 440	31 513	31 944	3.5%	3.9%	33 094	33 832	34 869	3.0%	4.1%
Indian Ocean Rim Association	314	285	348	344	3.1%	–	355	375	389	4.2%	–
Research Centre	–	–	–	–	–	–	–	–	–	–	–
Perez-Guerrero Trust Fund	72	93	82	84	5.3%	–	89	94	98	5.3%	–
South Centre Capital Fund	1 366	1 186	1 454	1 313	-1.3%	0.2%	1 749	1 845	1 914	13.4%	0.2%
United Nations Development Programme in Southern Africa	–	–	–	1 576	–	0.1%	1 663	1 754	1 819	4.9%	0.2%
United Nations Technical Cooperation	135	–	–	–	-100.0%	–	–	176	182	–	–
United Nations Voluntary Fund on Disability	89	–	–	–	-100.0%	–	–	119	123	–	–
United Nations Convention on the Law of the Sea	443	1 139	452	1 166	38.1%	0.1%	836	882	916	-7.7%	0.1%

Table 6.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
International Tribunal for the Law of the Sea	628	–	792	976	15.8%	0.1%	2 320	2 448	2 538	37.5%	0.3%
Asia-African Legal Consultative Organisation	269	228	241	344	8.5%	–	399	421	437	8.3%	–
Permanent Court of Arbitration	161	180	370	251	16.0%	–	192	203	211	-5.6%	–
Group of 77	134	205	210	253	23.6%	–	222	234	243	-1.3%	–
UNICEF	267	–	–	–	-100.0%	–	–	350	362	–	–
Total	828 585	608 244	795 458	865 960	1.5%	100.0%	914 879	740 420	768 600	-3.9%	100.0%

Personnel information

Table 6.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. International Relations																			
3. International Cooperation																			
4. Public Diplomacy and Protocol Services																			
5. International Transfers																			
Number of posts estimated for 31 March 2020			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 (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			2019/20 - 2022/23		
International Relations and Cooperation																			
Salary level	3 687	114	3 852	3 089.0	0.8	3 795	2 874.5	0.8	3 785	3 071.5	0.8	3 765	3 271.2	0.9	3 706	3 413.4	0.9	-0.8%	100.0%
1 – 6	256	2	255	69.8	0.3	255	81.9	0.3	254	87.9	0.3	247	92.0	0.4	243	97.0	0.4	-1.6%	6.6%
7 – 10	1 253	20	1 262	1 089.3	0.9	1 240	1 490.3	1.2	1 215	1 573.0	1.3	1 199	1 668.5	1.4	1 185	1 755.3	1.5	-1.5%	32.2%
11 – 12	377	10	382	876.8	2.3	364	485.2	1.3	369	515.2	1.4	371	552.3	1.5	358	561.8	1.6	-0.6%	9.7%
13 – 16	269	8	272	319.1	1.2	255	466.0	1.8	266	522.4	2.0	270	562.7	2.1	265	585.0	2.2	1.3%	7.0%
Other	1 532	74	1 681	733.9	0.4	1 681	351.0	0.2	1 681	373.0	0.2	1 678	395.7	0.2	1 655	414.3	0.3	-0.5%	44.5%
Programme	3 687	114	3 852	3 089.0	0.8	3 795	2 874.5	0.8	3 785	3 071.5	0.8	3 765	3 271.2	0.9	3 706	3 413.4	0.9	-0.8%	100.0%
Programme 1	890	107	872	469.4	0.5	838	509.5	0.6	820	531.0	0.6	788	544.0	0.7	786	578.3	0.7	-2.1%	21.5%
Programme 2	2 163	1	2 326	2 073.4	0.9	2 312	1 804.7	0.8	2 350	1 975.3	0.8	2 367	2 126.5	0.9	2 322	2 213.3	1.0	0.1%	62.1%
Programme 3	339	6	358	363.2	1.0	352	365.9	1.0	336	367.3	1.1	330	387.1	1.2	321	395.8	1.2	-3.0%	8.9%
Programme 4	295	–	296	183.0	0.6	293	194.5	0.7	279	197.9	0.7	280	213.6	0.8	277	226.0	0.8	-1.9%	7.5%

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

2. Rand million.

Departmental receipts

Table 6.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
Departmental receipts	29 000	38 607	34 561	34 468	34 468	5.9%	100.0%	37 882	40 161	42 894	7.6%	100.0%
Sales of goods and services produced by department	972	1 439	1 178	1 178	1 178	6.6%	3.5%	1 384	1 452	1 655	12.0%	3.6%
Sales by market establishments	502	956	714	712	712	12.4%	2.1%	865	911	1 034	13.2%	2.3%
of which:												
Parking fees	423	956	403	712	712	19.0%	1.8%	509	524	622	-4.4%	1.5%
Rental income	79	–	311	–	–	-100.0%	0.3%	356	387	412	–	0.7%
Administrative fees	470	483	396	458	458	-0.9%	1.3%	451	465	532	5.1%	1.2%
of which:												
Insurance fees	470	483	396	458	458	-0.9%	1.3%	451	465	532	5.1%	1.2%
Other sales	–	–	68	8	8	–	0.1%	68	76	89	123.2%	0.2%
of which:												
Replacement of access cards and nametags	–	–	10	6	6	–	–	6	6	12	26.0%	–
Sale of departmental documents and publications	–	–	2	2	2	–	–	3	4	5	35.7%	–
Transport fees	–	–	56	–	–	–	–	59	66	72	–	0.1%

Table 6.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
Sales of scrap, waste, arms and other used current goods	–	–	–	32	32	–	–	–	–	–	-100.0%	–
of which:												
Sales of scrap	–	–	–	32	32	–	–	–	–	–	-100.0%	–
Fines, penalties and forfeits	–	29	–	5	5	–	–	–	–	–	-100.0%	–
Interest, dividends and rent on land	694	685	621	732	732	1.8%	2.0%	633	634	788	2.5%	1.8%
Interest	694	685	621	732	732	1.8%	2.0%	633	634	788	2.5%	1.8%
Sales of capital assets	4 357	2 647	1 552	1 553	1 553	-29.1%	7.4%	1 090	1 122	1 355	-4.4%	3.3%
Transactions in financial assets and liabilities	22 977	33 807	31 210	30 968	30 968	10.5%	87.1%	34 775	36 953	39 096	8.1%	91.2%
Total	29 000	38 607	34 561	34 468	34 468	5.9%	100.0%	37 882	40 161	42 894	7.6%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 6.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Ministry	6.1	6.0	6.9	7.1	5.1%	0.4%	7.1	7.5	7.8	3.2%	0.4%
Departmental Management	12.8	15.6	16.9	16.7	9.3%	1.1%	19.7	20.7	21.7	9.1%	1.1%
Audit Services	16.8	19.7	23.9	28.4	19.1%	1.5%	24.0	26.3	27.4	-1.3%	1.5%
Financial Management	179.8	179.1	176.1	181.8	0.4%	12.3%	205.8	207.6	212.7	5.4%	11.1%
Corporate Services	757.6	610.1	676.3	767.8	0.4%	48.1%	787.3	829.5	874.7	4.4%	44.8%
Diplomatic Training, Research and Development	62.0	61.2	57.5	57.3	-2.6%	4.1%	63.0	61.6	67.0	5.4%	3.4%
Foreign Fixed Assets Management	204.4	12.2	34.0	263.5	8.8%	8.8%	264.3	284.4	308.7	5.4%	15.4%
Office Accommodation	305.3	325.4	364.0	393.3	8.8%	23.7%	391.8	408.9	430.3	3.0%	22.3%
Total	1 544.8	1 229.4	1 355.5	1 715.9	3.6%	100.0%	1 762.9	1 846.3	1 950.2	4.4%	100.0%
Change to 2019 Budget estimate				–			(53.3)	(80.8)	(56.5)		
Economic classification											
Current payments	1 285.8	1 173.9	1 293.1	1 337.3	1.3%	87.1%	1 404.4	1 493.6	1 570.4	5.5%	79.8%
Compensation of employees	401.8	438.7	469.4	509.5	8.2%	31.1%	531.0	544.0	578.3	4.3%	29.7%
Goods and services ¹	815.7	652.9	728.7	722.7	-4.0%	50.0%	765.2	838.2	877.3	6.7%	44.0%
of which:											
Computer services	180.4	93.5	90.2	128.3	-10.7%	8.4%	138.7	145.4	165.6	8.9%	7.9%
Consultants: Business and advisory services	3.2	2.6	139.9	143.0	256.2%	4.9%	147.8	152.2	156.8	3.1%	8.2%
Contractors	154.5	64.7	75.3	30.4	-41.9%	5.6%	51.7	63.3	51.4	19.2%	2.7%
Operating leases	67.5	95.1	114.6	105.2	16.0%	6.5%	92.5	108.9	117.6	3.8%	5.8%
Travel and subsistence	95.2	91.9	114.9	98.3	1.1%	6.8%	94.0	104.2	106.5	2.7%	5.5%
Operating payments	95.8	75.8	79.0	86.9	-3.2%	5.8%	107.9	119.8	124.3	12.7%	6.0%
Interest and rent on land	68.3	82.4	94.9	105.1	15.5%	6.0%	108.2	111.4	114.8	3.0%	6.0%
Transfers and subsidies¹	1.9	1.6	2.0	3.9	27.6%	0.2%	1.7	1.8	1.9	-21.0%	0.1%
Households	1.9	1.6	2.0	3.9	27.6%	0.2%	1.7	1.8	1.9	-21.0%	0.1%
Payments for capital assets	257.1	53.8	47.4	374.7	13.4%	12.5%	356.8	350.9	377.9	0.3%	20.1%
Buildings and other fixed structures	215.2	29.2	40.8	282.9	9.6%	9.7%	272.7	292.4	308.8	3.0%	15.9%
Machinery and equipment	42.0	24.6	6.6	91.8	29.8%	2.8%	84.1	58.5	69.2	-9.0%	4.2%
Payments for financial assets	–	–	13.0	–	–	0.2%	–	–	–	–	–
Total	1 544.8	1 229.4	1 355.5	1 715.9	3.6%	100.0%	1 762.9	1 846.3	1 950.2	4.4%	100.0%
Proportion of total programme expenditure to vote expenditure	22.6%	20.5%	21.3%	26.4%	–	–	25.7%	26.2%	26.6%	–	–

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

Programme 2: International Relations

Programme purpose

Promote relations with foreign countries.

Objective

- Strengthen political, economic and social relations through structured bilateral agreements and high-level engagements to advance South Africa's national priorities, the African Agenda and South-South cooperation on an ongoing basis.

Subprogrammes

- Africa* embraces relevant national priorities by strengthening bilateral cooperation with countries in Africa, particularly through focusing on increasing exports of South African goods and services, foreign direct investment with technology transfers into value-added industries and mineral beneficiation, and inbound tourism and skills enhancement. South Africa has foreign representation in 47 diplomatic missions in Africa.
- Asia and Middle East* embraces relevant national priorities by strengthening bilateral cooperation with individual countries in Asia and the Middle East, particularly through focusing on increasing exports of South African goods and services, foreign direct investment with technology transfers into value-added industries and mineral beneficiation, and inbound tourism and skills enhancement. South Africa has foreign representation in 32 diplomatic missions in Asia and the Middle East.
- Americas and Caribbean* embraces relevant national priorities by strengthening bilateral cooperation with countries in the Americas and the Caribbean, particularly through focusing on increasing exports of South African goods and services, foreign direct investment with technology transfers into value-added industries and mineral beneficiation, and inbound tourism and skills enhancement. South Africa has foreign representation in 16 diplomatic missions in the Americas and the Caribbean.
- Europe* embraces relevant national priorities by strengthening bilateral cooperation with countries in Europe, particularly through focusing on increasing exports of South African goods and services, foreign direct investment with technology transfers into value-added industries and mineral beneficiation, and inbound tourism and skills enhancement. South Africa has foreign representation in 28 diplomatic missions in Europe.

Expenditure trends and estimates

Table 6.7 International 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Africa	1 133.5	1 062.1	1 036.8	965.1	-5.2%	30.7%	1 052.8	1 139.3	1 195.8	7.4%	32.0%
Asia and Middle East	1 015.5	943.0	941.0	825.1	-6.7%	27.2%	932.1	1 003.4	1 035.4	7.9%	27.9%
Americas and Caribbean	572.6	494.6	509.2	492.9	-4.9%	15.1%	439.2	453.6	475.0	-1.2%	13.7%
Europe	1 021.3	970.6	890.4	796.5	-8.0%	26.9%	884.2	945.4	964.3	6.6%	26.4%
Total	3 742.9	3 470.2	3 377.5	3 079.5	-6.3%	100.0%	3 308.3	3 541.7	3 670.5	6.0%	100.0%
Change to 2019				-			61.9	97.8	98.1		
Budget estimate											
Economic classification											
Current payments	3 728.9	3 440.6	3 347.3	3 056.6	-6.4%	99.3%	3 283.3	3 515.2	3 642.7	6.0%	99.2%
Compensation of employees	2 245.2	2 107.0	2 073.4	1 804.7	-7.0%	60.2%	1 975.3	2 126.5	2 213.3	7.0%	59.7%
Goods and services ¹	1 483.6	1 333.6	1 273.9	1 252.0	-5.5%	39.1%	1 307.9	1 388.7	1 429.4	4.5%	39.5%
of which:											
Catering: Departmental activities	16.7	20.4	17.3	14.1	-5.5%	0.5%	18.1	19.0	19.8	11.8%	0.5%
Communication	35.2	28.9	25.9	30.5	-4.7%	0.9%	28.3	30.0	30.9	0.4%	0.9%
Operating leases	928.1	836.0	817.7	753.8	-6.7%	24.4%	803.3	845.7	879.4	5.3%	24.1%
Property payments	188.5	178.8	178.9	152.8	-6.7%	5.1%	163.1	175.8	168.7	3.3%	4.9%
Travel and subsistence	97.4	79.7	67.9	99.2	0.6%	2.5%	84.8	96.8	101.0	0.6%	2.8%
Operating payments	129.4	111.8	99.1	101.0	-7.9%	3.2%	107.0	112.9	115.7	4.6%	3.2%
Transfers and subsidies¹	3.5	23.8	25.2	4.4	7.9%	0.4%	6.1	6.4	6.7	15.4%	0.2%
Households	3.5	23.8	25.2	4.4	7.9%	0.4%	6.1	6.4	6.7	15.4%	0.2%

Table 6.7 International Relations expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17	2019/20	2020/21	2021/22	2022/23	2019/20	2022/23
Payments for capital assets	10.5	5.8	5.0	18.5	20.6%	0.3%	18.9	20.1	21.1	4.4%	0.6%
Machinery and equipment	10.5	5.8	5.0	18.5	20.6%	0.3%	18.9	20.1	21.1	4.4%	0.6%
Total	3 742.9	3 470.2	3 377.5	3 079.5	-6.3%	100.0%	3 308.3	3 541.7	3 670.5	6.0%	100.0%
Proportion of total programme expenditure to vote expenditure	54.7%	57.9%	53.0%	47.3%	—	—	48.3%	50.3%	50.1%	—	—
Details of selected transfers and subsidies											
Households											
Social benefits											
Current	3.5	23.8	25.2	4.4	7.9%	0.4%	6.1	6.4	6.7	15.4%	0.2%
Employee social benefits	3.5	23.8	25.2	4.4	7.9%	0.4%	6.1	6.4	6.7	15.4%	0.2%

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

Programme 3: International Cooperation

Programme purpose

Participate in initiatives of international organisations and institutions in line with South Africa's national values and foreign policy objectives.

Objectives

- Contribute to a reformed and strengthened multilateral system based on equal rules that will be responsive to the needs of developing countries and Africa, in particular, by participating in the global system of governance on an ongoing basis.
- Strengthen the African Union and its structures by providing ongoing financial support for the operations of the Pan-African Parliament in terms of the country host agreement.
- Improve governance and capacity in the Southern African Development Community secretariat by implementing the secretariat's job evaluation plan and assisting with the recruitment process on an ongoing basis.
- Contribute towards processes of the New Partnership for Africa's Development for socioeconomic development in Africa by participating in the African peer review mechanism and submitting African peer review mechanism country reports when required.
- Strengthen bilateral, trilateral and multilateral interests and relations within the dialogue forum of the Brazil-Russia-India-China-South Africa group of countries through active participation in forum structures on an ongoing basis.
- Strengthen political solidarity, economic cooperation and sociocultural relations with Asian countries by participating in structures of the New Asian-African Strategic Partnership over the medium term.
- Strengthen North-South economic and political relations and cooperation to advance the African Agenda through financing development initiatives and providing support for institutional and governance reforms on an ongoing basis.

Subprogrammes

- *Global System of Governance* provides for multilateralism and an international order based on rules. This entails participating in and playing an active role in all forums of the United Nations system and its specialised agencies, and funding programmes that promote the principles of multilateral activity.
- *Continental Cooperation* provides for the enhancement of the African Agenda and sustainable development.
- *South-South Cooperation* provides for partnerships with countries of the South in advancing South Africa's development needs and the needs of the African Agenda; and creates political, economic and social convergence for the fight against poverty, underdevelopment and the marginalisation of the South.

- *North-South Dialogue* provides for South Africa's bilateral and multilateral engagements to consolidate and strengthen relations with organisations of the North to advance and support national priorities, the African Agenda and the developmental agenda of the South.

Expenditure trends and estimates

Table 6.8 International Cooperation 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Global System of Governance	282.3	283.1	362.2	378.7	10.3%	66.2%	358.1	393.3	398.7	1.7%	70.1%
Continental Cooperation	91.5	74.6	70.2	82.8	-3.3%	16.2%	91.0	69.6	72.7	-4.3%	14.5%
South-South Cooperation	3.3	0.8	4.6	5.7	19.4%	0.7%	9.3	9.9	10.3	21.9%	1.6%
North-South Dialogue	85.8	86.8	88.6	71.3	-6.0%	16.9%	77.9	75.4	76.2	2.2%	13.8%
Total	462.9	445.3	525.7	538.5	5.2%	100.0%	536.3	548.1	557.9	1.2%	100.0%
Change to 2019 Budget estimate				-			(77.5)	(103.3)	(117.8)		
Economic classification	461.7	444.9	517.1	535.3	5.1%	99.3%	534.6	546.4	556.1	1.3%	99.6%
Current payments	311.5	302.1	363.2	365.9	5.5%	68.1%	367.3	387.1	395.8	2.7%	69.5%
Compensation of employees	150.2	142.8	153.9	169.4	4.1%	31.2%	167.4	159.3	160.2	-1.8%	30.1%
Goods and services ¹	4.7	4.0	4.2	6.8	13.3%	1.0%	7.2	7.6	7.9	4.9%	1.4%
of which:	1.3	1.6	3.8	2.8	27.5%	0.5%	2.9	3.1	3.2	4.9%	0.5%
Communication	74.7	66.3	72.3	69.3	-2.5%	14.3%	75.7	74.0	72.7	1.6%	13.4%
Entertainment	11.3	11.1	13.5	12.8	4.1%	2.5%	12.0	12.7	13.2	1.1%	2.3%
Operating leases	31.6	30.4	27.8	31.3	-0.3%	6.1%	22.3	28.5	28.7	-2.9%	5.1%
Property payments	21.4	24.6	25.7	33.4	16.0%	5.3%	37.0	22.6	23.3	-11.2%	5.3%
Travel and subsistence	0.3	0.2	8.4	1.3	58.1%	0.5%	1.4	1.4	1.5	5.2%	0.3%
Operating payments	0.3	0.2	8.4	1.3	58.1%	0.5%	1.4	1.4	1.5	5.2%	0.3%
Transfers and subsidies ¹	1.0	0.3	0.3	2.0	28.1%	0.2%	0.3	0.3	0.3	-44.4%	0.1%
Households	1.0	0.3	0.3	2.0	28.1%	0.2%	0.3	0.3	0.3	-44.4%	0.1%
Payments for capital assets	1.0	0.3	0.3	2.0	28.1%	0.2%	0.3	0.3	0.3	-44.4%	0.1%
Machinery and equipment	462.9	445.3	525.7	538.5	5.2%	100.0%	536.3	548.1	557.9	1.2%	100.0%
Total	462.9	445.3	525.7	538.5	5.2%	100.0%	536.3	548.1	557.9	1.2%	100.0%
Proportion of total programme expenditure to vote expenditure	6.8%	7.4%	8.3%	8.3%	-	-	7.8%	7.8%	7.6%	-	-

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

Programme 4: Public Diplomacy and Protocol Services

Programme purpose

Communicate South Africa's role and position in international relations in domestic and international arenas, and provide state protocol services.

Objective

- Ensure a better understanding of South Africa's foreign policy by providing ongoing strategic public diplomacy direction and state protocol services nationally and internationally.

Subprogrammes

- *Public Diplomacy* promotes a positive projection of South Africa's image; communicates foreign policy positions to domestic and foreign audiences; and markets and brands South Africa by using public diplomacy platforms, strategies, products and services.
- *Protocol Services* facilitates incoming and outgoing high-level visits and ceremonial events; coordinates and regulates engagements with the local diplomatic community; provides protocol advice and support to the various spheres of government; facilitates the hosting of international conferences in South Africa; and manages the state protocol lounges and guesthouses.

Expenditure trends and estimates

Table 6.9 Public Diplomacy and Protocol Services 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million				2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Public Diplomacy	75.5	72.6	78.0	82.3	2.9%	25.4%	72.9	76.6	80.2	-0.8%	21.9%
Protocol Services	196.4	197.9	274.5	236.6	6.4%	74.6%	265.7	296.8	313.4	9.8%	78.1%
Total	271.9	270.4	352.5	318.9	5.5%	100.0%	338.6	373.5	393.7	7.3%	100.0%
Change to 2019				–			(6.1)	7.6	14.2		
Budget estimate											

Economic classification											
Current payments	271.4	269.2	350.1	318.1	5.4%	99.6%	336.9	371.6	391.7	7.2%	99.6%
Compensation of employees	157.1	171.1	183.0	194.5	7.4%	58.1%	197.9	213.6	226.0	5.1%	58.4%
Goods and services ¹	114.3	98.2	167.1	123.6	2.7%	41.5%	139.0	158.0	165.8	10.3%	41.2%
of which:											
Advertising	1.4	2.4	6.2	3.2	32.4%	1.1%	3.7	3.9	4.0	8.0%	1.0%
Communication	3.6	3.5	1.6	3.7	0.5%	1.0%	3.9	4.1	4.3	5.2%	1.1%
Consumables: Stationery, printing and office supplies	–	2.1	2.4	4.6	–	0.8%	4.9	5.2	5.4	4.9%	1.4%
Property payments	39.4	37.4	40.5	41.4	1.6%	13.1%	43.3	45.6	47.3	4.6%	12.5%
Travel and subsistence	48.3	37.5	60.5	53.2	3.3%	16.4%	63.0	70.0	76.0	12.6%	18.4%
Venues and facilities	10.8	9.5	45.0	10.5	-1.1%	6.2%	12.8	21.4	20.7	25.4%	4.6%
Transfers and subsidies ¹	0.5	1.2	0.9	0.8	15.1%	0.3%	1.7	1.8	1.9	33.7%	0.4%
Households	0.5	1.2	0.9	0.8	15.1%	0.3%	1.7	1.8	1.9	33.7%	0.4%
Payments for capital assets	0.0	0.0	1.6	–	-100.0%	0.1%	0.0	0.0	0.0	–	–
Machinery and equipment	0.0	0.0	1.6	–	-100.0%	0.1%	0.0	0.0	0.0	–	–
Total	271.9	270.4	352.5	318.9	5.5%	100.0%	338.6	373.5	393.7	7.3%	100.0%
Proportion of total programme expenditure to vote expenditure	4.0%	4.5%	5.5%	4.9%	–	–	4.9%	5.3%	5.4%	–	–

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

Programme 5: International Transfers

Programme purpose

Fund membership fees and transfers to international organisations.

Objectives

- Promote multilateral activities that enhance South Africa's economic and diplomatic relations within the continent and with the world by:
 - providing for South Africa's annual membership fee contributions to international organisations such as the United Nations, the African Union and the Southern African Development Community.
 - providing annual transfers to recapitalise the African Renaissance and International Cooperation Fund as a contribution to its operations.

Subprogrammes

- Departmental Agencies* facilitates transfers to the African Renaissance and International Cooperation Fund, a public entity of the department.
- Membership Contribution* facilitates transfers to international organisations.

Expenditure trends and estimates

Table 6.10 International Transfers expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental Agencies	0.0	22.2	38.7	56.3	1120.3%	3.9%	58.5	61.7	64.0	4.3%	7.4%
Membership Contribution	822.4	559.3	720.3	799.3	-0.9%	96.1%	845.5	667.3	692.6	-4.7%	92.6%
Total	822.4	581.5	759.0	855.6	1.3%	100.0%	904.0	728.9	756.6	-4.0%	100.0%
Change to 2019 Budget estimate				-			(1.0)	(1.0)	(1.1)		
Economic classification											
Transfers and subsidies ¹	822.4	581.5	759.0	855.6	1.3%	100.0%	904.0	728.9	756.6	-4.0%	100.0%
Departmental agencies and accounts	0.0	22.2	38.7	56.3	1120.3%	3.9%	58.5	61.7	64.0	4.3%	7.4%
Foreign governments and international organisations	822.4	559.3	720.3	799.3	-0.9%	96.1%	845.5	667.3	692.6	-4.7%	92.6%
Total	822.4	581.5	759.0	855.6	1.3%	100.0%	904.0	728.9	756.6	-4.0%	100.0%
Proportion of total programme expenditure to vote expenditure	12.0%	9.7%	11.9%	13.1%	-	-	13.2%	10.4%	10.3%	-	-
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies(non-business entities)											
Current	0.0	22.2	38.7	56.3	1120.3%	3.9%	58.5	61.7	64.0	4.3%	7.4%
African Renaissance and International Cooperation Fund	0.0	22.2	38.7	46.3	1042.8%	3.6%	47.8	50.4	52.3	4.2%	6.1%
South African Development Partnership Agency	-	-	-	10.1	-	0.3%	10.6	11.3	11.7	5.1%	1.3%
Foreign governments and international organisations											
Current	821.8	559.2	720.2	799.2	-0.9%	96.1%	845.4	666.5	691.8	-4.7%	92.5%
African Union	406.3	213.5	346.8	437.9	2.5%	46.5%	397.9	265.1	275.4	-14.3%	42.4%
Group of 77 Countries	0.1	0.2	0.2	0.3	23.6%	-	0.2	0.2	0.2	-1.3%	-
India-Brazil-South Africa Trust Fund	13.1	11.8	14.5	14.6	3.6%	1.8%	15.7	16.6	17.2	5.5%	2.0%
New Partnership for Africa's Development	7.4	6.8	6.0	7.7	1.3%	0.9%	8.7	9.2	9.5	7.5%	1.1%
African peer review mechanism	1.5	2.7	2.4	1.8	6.1%	0.3%	3.6	3.8	4.0	31.1%	0.4%
Organisation for Economic Cooperation and Development	0.5	0.6	0.6	0.6	6.7%	0.1%	0.3	0.4	0.4	-16.3%	0.1%
United Nations Development Programme	7.5	5.6	6.7	7.7	0.8%	0.9%	14.3	15.0	15.8	27.2%	1.6%
African, Caribbean and Pacific Group of States	7.8	10.6	7.1	7.6	-0.6%	1.1%	7.9	8.4	8.7	4.4%	1.0%
Commonwealth of Nations	8.0	7.5	8.6	8.5	1.8%	1.1%	12.3	12.9	13.4	16.5%	1.5%
Southern African Development Community	113.2	104.8	107.6	86.6	-8.5%	13.7%	145.0	82.9	86.0	-0.3%	12.3%
United Nations	217.0	156.0	177.7	180.8	-5.9%	24.2%	190.7	201.2	208.7	4.9%	24.1%
United Nations Human Rights Council	0.4	-	-	-	-100.0%	-	-	0.5	0.5	-	-
Biological and Toxin Weapons Convention	0.7	0.3	0.4	0.7	-1.1%	0.1%	0.7	0.8	0.8	4.9%	0.1%
Comprehensive Nuclear-Test-Ban Treaty	6.4	6.4	6.4	6.6	1.0%	0.9%	7.5	7.9	8.2	7.8%	0.9%
Humanitarian Aid	28.8	29.4	31.5	31.9	3.5%	4.0%	33.1	33.8	34.9	3.0%	4.1%
Indian Ocean Rim Association	0.3	0.3	0.3	0.3	3.1%	-	0.4	0.4	0.4	4.2%	-
Research Centre											
South Centre Capital Fund	1.4	1.2	1.5	1.3	-1.3%	0.2%	1.7	1.8	1.9	13.4%	0.2%
United Nations Development Programme in Southern Africa	-	-	-	1.6	-	0.1%	1.7	1.8	1.8	4.9%	0.2%
United Nations Convention on the Law of the Sea	0.4	1.1	0.5	1.2	38.1%	0.1%	0.8	0.9	0.9	-7.7%	0.1%
International Tribunal for the Law of the Sea	0.6	-	0.8	1.0	15.8%	0.1%	2.3	2.4	2.5	37.5%	0.3%
Asia-African Legal Consultative Organisation	0.3	0.2	0.2	0.3	8.5%	-	0.4	0.4	0.4	8.3%	-
Permanent Court of Arbitration	0.2	0.2	0.4	0.3	16.0%	-	0.2	0.2	0.2	-5.6%	-

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

Entity

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

- The **African Renaissance and International Cooperation Fund** provides cooperation funding for initiatives between South Africa and other countries that relate to the promotion of democracy and good governance, the prevention and resolution of conflicts, socioeconomic development and integration, humanitarian assistance and relief, and the development of human resources. The fund's total expenditure for 2020/21 is R50.8 million.

Vote 7

National School of Government

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	112.9	109.5	–	3.4	119.5	124.5
Public Sector Organisational and Staff Development	93.7	–	93.7	–	107.8	111.8
Total expenditure estimates	206.6	109.5	93.7	3.4	227.3	236.3

Executive authority: Minister for Public Service and Administration
 Accounting officer: Principal of the National School of Government
 Website: www.nsg.gov.za

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Provide or coordinate the provision of learning, training and development interventions that lead to improved performance and service delivery in the public sector.

Mandate

The National School of Government derives its mandate from the Public Service Amendment Act (2007). In terms of the act, the institution is mandated to provide training or effect the provision of training. The school responds to its mandate by developing relevant training and development programmes for delivery to South African public service officials at all levels. Through education and training, the school promotes the progressive realisation of the values and principles governing public administration, and enhances the quality of human resource capacity in public service institutions. The school uses its trading account, which was established in terms of the Public Finance Management Act (1999), as a delivery vehicle for its core output.

Selected performance indicators

Table 7.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Implementation of a quality management policy for the department	Administration		– ¹	– ¹	– ¹	– ¹	Quality management policy developed	50% of the quality management system implemented	100% of the quality management system implemented
Implementation of an operations management policy for the department	Administration	Priority 6: A capable, ethical and developmental state	– ¹	– ¹	– ¹	– ¹	Operations management policy and plan developed	Implementation of 10 mapped business processes approved in line with an operations management plan	Implementation of 10 mapped business processes approved in line with an operations management plan

Table 7.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Implementation of a five-year ICT strategy to support the department's operations	Administration	Priority 6: A capable, ethical and developmental state	— ¹	— ¹	— ¹	— ¹	Annual ICT plan implemented	Annual ICT plan implemented	Annual ICT plan implemented
Number of newly registered learning facilities made available to support the department's operations per year	Administration		— ¹	— ¹	— ¹	— ¹	9	9	9
Implementation of an approved brand strategy for the department	Administration		— ¹	— ¹	— ¹	— ¹	10% of the brand strategy implemented	30% of the brand strategy implemented	60% of the brand strategy implemented
Number of stakeholder engagements with provincial and local government departments on the department's brand strategy per year	Administration		— ¹	— ¹	— ¹	— ¹	2	2	2

1. No historical data available.

Expenditure analysis

Chapter 13 of the National Development plan outlines a vision for building a capable and developmental state that hinges on promoting a culture of excellence in the public service. This vision is given expression by priority 6 (a capable, ethical and developmental state) of government's 2019-2024 medium-term strategic framework, with which the work of the National School of Government is directly aligned. Accordingly, over the medium term, the department plans to focus on contributing towards the fulfilment of the educational, training and development needs of the public service; and revising the trading entity's funding model to ensure that the school generates more revenue.

Expenditure is expected to increase at an average annual rate of 7.9 per cent, from R187.9 million in 2019/20 to R236.3 million in 2022/23. Spending on compensation of employees accounts for 29.9 per cent (R198.3 million) of the department's total expenditure over the medium term. Most of the department's activities are carried out in the *Administration* programme, allocations to which increase at an average annual rate of 4.8 per cent, from R108.1 million in 2019/20 to R124.5 million in 2022/23. Part of spending in the programme includes the outsourcing of services such as IT facilities management.

Contributing towards fulfilling the educational needs of the public service

The department's ongoing and overarching objective is to support excellence in the public service through the provision of appropriate training and development measures. To realise this objective, over the medium term, the department plans to provide strategic leadership to ensure the proper functioning of the school and administration of its training trading account, administrative support such as oversight of personnel-related expenditure, and supply chain management services that relate to the management of official assets and the school's asset register; and conduct internal audits that provide independent and objective assurance and consulting services that are designed to add value and improve the department's operations.

Over the period ahead, the school intends to expand its education, training and development activities across the 3 spheres of government with the intention of promoting quality training and outputs. Accordingly, the school intends to implement 12 mandatory programmes in all spheres of government by March 2023; and induct and train 15 000 public servants annually on quality education, training and development interventions. The school also plans to develop a quality management policy in 2020/21 through which quality training will be monitored.

The department's mandate and objectives are largely executed through transfer payments to the National School of Government training trading account, and other revenue generated from training programmes the school provides to public service employees. Accordingly, transfers to the training trading account constitute 46.7 per cent (R313.3 million) of the department's total expenditure over the medium term. To ensure that the department's operations are sustained, 9 newly registered learning facilities will be made available in each year over the medium term. Related activities are carried out in the *Administration* programme, allocations to which account for 53.3 per cent (R356.9 million) of the department's total budget over the medium term.

Revising the trading entity's funding model

The current cost recovery model of the school's training trading account comprises partial funding from transfers from the department and income generated by training course fees, which are managed in the training trading account. This approach requires that the entity should recover all costs associated with the design and development of learning materials and the implementation of training courses from course fees. In this regard, by 2020/21, the department plans to implement revisions to the trading account's tariff structure to ensure that the school generates more revenue.

Expenditure trends and estimates

Table 7.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Public Sector Organisational and Staff Development											
Programme	Audited outcome				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23
Programme 1	87.7	90.4	96.6	108.1	7.2%	64.2%		112.9	119.5	124.5	4.8%
Programme 2	—	63.3	70.2	79.8	0.0%	35.8%		93.7	107.8	111.8	11.9%
Total	87.7	153.7	166.8	187.9	28.9%	100.0%		206.6	227.3	236.3	7.9%
Change to 2019 Budget estimate				—				(2.3)	(2.6)	(2.2)	
Economic classification											
Current payments	84.6	87.7	94.6	104.8	7.4%	62.4%		109.5	115.9	120.7	4.8%
Compensation of employees	49.1	50.5	54.2	58.4	6.0%	35.6%		62.4	66.5	69.4	5.9%
Goods and services ¹	35.5	37.2	40.4	46.4	9.3%	26.8%		47.0	49.4	51.3	3.4%
of which:											
Audit costs: External	2.9	4.6	4.3	3.9	10.8%	2.6%		4.1	4.3	4.5	4.9%
Computer services	3.5	6.9	6.6	4.7	10.6%	3.6%		5.0	5.2	5.4	4.4%
Agency and support/outsourced services	5.1	0.2	0.3	9.8	24.3%	2.6%		6.6	7.1	7.4	-8.9%
Operating leases	9.5	11.7	16.3	10.9	4.5%	8.1%		12.1	12.8	13.3	6.9%
Travel and subsistence	2.1	1.2	1.4	3.8	21.2%	1.4%		4.0	4.1	4.2	4.1%
Training and development	0.7	0.4	1.4	2.6	51.7%	0.9%		2.7	2.8	2.9	3.7%
Transfers and subsidies¹	0.1	63.6	70.2	79.8	741.5%	35.9%		93.7	107.8	111.8	11.9%
Departmental agencies and accounts	—	63.3	70.2	79.8	0.0%	35.8%		93.7	107.8	111.8	11.9%
Households	0.1	0.3	0.1	—	-100.0%	0.1%		—	—	—	0.0%
Payments for capital assets	2.9	2.4	1.9	3.3	4.0%	1.7%		3.4	3.6	3.8	5.6%
Machinery and equipment	2.7	2.3	1.9	3.3	6.1%	1.7%		3.4	3.6	3.8	5.6%
Software and other intangible assets	0.2	0.1	—	—	-100.0%	0.0%		—	—	—	0.0%
Total	87.7	153.7	166.8	187.9	28.9%	100.0%		206.6	227.3	236.3	7.9%

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

Transfers and subsidies expenditure trends and estimates

Table 7.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
	2019/20	2016/17 - 2019/20					2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	–	63 312	70 180	79 847	–	99.8%	93 703	107 757	111 808	11.9%	100.0%
National School of Government Training Trading Account	–	63 312	70 180	79 847	–	99.8%	93 703	107 757	111 808	11.9%	100.0%
Households											
Social benefits											
Current	134	267	56	–	-100.0%	0.2%	–	–	–	–	–
Employee Social Benefits	134	267	56	–	-100.0%	0.2%	–	–	–	–	–
Total	134	63 579	70 236	79 847	741.5%	100.0%	93 703	107 757	111 808	11.9%	100.0%

Personnel information

Table 7.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Public Sector Organisational and Staff Development																			
Number of posts estimated for 31 March 2020			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 (%)			
			2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost	2021/22		Unit cost			2022/23		
			Number	Cost		Number	Cost		Number	Cost		Number	Cost				Number	Cost	
National School of Government			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2019/20 - 2022/23				
Salary level	90	–	–	54.2	–	90	58.4	0.6	90	62.4	0.7	89	66.5	0.7	89	69.4	0.8	–0.4%	100.0%
1 – 6	16	–	–	4.3	–	16	4.2	0.3	16	4.5	0.3	16	4.8	0.3	16	5.2	0.3	–	17.9%
7 – 10	39	–	–	15.3	–	39	16.4	0.4	39	17.6	0.5	39	18.8	0.5	39	20.1	0.5	–	43.6%
11 – 12	17	–	–	13.4	–	17	15.6	0.9	17	16.6	1.0	17	18.6	1.1	17	18.7	1.1	–	19.0%
13 – 16	18	–	–	21.2	–	18	22.2	1.2	18	23.8	1.3	17	24.2	1.4	17	25.3	1.5	–1.9%	19.6%
Programme	90	–	–	54.2	–	90	58.4	0.6	90	62.4	0.7	89	66.5	0.7	89	69.4	0.8	–0.4%	100.0%
Programme 1	90	–	–	54.2	–	90	58.4	0.6	90	62.4	0.7	89	66.5	0.7	89	69.4	0.8	–0.4%	100.0%

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

2. Rand million.

Departmental receipts

Table 7.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
	2019/20	2016/17 - 2019/20						2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental receipts	183	125	153	125	125	-11.9%	100.0%	69	70	71	-17.2%	100.0%
Sales of goods and services produced by department	38	36	41	16	16	-25.0%	22.4%	30	31	32	26.0%	32.5%
Other sales	38	36	41	16	16	-25.0%	22.4%	30	31	32	26.0%	32.5%
of which:												
Parking fees	1	1	1	–	–	-100.0%	0.5%	1	1	1	–	0.9%
Commission	37	35	40	16	16	-24.4%	21.8%	29	30	31	24.7%	31.6%
Sales of scrap, waste, arms and other used current goods	–	–	–	35	35	–	6.0%	–	–	–	-100.0%	10.4%
of which:												
Sales of scrap, waste, arms and other used current goods (excl capital assets)	–	–	–	35	35	–	6.0%	–	–	–	-100.0%	10.4%
Interest, dividends and rent on land	48	53	74	45	45	-2.1%	37.5%	39	39	39	-4.7%	48.4%
Interest	48	53	74	45	45	-2.1%	37.5%	39	39	39	-4.7%	48.4%
Sales of capital assets	56	16	16	–	–	-100.0%	15.0%	–	–	–	–	–
Transactions in financial assets and liabilities	41	20	22	29	29	-10.9%	19.1%	–	–	–	-100.0%	8.7%
Total	183	125	153	125	125	-11.9%	100.0%	69	70	71	-17.2%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 7.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Management	15.4	14.9	15.4	17.0	3.4%	16.4%	17.0	18.0	18.8	3.4%	15.2%
Corporate Services	60.0	61.3	62.3	90.4	14.6%	71.6%	95.2	100.8	104.9	5.1%	84.2%
Property Management	12.2	14.2	19.0	0.7	-62.2%	12.0%	0.7	0.7	0.8	4.9%	0.6%
Total	87.7	90.4	96.6	108.1	7.2%	100.0%	112.9	119.5	124.5	4.8%	100.0%
Change to 2019				–			(2.3)	(2.6)	(2.2)		
Budget estimate											
Economic classification											
Current payments	84.6	87.7	94.6	104.8	7.4%	97.2%	109.5	115.9	120.7	4.8%	97.0%
Compensation of employees	49.1	50.5	54.2	58.4	6.0%	55.5%	62.4	66.5	69.4	5.9%	55.2%
Goods and services ¹	35.5	37.2	40.4	46.4	9.3%	41.7%	47.0	49.4	51.3	3.4%	41.8%
of which:											
Audit costs: External	2.9	4.6	4.3	3.9	10.8%	4.1%	4.1	4.3	4.5	4.9%	3.6%
Computer services	3.5	6.9	6.6	4.7	10.6%	5.7%	5.0	5.2	5.4	4.4%	4.4%
Agency and support/outsource services	5.1	0.2	0.3	9.8	24.3%	4.0%	6.6	7.1	7.4	-8.9%	6.6%
Operating leases	9.5	11.7	16.3	10.9	4.5%	12.6%	12.1	12.8	13.3	6.9%	10.6%
Travel and subsistence	2.1	1.2	1.4	3.8	21.2%	2.2%	4.0	4.1	4.2	4.1%	3.4%
Training and development	0.7	0.4	1.4	2.6	51.7%	1.3%	2.7	2.8	2.9	3.7%	2.4%
Transfers and subsidies¹	0.1	0.3	0.1	–	-100.0%	0.1%	–	–	–	–	–
Households	0.1	0.3	0.1	–	-100.0%	0.1%	–	–	–	–	–
Payments for capital assets	2.9	2.4	1.9	3.3	4.0%	2.7%	3.4	3.6	3.8	5.6%	3.0%
Machinery and equipment	2.7	2.3	1.9	3.3	6.1%	2.7%	3.4	3.6	3.8	5.6%	3.0%
Software and other intangible assets	0.2	0.1	–	–	-100.0%	0.1%	–	–	–	–	–
Total	87.7	90.4	96.6	108.1	7.2%	100.0%	112.9	119.5	124.5	4.8%	100.0%
Proportion of total programme expenditure to vote expenditure	100.0%	58.8%	57.9%	57.5%	–	–	54.6%	52.6%	52.7%	–	–

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

Programme 2: Public Sector Organisational and Staff Development

Programme purpose

Facilitate transfer payments to the training trading account, which provides education, development and training to public sector employees.

Objectives

- Ensure competent and ethical public servants who are empowered to do their jobs by:
 - assessing 80 000 public servants through online diagnostic tool assessments to determine skills gaps and needs over the medium term
 - ensuring that 5 000 public servants undergo ethics education, training and development interventions annually
 - reviewing the curriculum and making available 40 active online learning education, training and development interventions available by March 2023.
 - establishing sustainable partnerships and collaboration with local and international stakeholders to support education, training and development interventions by implementing the local and international partnership strategy over the medium term.
- Implement quality education, training and development interventions by:

- implementing 12 mandatory programmes in all spheres of government by March 2023
- inducting and training 15 000 public servants annually on quality education, training and development interventions.

Expenditure trends and estimates

Table 7.7 Public Sector Organisational and Staff Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
National School of Government Training Trading Account	–	63.3	70.2	79.8	–	100.0%	93.7	107.8	111.8	11.9%	100.0%
Total	–	63.3	70.2	79.8	–	100.0%	93.7	107.8	111.8	11.9%	100.0%
Change to 2019 Budget estimate				–			–	–	–		
Economic classification											
Transfers and subsidies ¹	–	63.3	70.2	79.8	–	100.0%	93.7	107.8	111.8	11.9%	100.0%
Departmental agencies and accounts	–	63.3	70.2	79.8	–	100.0%	93.7	107.8	111.8	11.9%	100.0%
Total	–	63.3	70.2	79.8	–	100.0%	93.7	107.8	111.8	11.9%	100.0%
Proportion of total programme expenditure to vote expenditure	41.2%	42.1%	42.5%	–	–	–	45.4%	47.4%	47.3%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	–	63.3	70.2	79.8	–	100.0%	93.7	107.8	111.8	11.9%	100.0%
National School of Government Training Trading Account	–	63.3	70.2	79.8	–	100.0%	93.7	107.8	111.8	11.9%	100.0%

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

Entity

National School of Government training trading account

Selected performance indicators

Table 7.8 National School of Government training trading account performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of public servants who undergo ethics education, training and development interventions per year	Public sector organisational and staff development	Priority 6: A capable, ethical and developmental state	– ¹	2 384	4 892	5 000	5 000	5 000	5 000
Number of active online learning education, training and development interventions available	Public sector organisational and staff development		– ¹	24	25	26	30	35	40
Number of practitioners who complete the lead facilitator development programme and are certified per year	Public sector organisational and staff development		– ¹	– ¹	– ¹	– ¹	200	250	300
Number of public servants undergoing public service inductions per year	Public sector organisational and staff development		– ¹	26 759	24 999	20 000	15 000	15 000	15 000
Number of public servants undergoing other education, training and development interventions in the 3 spheres of government per year	Public sector organisational and staff development		– ¹	24 878	30 660	29 783	30 000	36 000	36 000

1. No historical data available.

Entity overview

The National School of Government training trading account functions within the National School of Government as a mechanism for the partial recovery of the costs of training programmes. The branches of the trading account directly facilitate and monitor the provision of leadership development and management training at all levels of government in collaboration with provincial academies and local government training entities. Over the medium term, the trading account will continue to focus on fulfilling the training needs of the public service by providing inductions and training on administration, management and leadership.

Expenditure is expected to increase at an average annual rate of 5.7 per cent, from R226.4 million in 2019/20 to R267.1 million in 2022/23. Spending on compensation of employees accounts for 55.9 per cent (R388.1 million) of the entity's total expenditure over the medium term. Revenue is expected to increase at an average annual rate of 5.6 per cent, from R226.4 million in 2019/20 to R266.7 million in 2022/23. The entity's revenue is partly derived from transfers from the department, which amount to R313.3 million over the MTEF period. Remaining revenue is generated from course fees for training programmes and interest received, which amount to R450.4 million over the medium term.

Programmes/Objectives/Activities

Table 7.9 National school of government training trading account 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	212.4	188.9	190.2	226.4	2.2%	100.0%	240.7	254.9	267.1	5.7%	100.0%
Total	212.4	188.9	190.2	226.4	2.2%	100.0%	240.7	254.9	267.1	5.7%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 7.10 National school of government training trading account statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Revenue									
Non-tax revenue	153.4	136.7	125.6	114.8	120.0	120.0	146.6	146.6	95.0%
Sale of goods and services other than capital assets	151.0	129.3	123.0	109.9	117.3	117.3	143.4	143.4	93.5%
of which:									
Sales by market establishment	151.0	129.3	123.0	109.9	117.3	117.3	143.4	143.4	93.5%
Other non-tax revenue	2.4	7.5	2.6	4.9	2.7	2.7	3.2	3.2	167.9%
Transfers received	–	–	59.1	63.3	66.4	70.2	79.8	79.8	103.9%
Total revenue	153.4	136.7	184.7	178.1	186.4	190.2	226.4	226.4	97.4%
Expenses									
Current expenses	244.7	194.9	184.7	188.9	186.4	190.2	226.4	226.4	95.0%
Compensation of employees	86.7	86.8	85.4	82.8	96.9	96.9	105.4	105.4	99.3%
Goods and services	158.0	108.0	99.2	106.1	89.5	93.3	121.0	121.0	91.6%
Transfers and subsidies	–	17.5	–	–	–	–	–	–	–
Total expenses	244.7	212.4	184.7	188.9	186.4	190.2	226.4	226.4	97.1%
Surplus/(Deficit)	(91.3)	(75.7)	–	(10.8)	–	–	–	–	–
Cash flow statement									
Cash flow from operating activities	–	(70.2)	–	4.2	–	–	10.0	10.0	-560.1%
Receipts									
Non-tax receipts	153.4	187.8	125.6	125.6	127.7	127.7	129.1	129.1	106.4%
Sales of goods and services other than capital assets	151.0	181.8	123.0	123.0	125.0	125.0	126.3	126.3	105.9%
Sales by market establishment	151.0	181.8	123.0	123.0	125.0	125.0	126.3	126.3	105.9%
Other tax receipts	2.4	6.0	2.6	2.6	2.7	2.7	2.8	2.8	134.1%
Transfers received	–	–	59.1	63.3	66.4	70.2	79.8	79.8	103.9%
Total receipts	153.4	187.8	184.7	188.9	194.1	197.9	208.9	208.9	105.7%

Table 7.10 National school of government training trading account statements of historical financial performance, cash flow and financial position

Statement of financial performance		Audited outcome		Audited outcome		Audited outcome		Budget estimate		Average: Outcome/Budget (%)
		Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	2016/17 - 2019/20
R million		2016/17	2017/18	2017/18	2018/19	2018/19	2019/20	2019/20	2019/20	2016/17 - 2019/20
Payment										
Current payments		153.4	240.5	184.7	184.7	194.1	197.9	198.9	198.9	112.4%
Compensation of employees		86.7	85.0	85.4	85.4	100.4	100.4	106.6	106.6	99.5%
Goods and services		66.7	155.5	99.2	99.2	93.7	97.5	92.3	92.3	126.3%
Transfers and subsidies		–	17.5	–	–	–	–	–	–	–
Total payments		153.4	258.0	184.7	184.7	194.1	197.9	198.9	198.9	114.8%
Net cash flow from investing activities		–	(2.5)	–	–	–	–	–	–	–
Acquisition of software and other intangible assets		–	(2.5)	–	–	–	–	–	–	–
Net increase/(decrease) in cash and cash equivalents		–	(72.7)	–	4.2	–	–	10.0	10.0	
Statement of financial position										
Carrying value of assets		11.5	22.6	11.5	11.5	11.5	11.5	11.5	11.5	124.0%
Receivables and prepayments		36.2	3.7	36.2	36.2	36.2	36.2	36.2	36.2	77.6%
Cash and cash equivalents		90.3	66.0	90.3	90.3	90.3	90.3	90.3	90.3	93.3%
Total assets		138.0	92.3	138.0	138.0	138.0	138.0	138.0	138.0	91.7%
Accumulated surplus/(deficit)		114.2	15.9	114.2	114.2	114.2	114.2	114.2	114.2	78.5%
Trade and other payables		20.0	67.3	20.0	20.0	20.0	20.0	20.0	20.0	159.2%
Provisions		3.8	9.1	3.8	3.8	3.8	3.8	3.8	3.8	134.5%
Total equity and liabilities		138.0	92.3	138.0	138.0	138.0	138.0	138.0	138.0	91.7%

Statements of estimates of financial performance, cash flow and financial position**Table 7.11 National school of government training trading account statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance		Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million		2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Revenue									
Non-tax revenue		146.6	2.3%	73.1%	147.7	147.8	154.9	1.9%	60.5%
Sale of goods and services other than capital assets		143.4	3.5%	70.3%	144.4	144.4	151.3	1.8%	59.1%
<i>Sales by market establishment</i>		143.4	3.5%	70.3%	144.4	144.4	151.3	1.8%	59.1%
Other non-tax revenue		3.2	-24.6%	2.8%	3.3	3.4	3.6	3.6%	1.4%
Transfers received		79.8	–	26.9%	93.7	107.8	111.8	11.9%	39.5%
Total revenue		226.4	18.3%	100.0%	241.4	255.6	266.7	5.6%	100.0%
Current expenses		226.4	5.1%	97.9%	240.7	254.9	267.1	5.7%	100.0%
Compensation of employees		105.4	6.7%	45.6%	122.0	129.9	136.2	8.9%	49.8%
Goods and services		121.0	3.9%	52.4%	118.7	125.0	131.0	2.7%	50.2%
Total expenses		226.4	2.2%	100.0%	240.7	254.9	267.1	5.7%	100.0%
Surplus/(Deficit)		–			0.7	0.7	(0.4)		
Cash flow statement									
Cash flow from operating activities		10.0	-152.2%	216.0%	20.0	30.0	30.3	7.9%	169.9%
Receipts									
Non-tax receipts		129.1	-11.7%	73.2%	126.2	133.2	139.6	2.6%	57.5%
Sales of goods and services other than capital assets		126.3	-11.4%	71.4%	123.4	130.2	136.4	2.6%	56.2%
<i>Sales by market establishment</i>		126.3	-11.4%	71.4%	123.4	130.2	136.4	2.6%	56.2%
Other tax receipts		2.8	-22.1%	1.8%	2.8	3.0	3.1	3.4%	1.3%
Transfers received		79.8	–	26.8%	93.7	107.8	111.8	11.9%	42.5%
Total receipts		208.9	3.6%	100.0%	219.9	240.9	251.4	6.4%	100.0%
Current payments		198.9	-6.1%	100.7%	199.9	210.9	221.1	3.6%	100.0%
Compensation of employees		106.6	7.9%	46.3%	113.2	119.5	125.2	5.5%	55.9%
Goods and services		92.3	-16.0%	54.4%	86.7	91.5	95.9	1.3%	44.1%
Total payment		198.9	-8.3%	100.0%	199.9	210.9	221.1	3.6%	100.0%
Net increase/(decrease) in cash and cash equivalents		10.0	-151.6%	–	20.0	30.0	30.3	44.7%	100.0%

Table 7.11 National school of government training trading account statements of estimates of financial performance, cash flow and financial position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate							
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Statement of financial position								
Carrying value of assets	11.5	-20.1%	12.4%	11.5	12.1	12.7	3.4%	8.3%
Receivables and prepayments	36.2	113.6%	20.7%	36.2	38.2	40.0	3.4%	26.2%
Cash and cash equivalents	90.3	11.0%	67.0%	90.3	95.3	99.8	3.4%	65.4%
Total assets	138.0	14.3%	100.0%	138.0	145.6	152.6	3.4%	100.0%
Accumulated surplus/(deficit)	114.2	93.0%	66.4%	114.2	120.5	126.3	3.4%	82.7%
Trade and other payables	20.0	-33.3%	29.1%	20.0	21.1	22.1	3.4%	14.5%
Provisions	3.8	-25.1%	4.6%	3.8	4.1	4.2	3.4%	2.8%
Total equity and liabilities	138.0	14.3%	100.0%	138.0	145.6	152.6	3.4%	100.0%

Personnel information**Table 7.12 National School of Government training trading account personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number	
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/Total (%)
			2018/19			2019/20			2020/21			2021/22			2022/23				
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
National School of Government training trading account			138	96.9	0.7	138	105.4	0.8	138	122.0	0.9	138	129.9	0.9	138	136.2	1.0	8.9%	100.0%
Salary level	138	138	138	96.9	0.7	138	105.4	0.8	138	122.0	0.9	138	129.9	0.9	138	136.2	1.0	8.9%	100.0%
1 – 6	15	15	15	2.9	0.2	15	3.1	0.2	15	3.6	0.2	15	3.8	0.3	15	4.0	0.3	8.9%	10.9%
7 – 10	88	88	88	40.3	0.5	88	44.6	0.5	88	51.7	0.6	88	55.0	0.6	88	57.7	0.7	8.9%	63.8%
11 – 12	21	21	21	35.2	1.7	21	39.1	1.9	21	45.3	2.2	21	48.3	2.3	21	50.6	2.4	8.9%	15.2%
13 – 16	14	14	14	18.6	1.3	14	18.5	1.3	14	21.4	1.5	14	22.8	1.6	14	23.9	1.7	8.9%	10.1%

1. Rand million.

Vote 8

National Treasury

Budget summary

R million	2020/21					2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	Total	Total
MTEF allocation							
Administration	536.9	513.7	4.3	19.0	–	578.7	609.1
Economic Policy, Tax, Financial Regulation and Research	162.4	140.0	21.5	0.9	–	173.8	176.0
Public Finance and Budget Management	3 394.4	1 029.7	2 362.0	2.6	–	3 918.0	4 002.7
Asset and Liability Management	124.2	123.4	–	0.8	–	130.9	133.3
Financial Accounting and Supply Chain Management Systems	1 033.8	961.7	61.3	10.8	–	1 097.6	1 159.0
International Financial Relations	6 398.6	68.9	1 415.7	0.3	4 913.7	6 780.0	2 386.4
Civil and Military Pensions, Contributions to Funds and Other Benefits	5 755.1	76.7	5 678.4	–	–	6 673.9	7 378.6
Revenue Administration	10 510.0	–	10 510.0	–	–	10 973.1	11 368.0
Financial Intelligence and State Security	5 207.7	–	5 207.7	–	–	5 496.4	5 698.8
Subtotal	33 123.2	2 914.2	25 260.9	34.4	4 913.7	35 822.5	32 911.9
Direct charge against the National Revenue Fund							
Provincial equitable share	538 471.5	–	538 471.5	–	–	573 989.5	607 553.5
Debt-service costs	229 270.0	229 270.0	–	–	–	258 482.1	290 145.1
General fuel levy sharing with metropolitan municipalities	14 026.9	–	14 026.9	–	–	15 182.5	16 085.0
National Revenue Fund payments	97.9	–	–	–	97.9	–	–
Auditor-General of South Africa: Creation of direct charge	120.0	–	120.0	–	–	125.0	129.0
Total expenditure estimates	815 109.5	232 184.1	577 879.3	34.4	5 011.6	883 601.6	946 824.4
Executive authority	Minister of Finance						
Accounting officer	Director-General of the National Treasury						
Website	www.treasury.gov.za						

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

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 8.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of investment plans completed per year	Public Finance and Budget Management	Priority 4: Spatial integration, human settlements and local government	4	4	4	2	2	2	2
Number of catalytic projects approved per year	Public Finance and Budget Management		459	27	50	20	20	20	20
Number of programmes in integration zones identified for planning per year	Public Finance and Budget Management		12	12	12	12	12	14	14
Number of programmes in integration zones implemented per year	Public Finance and Budget Management		8	10	10	10	10	10	10
Total number of new jobs contracted in the Jobs Fund across the term of the project	Public Finance and Budget Management	Priority 1: Economic transformation and job creation	136 069	149 043	150 000	150 000	150 000	150 000	150 000
Total number of placements contracted on the Jobs Fund across the term of the project	Public Finance and Budget Management		90 087	70 744	105 000	80 000	80 000	80 000	80 000
Net loan debt as a percentage of GDP	Asset and Liability Management	Priority 6: A capable, ethical and developmental state	45.4% (R2tr)	48.1% (R2.3tr)	51.7% (R2.5tr)	57.0% (R2.9tr)	61.5% (R3.3tr)	65.1% (R3.8tr)	67.8% (R4.2tr)
Value of government gross annual borrowing	Asset and Liability Management		R240.5bn	R237.0bn	R246.9bn	R407.3bn	R432.7bn	R429.9bn	R497.5bn
Cost to service debt as a percentage of GDP	Asset and Liability Management		3.3% (R146.5bn)	3.4% (R162.6bn)	3.7% (R181.8bn)	4.0% (R205.0bn)	4.2% (R229.3bn)	4.5% (R258.5bn)	4.7% (R290.1bn)
Number of municipal officials trained in financial management competencies per year	Financial Accounting and Supply Chain Management Systems		1 080	1 458	1 185	1 000	1 000	1 000	1 000
Number of transversal term contracts implemented per year	Financial Accounting and Supply Chain Management Systems		28	17	22	25	28	15	15
Number of tenders advertised on an electronic tendering platform for contracts per year	Financial Accounting and Supply Chain Management Systems		— ¹	17	1 642	10 000	10 000	10 000	10 000

1. No historical data available.

Expenditure analysis

The National Development Plan details a vision of building an inclusive economy that advances social equality. This vision is supported by priority 1 (economic transformation and job creation), priority 2 (education, skills and health), priority 4 (spatial integration, human settlements and local government), priority 6 (a capable, ethical and developmental state) and priority 7 (a better Africa and world) of government's 2019-2024 medium-term strategic framework. The work of National Treasury is closely aligned with these priorities, particularly in its aim to address the challenges of unemployment, inequality and poverty. In giving expression to these guiding policies over the medium term, the department will focus on: reviewing tax policy and strengthening regulation in the financial sector, supporting sustainable employment, supporting infrastructure development and economically integrated cities and communities, making government procurement more efficient, strengthening financial management in government, and facilitating regional and international cooperation.

The department's total budget over the medium term is R2.6 trillion, with transfers to provincial governments for the provincial equitable share accounting for 65.5 per cent (R1.7 trillion) of this amount. Cabinet has approved reductions on the department's baseline amounting to R21.4 billion over the medium term mainly on the provincial equitable share, and increases to the department's baseline amounting to R30.9 billion over the same period mainly to service government's debt. With this additional allocation, the department anticipates spending 28.9 per cent (R777.9 billion) of its total budget over the medium term to service debt. Distributing the general fuel levy to metropolitan municipalities is the department's third-largest cost driver, amounting to R45.3 billion over the medium term. Cabinet has approved a baseline increase of R240 million over the medium term to defray costs associated with retirement without penalisation of pension benefits in the public service. National Treasury will use this allocation to pay penalties on behalf of departments to the Government Employees Pension Fund for the early withdrawal of pension funds. This allocation is in response to calls for a sustainable public wage bill through reducing government spending on compensation of employees.

Reviewing tax policy and strengthening regulation in the financial sector

To improve fairness in the tax system, over the medium term, the department plans to propose amendments to tax policy that seek to meet government's revenue requirements and eliminate tax loopholes. In working towards this, the department will conduct research on appropriate tax designs for all proposed amendments, prepare discussion documents, hold workshops and meetings with affected parties, and prepare draft tax legislation before any legislation is introduced in Parliament. It will also advise the Minister of Finance on amendments to tax rates and thresholds, which are announced each year in the annual budget. Recent proposals for amendments to tax policy have included the implementation of the carbon tax from 1 June 2019, and adjustments to personal income tax and excise duty. These activities will be carried out in the *Tax Policy* subprogramme in the *Economic Policy, Tax, Financial Regulation and Research* programme. Allocations to the subprogramme account for 21.4 per cent (R107.8 million) of the programme's total budget over the medium term.

The Financial Sector Laws Amendment Bill and Financial Matters Amendment Bill were published for public comment in 2018/19. These bills provide for the licensing of state banks, the orderly curatorship and resolution of banks in distress, and the establishment of a deposit insurance scheme at the Reserve Bank. A deposit insurance corporation will be established to administer the scheme as an entity within the bank, and will be mandated to establish, maintain and administer a deposit insurance fund to protect the deposits of bank customers in the event of a bank failure. The department will support these bills through relevant parliamentary processes over the medium term.

The department will also aim to table a financial sector levies bill during this period. To streamline regulations applicable to financial institutions, a new bill for the proportionate regulation of the market conduct of all institutions in the financial sector will be developed over the medium term. Furthermore, the department intends to introduce the National Payment System Amendment Bill in Parliament in 2020/21, which seeks to, among other things, provide the Reserve Bank with clear legal, regulatory, supervisory and oversight powers in respect of the national payment system in the National Payment System Act (1998). All activities for the development and introduction of proposed legislation will be carried out in the *Financial Sector Policy* subprogramme in the *Economic Policy, Tax, Financial Regulation and Research* programme. Allocations to the subprogramme account for 16.4 per cent (R84.1 million) of the programme's total budget over the medium term.

Supporting sustainable employment

The Jobs Fund was launched in 2011 with a total operating budget of R9 billion to create 150 000 permanent jobs. As at 30 September 2019, the fund's 133 contracted projects reported that 118 867 new permanent jobs had been created, 56 660 previously unemployed people had been placed in permanent employment, and 250 124 people had benefitted from work-readiness and technical-training interventions. After eight funding rounds since 2011/12, the fund has allocated the full R9 billion to a portfolio of 153 projects, 20 of which are still in the contracting phase and are expected to be fully implemented by 2025. R14.1 billion has been committed to these 153 projects in the form of matched funding from Jobs Fund partners.

The department anticipates spending R2.5 billion over the medium term in the *Government Technical Advisory Centre* subprogramme in the *Public Finance and Budget Management* programme on activities related to the creation of sustainable employment. These activities include supporting innovative and partnership-based approaches to employment, enterprise development and providing support to work seekers.

Supporting infrastructure development and economically integrated cities and communities

The department facilitates conditional grants and provides financial incentives for infrastructure planning and development. This support is provided to municipalities through the *local government financial management grant*, the *neighbourhood development partnership grant*, the *integrated city development grant*, and the *infrastructure skills development grant*. Transfers to the grants and programmes for the development of infrastructure that facilitates the establishment of economically and socially integrated cities and communities amount to a projected R4.9 billion over the MTEF period in the *Facilitation of Conditional Grants* subprogramme in the *Public Finance and Budget Management* programme.

Making government procurement more efficient

Over the medium term, the Office of the Chief Procurement Officer will continue to monitor government procurement to identify malpractices that result in procurement irregularities. The office will aim to ensure compliance by analysing and monitoring the procurement plans of organs of state; and reviewing, investigating and reporting on various bids. The process for finalising the draft public procurement bill will be accelerated over the medium term, with public consultations expected to be held in 2020/21 subject to the bill's approval by Cabinet. Once effected, this legislation will introduce a series of governance reforms to the public procurement process and improve access to opportunities for small, medium and micro enterprises (SMMEs). The department will continue to support government institutions in strategic procurement over the medium term, and guide institutions, particularly in the health, education and travel sectors, through procurement and delivery management processes. To formalise this support, the rollout of the framework for infrastructure delivery and procurement management is expected to be completed in 2020/21. These activities will be carried out in the *Office of the Chief Procurement Officer* subprogramme in the *Financial Accounting and Supply Chain Management Systems* programme. Allocations to the subprogramme account for 7.2 per cent (R233.5 million) of the programme's total budget over the MTEF period.

Strengthening financial management in government

Government's integrated financial management system is designed to enhance the effectiveness of back-end public service functions by improving access to information, raising the quality of data, eliminating the duplication of systems and resources, and limiting the use of manual processes through modernisation and streamlining. By the end of 2020/21, a template for the system's software interface is expected to be designed and implemented at National Treasury and the Department of Public Service and Administration. Key stakeholders at these pilot sites have been trained to participate in the design process. Spending on these activities is expected to amount to R807.3 million over the medium term in the *Financial Systems* subprogramme in the *Financial Accounting and Supply Chain Management Systems* 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 complements the efforts of multilateral and regional financial institutions for global development. As at 17 January 2020, South Africa had made capital contributions to the bank amounting to R18.5 billion, with further capital contributions amounting to R9.2 billion expected over the medium term. By the end of December 2019, the bank had approved almost US\$2 billion to fund South Africa's development initiatives in the energy, transport and logistics sectors. In addition, an estimated US\$1.5 billion per year is available for funding South Africa's infrastructure build programme over the medium term.

To facilitate regional cooperation, compensation to member countries of the Common Monetary Area (Namibia, Lesotho and Swaziland) for the use of the rand currency amounts to R4 billion over the medium term in the *African Integration and Support* subprogramme in the *International Financial Relations* programme. As part of

the department's multilateral development commitment to institutions that continue to be strategic partners in the region's development agenda, transfers for the recapitalisation of the International Bank for Reconstruction and Development, a member institution of the World Bank Group, are projected to amount to R261.1 million over the MTEF period, and transfers for the recapitalisation of the African Development Bank and African Development Bank Fund are projected to amount to R1.3 billion. This expenditure is allocated in the *International Development Funding Institutions* subprogramme in the *International Financial Relations* programme.

Expenditure trends

Table 8.2 Vote expenditure trends and 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. Revenue Administration											
9. Financial Intelligence and State Security											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	436.3	437.9	424.3	511.4	5.4%	0.1%	536.9	578.7	609.1	6.0%	0.1%
Programme 2	151.2	151.9	138.8	143.1	-1.8%	0.0%	162.4	173.8	176.0	7.1%	0.0%
Programme 3	2 760.2	2 815.0	2 530.4	3 008.9	2.9%	0.4%	3 394.4	3 918.0	4 002.7	10.0%	0.4%
Programme 4	110.1	10 089.8	91.2	101.4	-2.7%	0.4%	124.2	130.9	133.3	9.5%	0.0%
Programme 5	1 130.8	689.6	771.4	981.3	-4.6%	0.1%	1 033.8	1 097.6	1 159.0	5.7%	0.1%
Programme 6	4 955.8	5 469.8	5 807.7	5 828.1	5.6%	0.8%	6 398.6	6 780.0	2 386.4	-25.7%	0.6%
Programme 7	4 400.2	4 618.1	5 020.1	5 574.5	8.2%	0.7%	5 755.1	6 673.9	7 378.6	9.8%	0.7%
Programme 8	9 363.7	10 218.2	9 007.2	9 529.0	0.6%	1.4%	10 510.0	10 973.1	11 368.0	6.1%	1.2%
Programme 9	4 812.5	5 105.6	4 763.5	4 951.1	1.0%	0.7%	5 207.7	5 496.4	5 698.8	4.8%	0.6%
Subtotal	28 120.7	39 595.8	28 554.6	30 628.9	2.9%	4.7%	33 123.2	35 822.5	32 911.9	2.4%	3.9%
Direct charge against the National Revenue Fund	570 276.2	616 544.1	664 863.5	722 873.7	-24.4%	95.3%	781 986.3	847 779.1	913 912.5	8.1%	96.1%
Provincial equitable share	410 698.6	441 331.1	470 286.5	505 553.8	7.2%	67.7%	538 471.5	573 989.5	607 553.5	6.3%	65.5%
Debt-service costs	146 496.7	162 644.6	181 849.1	203 730.8	11.6%	25.7%	229 270.0	258 482.1	290 145.1	12.5%	28.9%
General fuel levy sharing with metropolitan municipalities	11 223.8	11 785.0	12 468.6	13 166.8	5.5%	1.8%	14 026.9	15 182.5	16 085.0	6.9%	1.7%
National Revenue Fund payments	1 778.0	587.1	161.6	359.5	-41.3%	0.1%	97.9	—	—	-100.0%	0.0%
Auditor-General of South Africa: Creation of direct charge	79.1	196.3	97.7	62.8	-7.4%	0.0%	120.0	125.0	129.0	27.1%	0.0%
Total	598 396.9	656 139.9	693 418.0	753 502.6	8.0%	100.0%	815 109.5	883 601.6	946 824.4	7.9%	100.0%
Change to 2019				1 667.8			1 800.2	8 219.2	4 553.0		
Budget estimate											

Table 8.2 Vote expenditure trends and estimates by programme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	148 454.1	164 574.6	183 920.3	206 141.2	11.6%	26.0%	232 184.1	261 682.5	293 493.2	12.5%	29.2%
Compensation of employees	786.4	803.7	790.3	847.2	2.5%	0.1%	928.9	989.3	1 032.3	6.8%	0.1%
Goods and services ¹	1 171.0	1 126.3	1 280.9	1 563.2	10.1%	0.2%	1 985.2	2 211.2	2 315.8	14.0%	0.2%
of which:											
Computer services	402.0	380.7	390.5	514.8	8.6%	0.1%	582.3	611.0	638.2	7.4%	0.1%
Consultants: Business and advisory services	534.1	487.0	628.8	723.2	10.6%	0.1%	1 074.1	1 249.2	1 308.9	21.9%	0.1%
Operating leases	71.1	66.0	59.8	91.3	8.7%	0.0%	85.8	93.5	99.8	3.0%	0.0%
Property payments	25.3	24.0	19.7	23.7	-2.1%	0.0%	24.3	26.7	28.2	6.0%	0.0%
Travel and subsistence	48.1	60.0	69.6	61.5	8.5%	0.0%	71.9	74.5	78.4	8.5%	0.0%
Venues and facilities	5.7	7.3	9.6	25.4	64.5%	0.0%	23.7	27.0	27.5	2.8%	0.0%
Interest and rent on land	146 496.7	162 644.6	181 849.1	203 730.8	11.6%	25.7%	229 270.0	258 482.1	290 145.1	12.5%	28.9%
Transfers and subsidies ¹	443 701.1	476 565.4	504 717.9	542 212.0	6.9%	72.8%	577 879.3	616 698.6	652 653.1	6.4%	70.3%
Provinces and municipalities	423 376.8	454 708.9	484 263.8	520 314.5	7.1%	69.7%	554 073.4	590 816.4	625 356.0	6.3%	67.4%
Departmental agencies and accounts	15 074.1	16 251.0	14 327.2	15 379.3	0.7%	2.3%	16 708.1	17 760.8	18 331.9	6.0%	2.0%
Foreign governments and international organisations	907.6	1 042.1	1 159.1	1 009.2	3.6%	0.2%	1 418.7	1 527.8	1 669.7	18.3%	0.2%
Households	4 342.5	4 563.4	4 967.7	5 509.1	8.3%	0.7%	5 679.1	6 593.6	7 295.5	9.8%	0.7%
Payments for capital assets	462.5	27.0	23.4	42.9	-54.7%	0.0%	34.4	36.5	31.4	-9.9%	0.0%
Machinery and equipment	46.4	27.0	20.5	35.4	-8.6%	0.0%	30.3	35.6	30.2	-5.1%	0.0%
Software and other intangible assets	416.1	0.0	3.0	7.5	-73.8%	0.0%	4.1	0.9	1.1	-47.0%	0.0%
Payments for financial assets	5 779.2	14 972.8	4 756.4	5 106.5	-4.0%	1.1%	5 011.6	5 183.9	646.7	-49.8%	0.5%
Total	598 396.9	656 139.9	693 418.0	753 502.6	8.0%	100.0%	815 109.5	883 601.6	946 824.4	7.9%	100.0%

Transfers and subsidies expenditure trends and estimates

Table 8.3 Vote transfers and subsidies trends and estimates

				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	13 610 586	14 781 389	12 685 486	13 246 836	-0.9%	2.8%	14 144 929	15 172 052	15 658 561	5.7%	2.4%
Finance and Accounting Services	2 085	2 038	2 060	2 140	0.9%	—	2 221	2 343	2 428	4.3%	—
Sector Education and Training Authority											
Communication	9	9	18	21	32.6%	—	—	—	—	-100.0%	—
Cooperative Banks Development Agency	16 872	19 275	19 883	20 759	7.2%	—	21 461	22 650	23 483	4.2%	—
Financial and Fiscal Commission	44 839	50 647	51 782	54 319	6.6%	—	66 358	69 481	71 660	9.7%	—
Government Technical Advisory Centre	713 608	605 040	329 301	600 753	-5.6%	0.1%	679 748	847 896	872 341	13.2%	0.1%
Development Bank of Southern Africa	—	—	—	100 000	—	—	40 000	160 000	100 000	—	—
Accounting Standards Board	12 517	13 463	14 054	14 340	4.6%	—	15 038	15 862	16 448	4.7%	—
Independent Regulatory Board for Auditors	28 978	39 624	40 874	43 163	14.2%	—	44 624	47 080	48 824	4.2%	—
South African Revenue Service: Operations	8 320 321	9 041 607	7 757 918	7 814 599	-2.1%	1.7%	8 242 778	8 696 131	9 017 888	4.9%	1.4%
South African Revenue Service: Office of the Tax Ombud	—	35 030	41 527	40 308	—	—	42 525	44 864	46 524	4.9%	—
Financial Intelligence Centre: Operations	239 641	254 941	262 581	277 285	5.0%	0.1%	287 685	303 627	314 744	4.3%	—
Secret Services: Operations	4 152 641	4 523 437	4 067 750	4 216 307	0.5%	0.9%	4 582 490	4 837 118	5 015 231	6.0%	0.8%
Auditor-General of South Africa: Creation of direct charge	79 075	196 278	97 738	62 842	-7.4%	—	120 001	125 000	128 990	27.1%	—
Capital	1 463 560	1 469 564	1 641 759	2 132 414	13.4%	0.3%	2 563 157	2 588 714	2 673 357	7.8%	0.4%
Government Technical Advisory Centre	—	742	785	829	—	—	875	923	957	4.9%	—
South African Revenue Service: Machinery and equipment	1 043 355	1 141 561	1 207 772	1 674 124	17.1%	0.3%	2 224 714	2 232 095	2 303 583	11.2%	0.4%
Financial Intelligence Centre: Machinery and equipment	16 731	15 250	16 135	17 039	0.6%	—	17 976	18 965	19 669	4.9%	—
Secret Services: Machinery and equipment	403 474	312 011	417 067	440 422	3.0%	0.1%	319 592	336 731	349 148	-7.4%	0.1%

Table 8.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R thousand											
Households											
Social benefits											
Current	4 341 435	4 561 684	4 964 744	5 507 143	8.3%	1.0%	5 677 056	6 591 523	7 293 251	9.8%	1.0%
Employee social benefits	3 791	6 923	10 284	6 512	19.8%	–	1 668	1 760	1 844	-34.3%	–
Contribution to provident funds for associated institutions	314	248	238	360	4.7%	–	380	401	420	5.3%	–
Parliamentary Awards	17	18	19	25	13.7%	–	26	27	28	3.8%	–
Other benefits	92 820	87 805	96 855	104 093	3.9%	–	109 819	115 859	121 372	5.3%	–
Injury on duty	563 450	598 974	640 530	688 838	6.9%	0.1%	726 724	766 694	803 175	5.3%	0.1%
Post-retirement medical scheme	2 133 462	2 458 759	2 796 113	3 171 615	14.1%	0.5%	3 868 576	4 798 416	5 418 632	19.5%	0.7%
Special pensions	447 781	459 964	468 578	478 167	2.2%	0.1%	480 000	506 400	530 495	3.5%	0.1%
Political Office Bearers Pension Fund	–	–	–	53 224	–	–	50 001	50 356	52 752	-0.3%	–
Pension benefits: President of South Africa	7 732	7 407	10 753	10 762	11.7%	–	14 277	15 062	15 779	13.6%	–
Military pensions: Ex-servicemen	2 285	1 753	1 350	1 105	-21.5%	–	2 599	2 742	2 872	37.5%	–
South African citizen force	175 485	190 998	191 100	199 322	4.3%	–	217 131	229 073	239 973	6.4%	–
Civil protection	19	19	19	19	–	–	20	21	22	5.0%	–
Other benefits: Ex-servicemen	12 279	11 516	8 701	11 318	-2.7%	–	19 910	21 005	22 004	24.8%	–
Non-statutory forces	899 600	737 300	737 300	778 589	-4.7%	0.2%	102 411	–	–	-100.0%	–
Early retirement costs: Government Pensions Administration Agency	–	–	–	–	–	–	80 000	80 000	80 000	–	–
Post-retirement medical scheme: Parliamentary staff	2 400	–	2 904	3 194	10.0%	–	3 514	3 707	3 883	6.7%	–
Provinces and municipalities											
Municipal bank accounts											
Current	11 819 565	12 427 803	13 114 612	13 849 031	5.4%	2.6%	14 724 932	15 918 942	16 848 549	6.8%	2.6%
Local government financial management grant	465 264	502 006	504 566	532 822	4.6%	0.1%	544 862	574 829	596 005	3.8%	0.1%
Infrastructure skills development grant	130 471	140 774	141 492	149 416	4.6%	–	153 192	161 618	167 571	3.9%	–
General fuel levy sharing with metropolitan municipalities	11 223 830	11 785 023	12 468 554	13 166 793	5.5%	2.5%	14 026 878	15 182 495	16 084 973	6.9%	2.4%
Capital	858 665	949 958	862 726	911 723	2.0%	0.2%	876 941	907 923	953 960	1.5%	0.2%
Integrated city development grant	266 805	292 119	293 609	310 051	5.1%	0.1%	317 499	341 312	360 886	5.2%	0.1%
Neighbourhood development partnership grant	591 860	657 839	569 117	601 672	0.5%	0.1%	559 442	566 611	593 074	-0.5%	0.1%
Households											
Other transfers to households											
Current	1 080	1 719	2 950	1 943	21.6%	–	2 050	2 126	2 206	4.3%	–
Employee social benefits	–	346	1 301	–	–	–	–	–	–	–	–
Bursaries for non-employees	1 080	1 373	1 649	1 943	21.6%	–	2 050	2 126	2 206	4.3%	–
Foreign governments and international organisations											
Current	816 927	915 339	1 023 103	876 872	2.4%	0.2%	1 267 045	1 367 815	1 503 791	19.7%	0.2%
Common Monetary Area compensation	792 269	891 721	997 833	849 938	2.4%	0.2%	1 236 685	1 336 003	1 471 005	20.1%	0.2%
Collaborative Africa Budget Reform Initiative	2 431	2 400	2 565	2 250	-2.5%	–	2 650	2 650	2 614	5.1%	–
Commonwealth Fund for Technical Cooperation	5 815	6 117	5 816	5 816	–	–	7 162	7 550	7 830	10.4%	–
International Finance Facility for Immunisation	13 180	11 712	13 550	15 000	4.4%	–	14 994	15 819	16 406	3.0%	–
African Institute for Economic Development and Planning	1 007	957	1 113	1 427	12.3%	–	1 200	1 200	1 172	-6.4%	–
Regional Technical Assistance Centre for Southern Africa	988	1 177	1 074	1 281	9.0%	–	1 351	1 425	1 478	4.9%	–
United Kingdom tax	1 237	1 255	1 152	1 160	-2.1%	–	3 003	3 168	3 286	41.5%	–
Capital	90 680	126 782	136 020	132 319	13.4%	–	151 650	159 991	165 911	7.8%	–
African Development Fund	–	73 192	82 431	78 699	–	–	95 322	100 283	104 752	10.0%	–
World Bank Group	90 680	53 590	53 589	53 620	-16.1%	–	56 328	59 708	61 159	4.5%	–
Provinces and municipalities											
Provincial revenue funds											
Current	410 698 585	441 331 122	470 286 510	505 553 753	7.2%	92.9%	538 471 528	573 989 526	607 553 532	6.3%	93.1%
Provincial equitable share	410 698 585	441 331 122	470 286 510	505 553 753	7.2%	92.9%	538 471 528	573 989 526	607 553 532	6.3%	93.1%
Total	443 701 083	476 565 360	504 717 910	542 212 034	6.9%	100.0%	577 879 288	616 698 612	652 653 118	6.4%	100.0%

Personnel information

Table 8.4 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. Revenue Administration																			
9. Financial Intelligence and State Security																			
Number of posts estimated for 31 March 2020			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 (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number		Cost	Unit cost	2019/20 - 2022/23
National Treasury			1 030	790.3	0.8	1 041	847.1	0.8	1 074	928.9	0.9	1 076	989.3	0.9	1 059	1 032.3	1.0	0.6%	100.0%
Salary level	1 030	104	1 048	790.3	0.8	1 041	847.1	0.8	1 074	928.9	0.9	1 076	989.3	0.9	1 059	1 032.3	1.0	0.6%	100.0%
1 – 6	115	63	115	27.3	0.2	113	22.8	0.2	115	25.1	0.2	117	27.4	0.2	119	30.1	0.3	1.7%	10.9%
7 – 10	374	31	390	198.3	0.5	391	232.7	0.6	404	256.6	0.6	405	275.0	0.7	400	289.4	0.7	0.8%	37.6%
11 – 12	279	5	280	253.9	0.9	276	255.6	0.9	291	286.3	1.0	291	304.5	1.0	281	312.3	1.1	0.6%	26.8%
13 – 16	260	5	261	310.9	1.2	259	331.5	1.3	262	356.2	1.4	261	377.4	1.4	257	395.2	1.5	-0.3%	24.4%
Other	2	–	2	–	–	2	4.4	2.2	2	4.7	2.4	2	5.0	2.5	2	5.3	2.7	–	0.2%
Programme	1 030	104	1 048	790.3	0.8	1 041	847.1	0.8	1 074	928.9	0.9	1 076	989.3	0.9	1 059	1 032.3	1.0	0.6%	100.0%
Programme 1	325	72	329	190.8	0.6	322	203.8	0.6	333	226.0	0.7	340	246.1	0.7	347	267.4	0.8	2.5%	31.6%
Programme 2	77	1	78	73.0	0.9	79	83.5	1.1	82	91.7	1.1	84	99.5	1.2	78	98.8	1.3	-0.4%	7.6%
Programme 3	248	2	248	213.9	0.9	251	228.3	0.9	260	250.8	1.0	257	264.1	1.0	252	275.5	1.1	0.1%	24.0%
Programme 4	90	1	94	73.8	0.8	96	84.5	0.9	98	92.4	0.9	97	97.3	1.0	92	98.0	1.1	-1.4%	9.0%
Programme 5	259	28	266	206.9	0.8	264	217.5	0.8	270	235.6	0.9	268	249.0	0.9	262	259.9	1.0	-0.3%	25.0%
Programme 6	31	–	33	31.9	1.0	29	29.4	1.0	31	32.5	1.0	30	33.4	1.1	28	32.8	1.2	-1.2%	2.8%

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

2. Rand million.

Departmental receipts

Table 8.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
Departmental receipts	4 951 206	4 430 772	7 113 723	4 260 766	7 260 266	13.6%	31.0%	6 477 970	6 703 788	6 889 376	-1.7%	51.2%
Sales of goods and services produced by department	11 813	116 637	125 191	14 377	14 377	6.8%	0.3%	14 262	15 041	530	-66.7%	0.1%
Sales by market establishments	100	99	91	127	127	8.3%	–	110	116	120	-1.9%	–
of which:												
Rental parking: Covered and open	100	99	91	127	127	8.3%	–	110	116	120	-1.9%	–
Administrative fees	1	1	1	11	11	122.4%	–	12	13	20	22.1%	–
of which:												
Required information: Duplicate certificate	1	1	1	11	11	122.4%	–	12	13	20	22.1%	–
Other sales	11 712	116 537	125 099	14 239	14 239	6.7%	0.3%	14 140	14 912	390	-69.9%	0.1%
of which:												
Commission: Insurance	94	94	100	106	106	4.1%	–	90	95	100	-1.9%	–
Directors fees	228	228	220	232	232	0.6%	–	145	153	200	-4.8%	–
Replacement of security cards	10	10	15	16	16	17.0%	–	10	11	20	7.7%	–
Fees for government guarantee insurance	11 260	116 085	124 749	13 855	13 855	7.2%	0.3%	13 855	14 603	–	-100.0%	0.1%
Sales of assets less than R5 000	120	120	15	30	30	-37.0%	–	40	50	70	32.6%	–
Sales of scrap, waste, arms and other used current goods	14	11	188	24	24	19.7%	–	27	28	28	5.3%	–
of which:												
Wastepaper	–	–	173	8	8	–	–	7	7	7	-4.4%	–
Departmental publications	14	11	15	16	16	4.6%	–	20	21	21	9.5%	–
Interest, dividends and rent on land	4 032 638	3 325 439	6 830 187	3 971 305	6 871 305	19.4%	27.5%	6 187 901	6 398 048	6 598 048	-1.3%	48.8%
Interest	3 881 438	3 082 460	6 750 187	3 800 000	6 700 000	20.0%	26.6%	6 000 000	6 200 000	6 400 000	-1.5%	47.4%
Dividends	151 200	242 979	80 000	171 305	171 305	4.2%	0.8%	187 901	198 048	198 048	5.0%	1.4%
of which:												
South African Special Risks Insurance Association	151 200	242 979	80 000	171 305	171 305	4.2%	0.8%	187 901	198 048	198 048	5.0%	1.4%

Table 8.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
R thousand				2019/20		2016/17 - 2019/20					2019/20 - 2022/23	
Sales of capital assets	136	683	—	—	—	-100.0%	—	—	—	—	—	—
Transactions in financial assets and liabilities	906 605	988 002	158 157	275 060	374 560	-25.5%	3.2%	275 780	290 671	290 770	-8.1%	2.3%
National Revenue Fund receipts of which:	14 240 651	16 600 255	11 999 374	9 886 593	10 020 079	-11.1%	69.0%	6 005 000	4 762 000	5 306 000	-19.1%	48.8%
Revaluation of profits on foreign currency transactions	10 710 440	13 115 597	10 390 835	7 507 431	7 156 956	-12.6%	54.0%	6 005 000	4 762 000	5 306 000	-9.5%	43.5%
Premiums on loan transactions	2 594 049	1 132 995	1 161 388	1 998 508	2 483 353	-1.4%	9.6%	—	—	—	-100.0%	4.6%
Other (mainly penalties on retail bonds and profit on script lending)	19 172	3 288	2 553	2 576	1 692	-55.5%	—	—	—	—	-100.0%	—
Premiums on debt portfolio restructuring (switches)	916 990	2 348 375	444 598	378 078	378 078	-25.6%	5.3%	—	—	—	-100.0%	0.7%
Total	19 191 857	21 031 027	19 113 097	14 147 359	17 280 345	-3.4%	100.0%	12 482 970	11 465 788	12 195 376	-11.0%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 8.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million				2019/20		2016/17 - 2019/20				2019/20 - 2022/23	
Ministry	3.6	3.8	3.7	4.4	6.9%	0.9%	4.7	5.0	5.2	5.2%	0.9%
Departmental Management	50.5	70.1	51.1	55.8	3.4%	12.6%	64.3	67.3	77.7	11.7%	11.9%
Corporate Services	154.9	117.5	126.4	153.0	-0.4%	30.5%	172.3	184.1	187.9	7.1%	31.2%
Enterprise-Wide Risk Management	26.3	28.3	29.3	34.6	9.6%	6.5%	35.8	37.0	39.4	4.5%	6.6%
Financial Administration	37.9	41.5	43.4	47.9	8.2%	9.4%	48.9	59.2	62.3	9.1%	9.8%
Legal Services	22.9	22.0	22.3	22.9	—	5.0%	24.3	25.6	26.5	5.0%	4.4%
Internal Audit	21.8	24.1	32.2	30.2	11.5%	6.0%	36.6	38.5	38.5	8.4%	6.4%
Communications	8.6	12.5	9.7	11.3	9.7%	2.3%	11.9	12.6	13.1	4.8%	2.2%
Office Accommodation	109.9	118.1	106.2	151.1	11.2%	26.8%	138.1	149.5	158.6	1.6%	26.7%
Total	436.3	437.9	424.3	511.4	5.4%	100.0%	536.9	578.7	609.1	6.0%	100.0%
Change to 2019 Budget estimate				(44.4)			(62.4)	(58.1)	(51.8)		
Economic classification											
Current payments	392.6	421.1	402.4	481.9	7.1%	93.8%	513.7	548.2	587.2	6.8%	95.3%
Compensation of employees	195.4	203.0	190.8	211.5	2.7%	44.2%	226.0	246.1	267.4	8.1%	42.5%
Goods and services ¹	197.2	218.1	211.6	270.4	11.1%	49.6%	287.7	302.1	319.8	5.8%	52.8%
of which:											
Computer services	34.9	27.9	28.2	43.7	7.8%	7.4%	59.6	56.7	62.6	12.7%	10.0%
Consultants: Business and advisory services	4.5	7.8	12.3	13.6	44.4%	2.1%	17.9	18.4	17.6	9.0%	3.0%
Legal services	14.8	14.3	13.5	15.1	0.6%	3.2%	15.8	16.7	17.3	4.7%	2.9%
Operating leases	66.0	63.7	57.7	88.6	10.3%	15.3%	82.9	90.5	96.7	2.9%	16.0%
Property payments	25.3	24.0	19.7	23.7	-2.1%	5.1%	24.3	26.7	28.2	6.0%	4.6%
Travel and subsistence	14.1	28.6	23.6	19.1	10.7%	4.7%	24.3	25.4	26.7	11.7%	4.3%
Transfers and subsidies¹	4.8	7.3	7.3	5.2	3.3%	1.4%	4.3	4.5	4.6	-4.0%	0.8%
Departmental agencies and accounts	2.1	2.0	2.1	2.2	1.1%	0.5%	2.2	2.3	2.4	4.0%	0.4%
Households	2.7	5.3	5.2	3.1	5.0%	0.9%	2.1	2.1	2.2	-10.5%	0.4%
Payments for capital assets	38.9	9.3	13.9	24.3	-14.5%	4.8%	19.0	26.1	17.3	-10.7%	3.9%
Machinery and equipment	38.9	9.3	11.5	21.7	-17.7%	4.5%	19.0	26.1	17.3	-7.2%	3.8%
Software and other intangible assets	—	0.0	2.4	2.6	—	0.3%	—	—	—	-100.0%	0.1%
Payments for financial assets	0.1	0.1	0.7	—	-100.0%	—	—	—	—	—	—
Total	436.3	437.9	424.3	511.4	5.4%	100.0%	536.9	578.7	609.1	6.0%	100.0%
Proportion of total programme expenditure to vote expenditure	1.6%	1.1%	1.5%	1.7%	—	—	1.6%	1.6%	1.9%	—	—

Table 8.6 Administration 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	2.1	2.0	2.1	2.1	0.9%	0.5%	2.2	2.3	2.4	4.3%	0.4%
Finance and Accounting Services	2.1	2.0	2.1	2.1	0.9%	0.5%	2.2	2.3	2.4	4.3%	0.4%
Sector Education and Training Authority											
Households											
Other transfers to households											
Current	1.1	1.4	1.6	1.9	21.6%	0.3%	2.1	2.1	2.2	4.3%	0.4%
Bursaries for non-employees	1.1	1.4	1.6	1.9	21.6%	0.3%	2.1	2.1	2.2	4.3%	0.4%

1. Estimates of National Expenditure data tables can be downloaded from www.treasury.gov.za. These tables contain detailed information by goods and services, and transfers and subsidies items 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 administration 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 by 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 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 administration 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* subprogramme facilitates transfer payments 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 8.7 Economic Policy, Tax, Financial Regulation and Research 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Programme Management for Economic Policy, Tax, Financial Regulation and Research	45.0	43.6	44.4	40.5	-3.5%	29.6%	48.9	51.3	53.1	9.5%	29.6%
Research	7.3	10.8	–	–	-100.0%	3.1%	–	–	–	–	–
Financial Sector Policy	24.3	24.9	21.6	23.2	-1.6%	16.1%	26.7	28.2	29.2	8.0%	16.4%
Tax Policy	30.3	28.6	30.9	32.5	2.4%	20.9%	35.1	36.5	36.3	3.7%	21.4%
Economic Policy	27.5	24.7	21.9	26.2	-1.6%	17.2%	30.3	35.2	33.9	9.0%	19.2%
Cooperative Banks Development Agency	16.9	19.3	19.9	20.8	7.2%	13.1%	21.5	22.7	23.5	4.2%	13.5%
Total	151.2	151.9	138.8	143.1	-1.8%	100.0%	162.4	173.8	176.0	7.1%	100.0%
Change to 2019 Budget estimate				(6.6)			2.8	4.8	0.6		
Economic classification											
Current payments	133.3	131.5	118.0	121.2	-3.1%	86.2%	140.0	150.2	151.4	7.7%	85.9%
Compensation of employees	79.7	77.0	73.0	80.5	0.4%	53.0%	91.7	99.5	98.8	7.1%	56.5%
Goods and services ¹	53.7	54.5	45.0	40.7	-8.8%	33.2%	48.3	50.7	52.6	8.9%	29.4%
of which:											
Bursaries: Employees	0.3	0.3	0.4	0.3	-3.1%	0.2%	0.4	0.4	0.4	20.6%	0.2%
Consultants: Business and advisory services	40.2	41.7	31.2	28.7	-10.6%	24.3%	34.9	36.0	37.4	9.2%	20.9%
Consumables: Stationery, printing and office supplies	1.4	3.0	2.1	2.1	13.6%	1.5%	1.5	1.6	1.6	-8.2%	1.0%
Travel and subsistence	6.6	5.0	7.1	5.5	-5.7%	4.1%	6.5	7.0	7.2	8.9%	4.0%
Training and development	0.5	0.4	0.6	0.8	15.2%	0.4%	1.4	1.5	1.1	10.5%	0.7%
Operating payments	3.3	1.9	2.0	2.0	-15.2%	1.6%	2.3	2.7	3.3	18.5%	1.6%
Transfers and subsidies¹	17.2	19.7	20.3	21.0	6.9%	13.4%	21.5	22.7	23.5	3.8%	13.5%
Departmental agencies and accounts	16.9	19.3	19.9	20.8	7.2%	13.1%	21.5	22.7	23.5	4.2%	13.5%
Households	0.3	0.4	0.4	0.2	-9.8%	0.2%	–	–	–	-100.0%	–
Payments for capital assets	0.7	0.7	0.5	0.9	9.2%	0.5%	0.9	1.0	1.0	5.4%	0.6%
Machinery and equipment	0.7	0.7	0.5	0.9	9.2%	0.5%	0.9	1.0	1.0	5.4%	0.6%
Payments for financial assets	0.0	–	0.0	–	-100.0%	–	–	–	–	–	–
Total	151.2	151.9	138.8	143.1	-1.8%	100.0%	162.4	173.8	176.0	7.1%	100.0%
Proportion of total programme expenditure to vote expenditure	0.5%	0.4%	0.5%	0.5%	–	–	0.5%	0.5%	0.5%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	16.9	19.3	19.9	20.8	7.2%	13.1%	21.5	22.7	23.5	4.2%	13.5%
Cooperative Banks Development Agency	16.9	19.3	19.9	20.8	7.2%	13.1%	21.5	22.7	23.5	4.2%	13.5%

1. Estimates of National Expenditure data tables can be downloaded from www.treasury.gov.za. These tables contain detailed information by goods and services, and transfers and subsidies items 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. Facilitate employment creation and high-impact government initiatives, and strengthen infrastructure planning and delivery.

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, Medium-Term Budget Policy Statement, Adjusted Estimates of National Expenditure and appropriation legislation containing relevant, accurate and clear financial information and associated indicators on 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 on an ongoing basis through increased budget participation by the public.
- 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 governments' built environments by supporting infrastructure planning and implementation in all provinces, and infrastructure skills development in all municipalities on an ongoing basis.

Subprogrammes

- *Programme Management for Public Finance and Budget Management* provides support to the programme's planning, monitoring and delivery functions. Key activities include overseeing 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 coordination of the national budget process, including the publication of the Budget Review, Estimates of National Expenditure, Medium-Term Budget Policy Statement and Adjusted 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 to improve infrastructure planning and management in order to meet service delivery targets in all spheres of government.
- *Financial and Fiscal Commission* subprogramme 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.
- *Facilitation of Conditional Grants* facilitates conditional grants administered by National Treasury, which are aimed at strengthening public and private investment for improved living and working conditions in townships, and creating more spatially resilient, efficient and integrated towns and cities. These grants are further aimed at promoting 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.
- *Catalytic Infrastructure and Development Support Programme* provides technical assistance and support to National Treasury, provincial treasuries and municipalities by assigning professional advisers with experience and expertise in municipal financial management to facilitate key reforms and skills transfer through the municipal finance improvement programme.
- *Government Technical Advisory Centre* subprogramme facilitates transfer payments to the Government Technical Advisory Centre which provides management support for 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 also facilitates the creation of sustainable jobs by supporting innovative and partnership-based approaches to employment, enterprise development and providing support to work seekers through the Jobs Fund; and supports research on employment, income distribution and inclusive growth.

Expenditure trends and estimates

Table 8.8 Public Finance and Budget 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme Management for Public Finance and Budget Management	21.4	20.8	19.1	34.5	17.2%	0.9%	32.8	34.6	37.1	2.5%	1.0%
Public Finance	56.6	61.7	64.0	61.3	2.7%	2.2%	69.5	73.0	75.8	7.4%	2.0%
Budget Office and Coordination	57.0	57.7	59.7	62.9	3.4%	2.1%	71.2	75.5	78.4	7.6%	2.0%
Intergovernmental Relations	102.0	97.8	100.8	115.6	4.3%	3.7%	442.5	552.2	577.6	71.0%	11.8%
Financial and Fiscal Commission	44.8	50.6	51.8	54.3	6.6%	1.8%	66.4	69.5	71.7	9.7%	1.8%
Facilitation of Conditional Grants	1 454.4	1 592.7	1 508.8	1 594.0	3.1%	55.3%	1 575.0	1 644.4	1 717.5	2.5%	45.6%
Catalytic Infrastructure and Development Support Programme	237.8	259.7	323.8	381.8	17.1%	10.8%	363.4	522.4	470.0	7.2%	12.1%
Government Technical Advisory Centre	786.2	673.9	402.5	704.6	-3.6%	23.1%	773.6	946.5	974.6	11.4%	23.7%
Total	2 760.2	2 815.0	2 530.4	3 008.9	2.9%	100.0%	3 394.4	3 918.0	4 002.7	10.0%	100.0%
Change to 2019 Budget estimate				(48.7)			103.6	397.5	330.5		

Table 8.8 Public Finance and Budget Management expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	545.4	564.3	636.0	656.5	6.4%	21.6%	1 029.7	1 192.5	1 237.3	23.5%	28.7%
Compensation of employees	201.9	211.7	213.9	219.2	2.8%	7.6%	250.8	264.1	275.5	7.9%	7.0%
Goods and services ¹	343.5	352.6	422.1	437.3	8.4%	14.0%	778.9	928.4	961.8	30.0%	21.7%
of which:											
Bursaries: Employees	0.6	1.0	1.0	1.5	37.8%	—	1.2	1.4	1.5	-0.8%	—
Consultants: Business and advisory services	324.6	332.9	400.4	413.3	8.4%	13.2%	754.0	901.9	934.2	31.2%	21.0%
Consumables: Stationery, printing and office supplies	2.1	6.7	1.0	1.4	-13.6%	0.1%	1.8	1.8	1.9	12.3%	—
Operating leases	0.9	0.7	0.8	1.1	5.9%	—	1.1	1.1	1.2	3.9%	—
Travel and subsistence	8.3	8.5	10.6	10.0	6.1%	0.3%	10.6	11.4	11.9	6.1%	0.3%
Operating payments	4.4	0.0	5.8	6.2	11.5%	0.1%	6.2	6.6	6.8	3.5%	0.2%
Transfers and subsidies ¹	2 213.2	2 249.6	1 892.6	2 350.0	2.0%	78.3%	2 362.0	2 722.7	2 762.5	5.5%	71.2%
Provinces and municipalities	1 454.4	1 592.7	1 508.8	1 594.0	3.1%	55.3%	1 575.0	1 644.4	1 717.5	2.5%	45.6%
Departmental agencies and accounts	758.4	656.4	381.9	755.9	-0.1%	23.0%	787.0	1 078.3	1 045.0	11.4%	25.6%
Households	0.4	0.4	1.9	0.2	-22.0%	—	—	—	—	-100.0%	—
Payments for capital assets	1.5	1.1	1.9	2.4	15.5%	0.1%	2.6	2.7	2.9	7.2%	0.1%
Machinery and equipment	1.5	1.1	1.9	2.4	15.5%	0.1%	2.6	2.7	2.9	7.2%	0.1%
Payments for financial assets	0.0	0.1	0.0	—	-100.0%	—	—	—	—	—	—
Total	2 760.2	2 815.0	2 530.4	3 008.9	2.9%	100.0%	3 394.4	3 918.0	4 002.7	10.0%	100.0%
Proportion of total programme expenditure to vote expenditure	9.8%	7.1%	8.9%	9.8%	—	—	10.2%	10.9%	12.2%	—	—
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	758.4	655.7	381.1	755.1	-0.1%	22.9%	786.1	1 077.4	1 044.0	11.4%	25.6%
Financial and Fiscal Commission	44.8	50.6	51.8	54.3	6.6%	1.8%	66.4	69.5	71.7	9.7%	1.8%
Government Technical Advisory Centre	713.6	605.0	329.3	600.8	-5.6%	20.2%	679.7	847.9	872.3	13.2%	20.9%
Development Bank of Southern Africa	—	—	—	100.0	—	0.9%	40.0	160.0	100.0	—	2.8%
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	595.7	642.8	646.1	682.2	4.6%	23.1%	698.1	736.4	763.6	3.8%	20.1%
Local government financial management grant	465.3	502.0	504.6	532.8	4.6%	18.0%	544.9	574.8	596.0	3.8%	15.7%
Infrastructure skills development grant	130.5	140.8	141.5	149.4	4.6%	5.1%	153.2	161.6	167.6	3.9%	4.4%
Capital	858.7	950.0	862.7	911.7	2.0%	32.2%	876.9	907.9	954.0	1.5%	25.5%
Integrated city development grant	266.8	292.1	293.6	310.1	5.1%	10.5%	317.5	341.3	360.9	5.2%	9.3%
Neighbourhood development partnership grant	591.9	657.8	569.1	601.7	0.5%	21.8%	559.4	566.6	593.1	-0.5%	16.2%

1. Estimates of National Expenditure data tables can be downloaded from www.treasury.gov.za. These tables contain detailed information by goods and services, and transfers and subsidies items 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 entity 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. This 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.

Expenditure trends and estimates

Table 8.9 Asset and Liability 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 (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/Total (%)
R million											
Programme Management for Asset and Liability Management	24.4	6.1	6.9	8.0	-31.0%	0.4%	11.6	11.5	11.1	11.7%	8.6%
State - Owned Entity Financial Management and Governance	33.5	5 241.6	31.5	36.4	2.8%	51.4%	38.6	41.1	41.4	4.4%	32.2%
Government Debt Management	18.8	4 810.0	19.5	20.6	3.1%	46.9%	22.3	23.5	23.6	4.7%	18.4%
Financial Operations	22.5	22.0	24.2	25.2	3.9%	0.9%	38.8	41.1	42.7	19.2%	30.2%
Strategy and Risk Management	10.9	10.1	9.0	11.2	0.8%	0.4%	13.0	13.7	14.3	8.7%	10.7%
Total	110.1	10 089.8	91.2	101.4	-2.7%	100.0%	124.2	130.9	133.3	9.5%	100.0%
Change to 2019				(7.0)			8.1	9.0	6.7		
Budget estimate											
Economic classification											
Current payments	108.9	88.9	88.4	99.3	-3.0%	3.7%	123.4	130.1	132.4	10.1%	99.1%
Compensation of employees	77.0	75.2	73.8	83.6	2.8%	3.0%	92.4	97.3	98.0	5.4%	75.8%
Goods and services ¹	31.9	13.6	14.6	15.7	-21.0%	0.7%	31.0	32.8	34.5	29.9%	23.3%
of which:											
Audit costs: External	0.6	0.7	1.0	0.7	7.0%	—	1.0	1.0	0.8	2.8%	0.7%
Bursaries: Employees	0.6	0.7	0.4	0.8	10.0%	—	0.7	0.8	1.0	8.9%	0.7%
Computer services	13.1	8.0	8.5	7.4	-17.2%	0.4%	20.9	22.3	23.6	46.8%	15.2%
Consultants: Business and advisory services	14.1	0.1	1.0	1.6	-51.5%	0.2%	3.1	3.1	3.2	26.4%	2.3%
Travel and subsistence	2.1	2.6	2.4	3.0	12.7%	0.1%	3.3	3.4	3.7	7.2%	2.7%
Training and development	0.4	0.2	0.1	0.8	31.9%	—	0.6	0.6	0.6	-8.6%	0.5%
Transfers and subsidies¹	0.5	0.4	2.1	1.4	38.4%	—	—	—	—	-100.0%	0.3%
Households	0.5	0.4	2.1	1.4	38.4%	—	—	—	—	-100.0%	0.3%
Payments for capital assets	0.7	0.6	0.7	0.7	1.2%	—	0.8	0.8	0.9	5.6%	0.7%
Machinery and equipment	0.7	0.6	0.7	0.7	1.2%	—	0.8	0.8	0.9	5.6%	0.7%
Payments for financial assets	—	10 000.0	0.0	—	—	96.2%	—	—	—	—	—
Total	110.1	10 089.8	91.2	101.4	-2.7%	100.0%	124.2	130.9	133.3	9.5%	100.0%
Proportion of total programme expenditure to vote expenditure	0.4%	25.5%	0.3%	0.3%	—	—	0.4%	0.4%	0.4%	—	—

1. Estimates of National Expenditure data tables can be downloaded from www.treasury.gov.za. These tables contain detailed information by goods and services, and transfers and subsidies items 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 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 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 to implement 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.
- *Service Charges: Commercial Banks* is a transfer payment that provides for bank service charges for the deposit accounts of all government departments.

Expenditure trends and estimates

Table 8.10 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Programme Management for Financial Accounting and Supply Chain Management Systems	60.2	25.5	50.2	100.0	18.4%	6.6%	93.4	106.5	126.1	8.0%	10.0%
Office of the Chief Procurement Officer	67.5	71.8	69.0	73.0	2.6%	7.9%	73.2	77.9	82.4	4.1%	7.2%
Financial Systems	797.4	374.3	419.6	542.0	-12.1%	59.7%	580.6	608.3	633.6	5.3%	55.4%
Financial Reporting for National Accounts	85.1	97.3	102.0	108.2	8.3%	11.0%	113.3	119.3	123.7	4.6%	10.9%
Financial Management Policy and Compliance Improvement	120.3	120.5	130.3	157.8	9.5%	14.8%	173.0	185.3	192.8	6.9%	16.6%
Service Charges: Commercial Banks	0.3	0.2	0.3	0.3	6.1%	–	0.3	0.3	0.4	4.9%	–
Total	1 130.8	689.6	771.4	981.3	-4.6%	100.0%	1 033.8	1 097.6	1 159.0	5.7%	100.0%
Change to 2019 Budget estimate				(112.2)			(125.4)	(124.9)	(109.1)		
Economic classification											
Current payments	668.8	619.1	706.5	906.5	10.7%	81.2%	961.7	1 027.4	1 083.5	6.1%	93.1%
Compensation of employees	200.5	206.1	206.9	217.0	2.7%	23.2%	235.6	249.0	259.9	6.2%	22.5%
Goods and services ¹	468.2	413.0	499.5	689.5	13.8%	57.9%	726.1	778.3	823.6	6.1%	70.6%
of which:											
Audit costs: External	3.8	5.7	6.2	7.3	24.9%	0.6%	8.1	7.6	7.7	2.0%	0.7%
Bursaries: Employees	2.9	2.3	1.1	1.8	-15.3%	0.2%	2.4	2.4	2.3	9.2%	0.2%
Computer services	353.2	344.2	353.3	462.5	9.4%	42.3%	500.9	531.0	551.0	6.0%	47.9%
Consultants: Business and advisory services	88.7	41.8	119.5	191.8	29.3%	12.4%	186.3	208.0	231.7	6.5%	19.1%
Travel and subsistence	7.6	8.3	10.0	10.9	12.9%	1.0%	12.8	13.6	14.5	9.9%	1.2%
Venues and facilities	4.3	4.3	4.4	4.6	2.7%	0.5%	5.3	5.6	5.8	8.0%	0.5%
Transfers and subsidies¹	42.5	54.9	58.6	61.0	12.8%	6.1%	61.3	64.7	67.1	3.2%	5.9%
Departmental agencies and accounts	41.5	53.1	54.9	57.5	11.5%	5.8%	59.7	62.9	65.3	4.3%	5.7%
Households	1.0	1.8	3.6	3.5	52.3%	0.3%	1.7	1.8	1.8	-19.1%	0.2%
Payments for capital assets	419.5	15.2	6.3	13.9	-67.9%	12.7%	10.8	5.6	8.3	-15.7%	0.9%
Machinery and equipment	3.4	15.2	5.7	9.0	37.7%	0.9%	6.7	4.7	7.2	-7.1%	0.6%
Software and other intangible assets	416.1	0.0	0.6	4.9	-77.3%	11.8%	4.1	0.9	1.1	-38.8%	0.3%
Payments for financial assets	0.0	0.3	0.0	–	-100.0%	–	–	–	–	–	–
Total	1 130.8	689.6	771.4	981.3	-4.6%	100.0%	1 033.8	1 097.6	1 159.0	5.7%	100.0%
Proportion of total programme expenditure to vote expenditure	4.0%	1.7%	2.7%	3.2%	–	–	3.1%	3.1%	3.5%	–	–

Table 8.10 Financial Accounting and Supply Chain Management Systems expenditure trends and estimates by subprogramme and economic classification

Economic classification												
Details of selected transfers and subsidies					Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome												
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23			
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	41.5	53.1	54.9	57.5	11.5%	5.8%	59.7	62.9	65.3	4.3%	5.7%	
Accounting Standards Board	12.5	13.5	14.1	14.3	4.6%	1.5%	15.0	15.9	16.4	4.7%	1.4%	
Independent Regulatory Board for Auditors	29.0	39.6	40.9	43.2	14.2%	4.3%	44.6	47.1	48.8	4.2%	4.3%	

1. Estimates of National Expenditure data tables can be downloaded from www.treasury.gov.za. These tables contain detailed information by goods and services, and transfers and subsidies items 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 in these institutions, as informed by government's secondment policy, on an ongoing basis.
- Promote regional economic integration in the Southern African Development Community (SADC) 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 delivery 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 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 member countries for the use of the rand currency within their respective borders. It also includes the provision of technical support 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 Gavi, the Vaccine Alliance, a public-private partnership for global health that supports 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 8.11 International Financial Relations expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2016/17	2017/18	2018/19	2019/20	2016/17	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
R million											
Programme Management for International Financial Relations	10.0	7.5	9.0	10.5	1.6%	0.2%	12.4	12.6	14.0	10.1%	0.2%
International Economic Cooperation	38.3	36.2	46.7	62.7	17.9%	0.8%	56.8	58.8	59.3	-1.9%	1.1%
African Integration and Support	796.7	896.3	1 002.6	854.9	2.4%	16.1%	1 241.9	1 341.3	1 476.3	20.0%	23.0%
International Development Funding Institutions	4 091.8	4 512.0	4 730.0	4 879.2	6.0%	82.6%	5 065.3	5 343.9	812.6	-45.0%	75.3%
International Projects	19.0	17.8	19.4	20.8	3.1%	0.3%	22.2	23.4	24.2	5.2%	0.4%
Total	4 955.8	5 469.8	5 807.7	5 828.1	5.6%	100.0%	6 398.6	6 780.0	2 386.4	-25.7%	100.0%
Change to 2019 Budget estimate				76.6			339.2	383.4	(4 247.9)		
Economic classification											
Current payments	47.2	43.1	55.6	72.4	15.3%	1.0%	68.9	71.2	72.3	-	1.3%
Compensation of employees	32.0	30.7	31.9	35.5	3.5%	0.6%	32.5	33.4	32.8	-2.6%	0.6%
Goods and services ¹	15.2	12.4	23.7	36.9	34.5%	0.4%	36.4	37.8	39.6	2.4%	0.7%
of which:											
Administrative fees	0.1	0.5	1.5	0.4	47.7%	-	0.6	0.6	0.6	12.7%	-
Bursaries: Employees	0.2	0.2	0.0	0.2	4.1%	-	0.6	0.7	0.7	40.8%	-
Consultants: Business and advisory services	0.8	0.7	-	1.5	24.7%	-	1.2	0.8	0.8	-18.6%	-
Travel and subsistence	9.3	7.0	16.0	12.9	11.5%	0.2%	14.4	13.8	14.5	4.0%	0.3%
Operating payments	0.4	0.6	0.4	0.6	19.0%	-	0.8	0.6	1.4	28.0%	-
Venues and facilities	0.8	2.7	4.7	19.9	189.5%	0.1%	17.5	20.4	20.6	1.1%	0.4%
Transfers and subsidies¹	906.4	1 041.2	1 158.0	1 008.1	3.6%	18.6%	1 415.7	1 524.6	1 666.4	18.2%	26.2%
Foreign governments and international organisations	906.4	1 040.9	1 158.0	1 008.0	3.6%	18.6%	1 415.7	1 524.6	1 666.4	18.2%	26.2%
Households	0.0	0.4	0.0	0.1	54.7%	-	-	-	-	-100.0%	-
Payments for capital assets	1.1	0.2	0.2	0.7	-13.1%	-	0.3	0.3	0.9	8.0%	-
Machinery and equipment	1.1	0.2	0.2	0.7	-13.1%	-	0.3	0.3	0.9	8.0%	-
Payments for financial assets	4 001.1	4 385.3	4 594.0	4 746.9	5.9%	80.4%	4 913.7	5 183.9	646.7	-48.5%	72.4%
Total	4 955.8	5 469.8	5 807.7	5 828.1	5.6%	100.0%	6 398.6	6 780.0	2 386.4	-25.7%	100.0%
Proportion of total programme expenditure to vote expenditure	17.6%	13.8%	20.3%	19.0%	-	-	19.3%	18.9%	7.3%	-	-

Table 8.11 International Financial Relations expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies				Adjusted appropriation	Average growth rate (%)		Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome					Average growth rate (%)	Average: Expenditure/ Total (%)						
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23		
Foreign governments and international organisations												
Current	815.7	914.1	1 022.0	875.7	2.4%	16.4%	1 264.0	1 364.6	1 500.5	19.7%	23.4%	
Common Monetary Area compensation	792.3	891.7	997.8	849.9	2.4%	16.0%	1 236.7	1 336.0	1 471.0	20.1%	22.9%	
Collaborative Africa Budget Reform Initiative	2.4	2.4	2.6	2.3	-2.5%	—	2.7	2.7	2.6	5.1%	—	
Commonwealth Fund for Technical Cooperation	5.8	6.1	5.8	5.8	—	0.1%	7.2	7.6	7.8	10.4%	0.1%	
International Finance Facility for Immunisation	13.2	11.7	13.6	15.0	4.4%	0.2%	15.0	15.8	16.4	3.0%	0.3%	
African Institute for Economic Development and Planning	1.0	1.0	1.1	1.4	12.3%	—	1.2	1.2	1.2	-6.4%	—	
Regional Technical Assistance Centre for Southern Africa	1.0	1.2	1.1	1.3	9.0%	—	1.4	1.4	1.5	4.9%	—	
Capital	90.7	126.8	136.0	132.3	13.4%	2.2%	151.7	160.0	165.9	7.8%	2.9%	
African Development Fund	—	73.2	82.4	78.7	—	1.1%	95.3	100.3	104.8	10.0%	1.8%	
World Bank Group	90.7	53.6	53.6	53.6	-16.1%	1.1%	56.3	59.7	61.2	4.5%	1.1%	

1. Estimates of National Expenditure data tables can be downloaded from www.treasury.gov.za. These tables contain detailed information by goods and services, and transfers and subsidies items 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 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 timeously, 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 timeous and accurate payment 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 Employees Pension Fund Act (1979) and the Associated Institutions Pension Fund Act (1963), for postretirement 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 injured or disabled civil servants and former struggle veterans and, if they are deceased, their dependants 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, among other benefits, 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.

Expenditure trends and estimates

Table 8.12 Civil and Military Pensions, Contributions to Funds and Other Benefits expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Government Pensions Administration Agency	61.3	62.1	64.5	72.7	5.9%	1.3%	76.7	80.9	83.9	4.9%	1.2%
Civil Pensions and Contributions to Funds	3 249.2	3 614.4	4 017.1	4 511.4	11.6%	78.5%	5 336.3	6 340.1	7 029.8	15.9%	91.5%
Military Pensions and Other Benefits	1 089.7	941.6	938.5	990.4	-3.1%	20.2%	342.1	252.8	264.9	-35.6%	7.3%
Total	4 400.2	4 618.1	5 020.1	5 574.5	8.2%	100.0%	5 755.1	6 673.9	7 378.6	9.8%	100.0%
Change to 2019 Budget estimate				–			164.9	778.5	1 200.1		
Economic classification											
Current payments	61.3	62.1	64.5	72.7	5.9%	1.3%	76.7	80.9	83.9	4.9%	1.2%
Goods and services ¹ of which:	61.3	62.1	64.5	72.7	5.9%	1.3%	76.7	80.9	83.9	4.9%	1.2%
Consultants: Business and advisory services	61.3	62.1	64.5	72.7	5.9%	1.3%	76.7	80.9	83.9	4.9%	1.2%
Transfers and subsidies ¹	4 338.9	4 556.0	4 955.6	5 501.8	8.2%	98.7%	5 678.4	6 592.9	7 294.7	9.9%	98.8%
Foreign governments and international organisations	1.2	1.3	1.2	1.2	-2.1%	–	3.0	3.2	3.3	41.5%	–
Households	4 337.6	4 554.8	4 954.5	5 500.6	8.2%	98.6%	5 675.4	6 589.8	7 291.4	9.8%	98.7%
Total	4 400.2	4 618.1	5 020.1	5 574.5	8.2%	100.0%	5 755.1	6 673.9	7 378.6	9.8%	100.0%
Proportion of total programme expenditure to vote expenditure	15.6%	11.7%	17.6%	18.2%	–	–	17.4%	18.6%	22.4%	–	–
Details of selected transfers and subsidies											
Households											
Social benefits											
Current	4 337.6	4 554.7	4 954.4	5 500.6	8.2%	98.6%	5 675.3	6 589.7	7 291.4	9.8%	98.7%
Contribution to provident funds for associated institutions	0.3	0.2	0.2	0.4	4.7%	–	0.4	0.4	0.4	5.3%	–
Other benefits	92.8	87.8	96.9	104.1	3.9%	1.9%	109.8	115.9	121.4	5.3%	1.8%
Injury on duty	563.5	599.0	640.5	688.8	6.9%	12.7%	726.7	766.7	803.2	5.3%	11.8%
Post-retirement medical scheme	2 133.5	2 458.8	2 796.1	3 171.6	14.1%	53.8%	3 868.6	4 798.4	5 418.6	19.5%	68.0%
Special pensions	447.8	460.0	468.6	478.2	2.2%	9.5%	480.0	506.4	530.5	3.5%	7.9%
Political Office Bearers Pension Fund	–	–	–	53.2	–	0.3%	50.0	50.4	52.8	-0.3%	0.8%
Pension benefits: President of South Africa	7.7	7.4	10.8	10.8	11.7%	0.2%	14.3	15.1	15.8	13.6%	0.2%
Military pensions: Ex-servicemen	2.3	1.8	1.4	1.1	-21.5%	–	2.6	2.7	2.9	37.5%	–
South African citizen force	175.5	191.0	191.1	199.3	4.3%	3.9%	217.1	229.1	240.0	6.4%	3.5%
Other benefits: Ex-servicemen	12.3	11.5	8.7	11.3	-2.7%	0.2%	19.9	21.0	22.0	24.8%	0.3%
Non-statutory forces	899.6	737.3	737.3	778.6	-4.7%	16.1%	102.4	–	–	-100.0%	3.5%
Early retirement costs:	–	–	–	–	–	–	80.0	80.0	80.0	–	0.9%
Government Pensions Administration Agency											
Post-retirement medical scheme: Parliamentary staff	2.4	–	2.9	3.2	10.0%	–	3.5	3.7	3.9	6.7%	0.1%
Foreign governments and international organisations											
Current	1.2	1.3	1.2	1.2	-2.1%	–	3.0	3.2	3.3	41.5%	–
United Kingdom tax	1.2	1.3	1.2	1.2	-2.1%	–	3.0	3.2	3.3	41.5%	–

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

Programme 8: 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, CDs and DVDs, clothing, drug cases and medicament on an ongoing basis.
- Manage the South African Revenue Service's R142.3 billion debtors book efficiently through a quality assurance system intended to provide users with integrated debt management solutions on an ongoing basis.

Subprogrammes

- 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 8.13 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
South African Revenue Service	9 363.7	10 218.2	9 007.2	9 529.0	0.6%	100.0%	100.0%	10 510.0	10 973.1	11 368.0	6.1%	100.0%
Total	9 363.7	10 218.2	9 007.2	9 529.0	0.6%	100.0%	100.0%	10 510.0	10 973.1	11 368.0	6.1%	100.0%
Change to 2019 Budget estimate				–				400.0	300.0	300.0		
Economic classification												
Transfers and subsidies ¹	9 363.7	10 218.2	9 007.2	9 529.0	0.6%	100.0%	100.0%	10 510.0	10 973.1	11 368.0	6.1%	100.0%
Departmental agencies and accounts	9 363.7	10 218.2	9 007.2	9 529.0	0.6%	100.0%	100.0%	10 510.0	10 973.1	11 368.0	6.1%	100.0%
Total	9 363.7	10 218.2	9 007.2	9 529.0	0.6%	100.0%	100.0%	10 510.0	10 973.1	11 368.0	6.1%	100.0%
Proportion of total programme expenditure to vote expenditure	33.3%	25.8%	31.5%	31.1%	–	–	–	31.7%	30.6%	34.5%	–	–
Details of selected transfers and subsidies												
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	8 320.3	9 076.6	7 799.4	7 854.9	-1.9%	86.7%	86.7%	8 285.3	8 741.0	9 064.4	4.9%	80.1%
South African Revenue Service: Operations	8 320.3	9 041.6	7 757.9	7 814.6	-2.1%	86.4%	86.4%	8 242.8	8 696.1	9 017.9	4.9%	79.7%
South African Revenue Service: Office of the Tax Ombud	–	35.0	41.5	40.3	–	0.3%	0.3%	42.5	44.9	46.5	4.9%	0.4%
Capital	1 043.4	1 141.6	1 207.8	1 674.1	17.1%	13.3%	13.3%	2 224.7	2 232.1	2 303.6	11.2%	19.9%
South African Revenue Service: Machinery and equipment	1 043.4	1 141.6	1 207.8	1 674.1	17.1%	13.3%	13.3%	2 224.7	2 232.1	2 303.6	11.2%	19.9%

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

Programme 9: 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 people who might be used for money laundering and the financing of terrorism.
- Combat crime and the financing of 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* subprogramme 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 8.14 Financial Intelligence and State Security expenditure trends and estimates by subprogramme and economic classification

Table 6.1 Financial Intelligence and State Security expenditure trends and estimates by subprogramme and economic classification											
Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Financial Intelligence Centre	256.4	270.2	278.7	294.3	4.7%	5.6%	305.7	322.6	334.4	4.3%	5.9%
Secret Services	4 556.1	4 835.4	4 484.8	4 656.7	0.7%	94.4%	4 902.1	5 173.8	5 364.4	4.8%	94.1%
Total	4 812.5	5 105.6	4 763.5	4 951.1	1.0%	100.0%	5 207.7	5 496.4	5 698.8	4.8%	100.0%
Change to 2019				–			(15.4)	(14.0)	(15.6)		
Budget estimate											
Economic classification											
Transfers and subsidies ¹	4 812.5	5 105.6	4 763.5	4 951.1	1.0%	100.0%	5 207.7	5 496.4	5 698.8	4.8%	100.0%
Departmental agencies and accounts	4 812.5	5 105.6	4 763.5	4 951.1	1.0%	100.0%	5 207.7	5 496.4	5 698.8	4.8%	100.0%
Total	4 812.5	5 105.6	4 763.5	4 951.1	1.0%	100.0%	5 207.7	5 496.4	5 698.8	4.8%	100.0%
Proportion of total programme expenditure to vote expenditure	17.1%	12.9%	16.7%	16.2%	–	–	15.7%	15.3%	17.3%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	4 392.3	4 778.4	4 330.3	4 493.6	0.8%	91.7%	4 870.2	5 140.7	5 330.0	5.9%	92.9%
Financial Intelligence Centre:	239.6	254.9	262.6	277.3	5.0%	5.3%	287.7	303.6	314.7	4.3%	5.5%
Operations											
Secret Services: Operations	4 152.6	4 523.4	4 067.8	4 216.3	0.5%	86.4%	4 582.5	4 837.1	5 015.2	6.0%	87.3%
Capital	420.2	327.3	433.2	457.5	2.9%	8.3%	337.6	355.7	368.8	-6.9%	7.1%
Financial Intelligence Centre:	16.7	15.3	16.1	17.0	0.6%	0.3%	18.0	19.0	19.7	4.9%	0.3%
Machinery and equipment											
Secret Services: Machinery and equipment	403.5	312.0	417.1	440.4	3.0%	8.0%	319.6	336.7	349.1	-7.4%	6.8%

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

Entities

Development Bank of Southern Africa

Selected performance indicators

Table 8.15 Development Bank of Southern Africa performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Cost-to-income ratio (bank-wide)	Administration	Priority 1: Economic transformation and job creation	18.8% (R888m/R4.7bn)	21.6% (R928m/R4.3bn)	23% (R1.1bn/R4.8bn)	36%	32%	31%	31%
Value of disbursements to infrastructure-related projects per year	Development finance	Priority 7: A better Africa and world	R12.4bn	R12.2bn	R8.9bn	R13.5bn	R15bn	R17bn	R18.7bn
Value of bank-wide net profit/(loss) per year	Development finance	Priority 2: Education, skills and health	R2.8bn	R2.3bn	R3.1bn	R2.5bn	R3.2bn	R3.7bn	R3.7bn

Entity overview

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 the development of human resources and institutional capacity building by mobilising financial and other resources from national and international private and public sector partners for sustainable development projects and programmes in South Africa and other Southern African countries.

Over the medium term, the bank will focus on: driving financial and non-financial investments and support in the education, energy, health, housing, transport, water and communications sectors; accelerating the financing of infrastructure in South Africa, paying particular attention to municipalities, state-owned companies, independent power producers and public-private partnerships; and providing infrastructure support in the rest of Africa targeted at state-owned companies and public-private partnerships. It also aims to play a role in supporting economic infrastructure project planning and financing.

The bank plans to increase the total value of disbursements to infrastructure projects from R13.5 billion in 2019/20 to R18.7 billion in 2022/23. To complement these activities, as part of the bank's development finance programme, R127 million per year over the MTEF period is set aside to subsidise interest repayments and support the planning and implementation of infrastructure projects in more than 20 selected municipalities with capacity constraints. In 2019/20, the bank disbursed R7.3 billion to municipalities for investments in water and sanitation, energy, transport and roads infrastructure. The bank expects to receive R300 million from government over the medium term to assist with the preparation of catalytic projects, which will be submitted to the budget facility for infrastructure for financing.

Total expenditure is expected to increase at an average annual rate of 7.3 per cent, from R6.1 billion in 2019/20 to R7.6 billion in 2022/23. The bulk of the bank's spending is on interest, which is expected to increase at an average annual rate of 4.8 per cent, from R4.1 billion in 2019/20 to R4.7 billion in 2022/23, in line with the expected increase in disbursements. To ensure that the bank has adequate capacity to deliver on its mandate, its number of personnel is expected to remain constant over the medium term. Spending on compensation of employees is expected to increase at an average annual rate of 6.7 per cent, from R890.4 million in 2019/20 to R1.1 billion in 2022/23.

Revenue is mainly derived from interest income and fees from investment income and is expected to increase at an average annual rate of 9.8 per cent, from R8.6 billion in 2019/20 to R11.4 billion in 2022/23. This is due to the anticipated increase in disbursements and more effective management of the nonperforming loan book, which is expected to improve net loan impairments.

Programmes/Objectives/Activities

Table 8.16 Development Bank of Southern Africa 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	855.1	1 024.2	945.4	1 153.1	10.5%	16.8%	1 247.7	1 375.8	1 441.9	7.7%	18.8%
Development finance	4 575.6	4 413.2	5 272.6	4 780.3	1.5%	80.2%	5 296.1	5 625.9	5 896.0	7.2%	77.9%
Non-financing development activities	173.9	161.0	172.0	211.2	6.7%	3.0%	224.0	237.0	248.3	5.6%	3.3%
Total	5 604.6	5 598.4	6 390.0	6 144.6	3.1%	100.0%	6 767.8	7 238.7	7 586.2	7.3%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 8.17 Development Bank of Southern Africa statements of historical financial performance, cash flow and financial position

Statement of financial performance										Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20	
Revenue										
Non-tax revenue	7 445.4	8 425.5	8 638.9	7 881.3	8 475.8	9 486.7	9 344.1	8 533.1	101.2%	
Sale of goods and services other than capital assets	298.9	318.3	333.9	190.2	262.2	193.4	269.9	178.6	75.6%	
<i>of which:</i>										
<i>Sales by market establishment</i>	298.9	318.3	333.9	190.2	262.2	193.4	269.9	178.6	75.6%	
Other non-tax revenue	7 146.4	8 107.2	8 305.0	7 691.1	8 213.6	9 293.3	9 074.2	8 354.5	102.2%	
Transfers received	–	–	–	–	–	–	–	100.0	–	
Total revenue	7 445.4	8 425.5	8 638.9	7 881.3	8 475.8	9 486.7	9 344.1	8 633.1	101.5%	
Expenses										
Current expenses	6 273.1	5 542.2	6 871.7	5 566.4	5 564.9	6 349.8	6 343.0	5 852.2	93.0%	
Compensation of employees	879.5	584.8	874.3	684.8	832.7	741.6	944.2	890.4	82.2%	
Goods and services	1 243.1	1 222.5	1 504.8	950.5	652.3	1 673.2	871.3	859.1	110.2%	
Depreciation	36.0	31.2	38.2	25.9	31.5	19.6	31.6	30.1	77.8%	
Interest, dividends and rent on land	4 114.6	3 703.8	4 454.4	3 905.3	4 048.4	3 915.4	4 496.0	4 072.6	91.1%	
Transfers and subsidies	180.0	62.4	90.0	32.0	187.7	40.2	207.7	292.4	64.2%	
Total expenses	6 453.1	5 604.6	6 961.7	5 598.4	5 752.6	6 390.0	6 550.7	6 144.6	92.3%	
Surplus/(Deficit)	992.2	2 820.9	1 677.2	2 282.9	2 723.2	3 096.7	2 793.3	2 488.5		
Cash flow statement										
Cash flow from operating activities	2 131.8	3 747.7	3 922.0	3 949.2	3 653.7	3 826.3	3 552.7	4 071.6	117.6%	
Receipts										
Non-tax receipts	7 419.0	8 049.9	9 584.8	8 418.4	8 881.3	8 595.6	9 359.7	9 391.1	97.8%	
Sales of goods and services other than capital assets	–	–	–	190.2	–	193.4	–	228.6	–	
<i>Sales by market establishment</i>	–	–	–	190.2	–	193.4	–	228.6	–	
Other tax receipts	7 419.0	8 049.9	9 584.8	8 228.2	8 881.3	8 402.2	9 359.7	9 162.5	96.0%	
Total receipts	7 419.0	8 049.9	9 584.8	8 418.4	8 881.3	8 595.6	9 359.7	9 391.1	97.8%	
Payment										
Current payments	5 287.2	4 302.2	5 662.7	4 469.2	5 227.7	4 769.4	5 807.0	5 319.5	85.8%	
Compensation of employees	864.2	623.4	859.0	680.9	832.7	741.0	944.2	885.4	83.7%	
Goods and services	308.4	232.5	349.3	242.9	346.6	300.0	366.8	361.5	82.9%	
Interest and rent on land	4 114.6	3 446.3	4 454.4	3 545.5	4 048.4	3 728.3	4 496.0	4 072.6	86.4%	
Total payments	5 287.2	4 302.2	5 662.7	4 469.2	5 227.7	4 769.4	5 807.0	5 319.5	85.8%	
Net cash flow from advancing activities (financial institutions only)	(9 883.9)	(2 831.5)	(14 413.9)	(5 606.1)	(7 812.8)	1 216.7	(10 440.4)	(6 965.0)	33.3%	
Loan disbursements	(16 200.0)	(12 104.0)	(20 100.0)	(11 922.5)	(16 000.0)	(8 807.8)	(18 000.0)	(13 500.0)	65.9%	
Loan principal repayments	6 188.2	8 572.1	5 758.5	5 981.2	8 188.9	9 967.3	7 440.6	6 593.0	112.8%	
Other	127.9	700.4	(72.4)	335.3	(1.7)	57.1	119.0	(58.0)	599.0%	
Net cash flow from investing activities	(35.1)	(857.5)	(947.4)	(444.2)	(3.5)	(345.2)	41.6	(79.6)	182.8%	
Acquisition of property, plant, equipment and intangible assets	–	(4.0)	(31.8)	(11.8)	(20.5)	(26.7)	(8.4)	(71.3)	187.2%	
Acquisition of software and other intangible assets	(35.0)	(21.5)	(34.4)	(15.8)	(36.5)	(1.2)	(15.0)	(53.9)	76.4%	
Proceeds from the sale of property, plant, equipment and intangible assets	–	–	–	0.1	–	0.5	–	–	–	
Other flows from investing activities	(0.1)	(832.0)	(881.2)	(416.7)	53.5	(317.9)	65.1	45.6	199.4%	
Net cash flow from financing activities	4 617.8	156.0	10 914.6	3 543.7	2 674.0	(5 516.6)	7 144.4	3 099.5	5.1%	
Borrowing activities	(8 912.9)	(27 050.7)	(4 350.2)	(15 504.6)	(5 402.7)	(18 618.7)	(15 660.5)	(15 881.9)	224.5%	
Other flows from financing activities	13 530.8	27 206.7	15 264.9	19 048.3	8 076.7	13 102.1	22 804.9	18 981.4	131.3%	
Net increase/(decrease) in cash and cash equivalents	(3 169.4)	214.7	(524.6)	1 442.6	(1 488.6)	(819.0)	298.3	126.5		

Table 8.17 Development Bank of Southern Africa statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Statement of financial position									
Carrying value of assets	563.7	503.4	546.7	490.5	559.3	518.2	551.2	606.5	95.4%
Acquisition of assets	—	(4.0)	(31.8)	(11.8)	(20.5)	(26.7)	(8.4)	(71.3)	187.2%
Investments	8 853.9	7 933.0	8 223.8	8 242.2	7 851.2	8 575.1	7 524.3	7 998.3	100.9%
Loans	84 583.2	72 795.5	91 811.1	76 337.8	86 007.5	77 106.7	95 774.2	87 584.2	87.6%
Receivables and prepayments	146.7	122.0	146.7	399.6	146.7	365.6	151.9	146.7	174.6%
Cash and cash equivalents	155.0	2 299.2	881.0	3 741.9	1 024.2	2 922.9	1 322.6	1 194.8	300.3%
Total assets	94 302.6	83 653.1	101 609.2	89 211.9	95 589.0	89 488.4	105 324.3	97 530.5	90.7%
Accumulated surplus/(deficit)	15 510.5	17 514.6	18 459.6	19 473.0	22 570.6	22 717.9	25 363.9	25 969.1	104.6%
Capital and reserves	2 793.3	2 624.5	2 815.7	2 955.8	2 751.9	2 562.3	2 751.9	2 440.7	95.2%
Capital reserve fund	11 892.3	11 892.3	11 892.3	11 892.3	11 892.3	11 892.3	11 892.3	11 892.3	100.0%
Borrowings	62 525.6	50 612.5	66 851.9	53 573.2	56 749.4	51 283.4	63 483.9	55 640.4	84.6%
Trade and other payables	294.2	838.6	1 343.0	1 204.3	1 495.2	679.0	1 691.9	1 060.7	78.4%
Provisions	1 283.6	167.3	243.5	111.2	127.3	351.4	138.2	525.1	64.4%
Derivatives financial instruments	3.1	3.2	3.2	2.2	2.2	2.1	2.2	2.1	89.5%
Total equity and liabilities	94 302.6	83 653.1	101 609.2	89 211.9	95 589.0	89 488.4	105 324.3	97 530.5	90.7%

Statements of estimates of financial performance, cash flow and financial position**Table 8.18 Development Bank of Southern Africa statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Revenue								
Non-tax revenue	8 533.1	0.4%	99.7%	9 932.9	10 742.0	11 325.3	9.9%	99.0%
Sale of goods and services other than capital assets	178.6	-17.5%	2.6%	265.8	211.9	289.8	17.5%	2.3%
<i>Sales by market establishment</i>	178.6	-17.5%	2.6%	265.8	211.9	289.8	17.5%	2.3%
Other non-tax revenue	8 354.5	1.0%	97.1%	9 667.0	10 530.1	11 035.5	9.7%	96.7%
Transfers received	100.0	—	0.3%	40.0	160.0	100.0	0.0%	1.0%
Total revenue	8 633.1	0.8%	100.0%	9 972.9	10 902.0	11 425.3	9.8%	100.0%
Current expenses	5 852.2	1.8%	98.2%	6 489.6	6 946.9	7 280.3	7.6%	95.8%
Compensation of employees	890.4	15.0%	12.2%	973.4	1 032.2	1 081.7	6.7%	14.3%
Goods and services	859.1	-11.1%	19.7%	1 237.3	1 403.2	1 470.6	19.6%	17.8%
Depreciation	30.1	-1.2%	0.5%	30.7	32.8	34.3	4.5%	0.5%
Interest, dividends and rent on land	4 072.6	3.2%	65.8%	4 248.2	4 478.8	4 693.7	4.8%	63.2%
Transfers and subsidies	292.4	67.4%	1.8%	278.1	291.8	305.8	1.5%	4.2%
Total expenses	6 144.6	3.1%	100.0%	6 767.8	7 238.7	7 586.2	7.3%	100.0%
Surplus/(Deficit)	2 488.5			3 205.1	3 663.2	3 839.1		
Cash flow statement								
Cash flow from operating activities	4 071.6	2.8%	103.5%	4 420.4	5 014.6	5 230.3	28.1%	105.3%
Receipts								
Non-tax receipts	9 391.1	5.3%	100.0%	9 987.8	10 888.9	11 440.9	6.8%	100.0%
Sales of goods and services other than capital assets	228.6	—	1.7%	265.8	295.4	309.6	10.6%	2.6%
<i>Sales by market establishment</i>	228.6	—	1.7%	265.8	295.4	309.6	10.6%	2.6%
Other tax receipts	9 162.5	4.4%	98.3%	9 722.0	10 593.5	11 131.3	6.7%	97.4%
Total receipts	9 391.1	5.3%	100.0%	9 987.8	10 888.9	11 440.9	6.8%	100.0%
Current payments	5 319.5	7.3%	79.5%	5 567.4	5 874.2	6 210.7	5.3%	100.0%
Compensation of employees	885.4	12.4%	12.3%	968.0	1 026.4	1 075.6	6.7%	17.2%
Goods and services	361.5	15.9%	4.8%	351.2	369.1	386.8	2.3%	6.4%
Interest and rent on land	4 072.6	5.7%	62.4%	4 248.2	4 478.8	4 748.2	5.2%	76.4%
Total payment	5 319.5	7.3%	100.0%	5 567.4	5 874.2	6 210.7	5.3%	100.0%
Net cash flow from advancing activities (financial institutions only)	(6 965.0)	35.0%	100.0%	(7 357.1)	(4 549.2)	(7 748.8)	3.6%	64.6%
Loan disbursements	(13 500.0)	3.7%	27.5%	(15 000.0)	(17 000.0)	(18 700.0)	11.5%	120.8%
Loan principal repayments	6 593.0	-8.4%	78.8%	7 639.1	12 490.1	10 995.4	18.6%	-56.5%
Other	(58.0)	-143.6%	-6.3%	3.9	(39.3)	(44.1)	-8.7%	0.2%
Net cash flow from investing activities	(79.6)	-54.7%	100.0%	(75.8)	(92.6)	55.0	-188.4%	100.0%
Acquisition of property, plant, equipment and intangible assets	(71.3)	161.5%	25.1%	(78.4)	(86.3)	—	-100.0%	71.5%
Acquisition of software and other intangible assets	(53.9)	35.9%	18.5%	(59.3)	(65.2)	—	-100.0%	54.1%
Other flows from investing activities	45.6	-138.0%	56.4%	61.9	58.9	55.0	6.5%	-25.6%
Net cash flow from financing activities	3 099.5	170.9%	100.0%	3 249.3	(80.6)	2 923.6	-1.9%	100.0%
Borrowing activities	(15 881.9)	-16.3%	-4 488.9%	(5 457.6)	(8 802.4)	(17 400.9)	3.1%	2 412.4%
Other flows from financing activities	18 981.4	-11.3%	4 588.9%	8 706.9	8 721.8	20 324.5	2.3%	-2 312.4%
Net increase/(decrease) in cash and cash equivalents	126.5	-16.2%	100.0%	236.9	292.2	460.1	53.8%	100.0%

Table 8.18 Development Bank of Southern Africa statements of estimates of financial performance, cash flow and financial 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	2022/23		
R million		2016/17 - 2019/20					2019/20 - 2022/23	
Statement of financial position								
Carrying value of assets	606.5	6.4%	0.6%	713.5	832.2	799.5	9.6%	0.7%
Acquisition of assets	(71.3)	161.5%	-0.0%	(78.4)	(86.3)	—	-100.0%	-0.1%
Investments	7 998.3	0.3%	9.1%	7 855.0	7 698.7	7 688.3	-1.3%	7.4%
Loans	87 584.2	6.4%	87.1%	94 292.8	98 188.3	104 499.3	6.1%	90.5%
Receivables and prepayments	146.7	6.3%	0.3%	151.9	157.4	157.4	2.4%	0.1%
Cash and cash equivalents	1 194.8	-19.6%	2.9%	1 431.8	1 724.0	1 077.3	-3.4%	1.3%
Total assets	97 530.5	5.2%	100.0%	104 445.1	108 600.6	114 221.8	5.4%	100.0%
Accumulated surplus/(deficit)	25 969.1	14.0%	23.7%	29 174.3	32 837.5	36 372.2	11.9%	29.2%
Capital and reserves	2 440.7	-2.4%	3.0%	2 440.7	2 440.7	2 440.7	—	2.3%
Capital reserve fund	11 892.3	—	13.3%	11 892.3	11 892.3	11 892.3	—	11.2%
Borrowings	55 640.4	3.2%	58.7%	59 220.3	59 572.1	61 658.6	3.5%	55.6%
Trade and other payables	1 060.7	8.1%	1.0%	1 149.8	1 246.3	1 246.3	5.5%	1.1%
Provisions	525.1	46.4%	0.3%	565.7	609.6	609.6	5.1%	0.5%
Derivatives financial instruments	2.1	-13.8%	0.0%	2.1	2.1	2.1	—	0.0%
Total equity and liabilities	97 530.5	5.2%	100.0%	104 445.1	108 600.6	114 221.8	5.4%	100.0%

Personnel information

Table 8.19 Development Bank of Southern Africa personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/Total (%)	
			2018/19			2019/20			2020/21			2021/22			2022/23					2019/20 - 2022/23
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	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	597	741.6	1.2	678	890.4	1.3	678	973.4	1.4	678	1 032.2	1.5	678	1 081.7	1.6	6.7%	100.0%	
1 – 6	55	55	64	15.3	0.2	55	12.8	0.2	55	14.0	0.3	55	14.9	0.3	55	15.6	0.3	6.7%	8.1%	
7 – 10	188	188	174	110.7	0.6	188	118.4	0.6	188	129.4	0.7	188	137.2	0.7	188	143.8	0.8	6.7%	27.7%	
11 – 12	127	127	125	150.6	1.2	127	152.4	1.2	127	166.6	1.3	127	176.7	1.4	127	185.2	1.5	6.7%	18.7%	
13 – 16	295	295	222	402.8	1.8	295	537.5	1.8	295	587.6	2.0	295	623.0	2.1	295	652.9	2.2	6.7%	43.5%	
17 – 22	13	13	12	62.3	5.2	13	69.3	5.3	13	75.8	5.8	13	80.4	6.2	13	84.2	6.5	6.7%	1.9%	

1. Rand million.

Government Pensions Administration Agency

Selected performance indicators

Table 8.20 Government Pensions Administration Agency performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Percentage of National Treasury benefits paid within 60 days per year	Benefit administration	Priority 6: A capable, ethical and development state	— ¹	92% (R2.8bn/ R3bn)	99% (R4.99bn/ R5bn)	98%	98%	99%	99%
Percentage of Government Employees Pension Fund benefits paid within 60 days per year	Benefit administration	Priority 3: Consolidating the social wage through reliable and quality basic services	— ¹	80% (R8.6bn/ R10.8bn)	85.7% (R93.4bn/ R109bn)	90%	95%	99%	99%
Percentage of clients satisfied per year	Benefit administration	quality basic services	— ¹	94% (235 492/ 247 915)	94%	96%	97%	99%	99%

1. No historical data available.

Entity overview

The Government Pensions Administration Agency provides pension administration services to the Government Employees Pension Fund in terms of the Government Employees Pension Law (1996) and the Associated Institutions Pension Fund Act (1963). Postretirement medical subsidies are administered as provided for and

regulated by resolutions of the Public Service Coordinating Bargaining Council; military pensions are administered in terms of the Military Pensions Act (1976); injury-on-duty payments 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).

The agency will continue to focus on its modernisation project, which is aimed at improving service delivery by enhancing IT infrastructure, optimising office space and employing new personnel as client service agents. 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. The project is expected to be completed over the MTEF period. Accordingly, the agency's expenditure on ICT is expected to increase from R54.5 million in 2019/20 to R77 million in 2022/23.

Expenditure is expected to increase at an average annual rate of 5 per cent, from R1.1 billion in 2019/20 to R1.3 billion in 2022/23, driven by an increase in spending on consultants for the modernisation programme. Spending on compensation of employees is expected to increase at an average annual rate of 7.6 per cent, from R514.2 million in 2019/20 to R640.6 million in 2022/23, in line with an increase in the number of personnel over the period. Revenue, which is derived mainly from administration fees, is in line with spending over the period ahead.

Programmes/Objectives/Activities

Table 8.21 Government Pensions Administration Agency 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	578.1	561.0	631.4	720.3	7.6%	61.9%	736.5	763.2	818.7	4.4%	64.0%
Benefit administration	330.2	420.6	388.7	388.6	5.6%	38.1%	420.3	437.0	463.4	6.0%	36.0%
Total	908.3	981.5	1 020.1	1 108.9	6.9%	100.0%	1 156.7	1 200.3	1 282.1	5.0%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 8.22 Government Pensions Administration Agency statements of historical financial performance, cash flow and financial position

Position

Statement of financial performance									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Revenue									
Non-tax revenue	1 219.4	941.7	1 074.4	981.1	1 135.2	1 036.4	1 142.5	1 108.9	89.0%
Sale of goods and services other than capital assets	1 219.4	939.6	1 074.4	978.6	1 135.2	1 033.8	1 142.5	1 108.9	88.8%
of which:									
Administrative fees	1 219.4	939.6	1 074.4	978.6	1 135.2	1 033.8	1 142.5	1 108.9	88.8%
Other non-tax revenue	—	2.1	—	2.4	—	2.6	—	—	—
Total revenue	1 219.4	941.7	1 074.4	981.1	1 135.2	1 036.4	1 142.5	1 108.9	89.0%
Expenses									
Current expenses	1 219.4	908.3	1 074.4	981.5	1 133.4	1 020.1	1 036.2	1 108.9	90.0%
Compensation of employees	484.9	458.6	513.6	481.0	470.0	493.7	499.4	514.2	99.0%
Goods and services	608.1	378.5	485.8	406.8	605.6	415.0	483.5	476.8	76.8%
Depreciation	126.4	71.2	75.0	93.7	57.8	111.4	53.2	117.8	126.2%
Total expenses	1 219.4	908.3	1 074.4	981.5	1 133.4	1 020.1	1 036.2	1 108.9	90.0%
Surplus/(Deficit)	—	33.4	—	(0.5)	1.8	16.3	106.3	—	

Table 8.22 Government Pensions Administration Agency statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Cash flow statement									
Cash flow from operating activities	146.7	114.3	68.4	87.6	42.2	94.3	88.2	117.8	119.9%
Receipts									
Non-tax receipts	1 317.2	989.9	1 074.4	989.4	1 135.2	1 016.0	1 069.7	1 108.9	89.3%
Sales of goods and services other than capital assets	1 317.2	987.2	1 074.4	987.0	1 135.2	1 013.5	1 069.7	1 108.9	89.1%
Administrative fees	1 317.2	987.2	1 074.4	987.0	1 135.2	1 013.5	1 069.7	1 108.9	89.1%
Other tax receipts	—	2.7	—	2.4	—	2.4	—	—	—
Total receipts	1 317.2	989.9	1 074.4	989.4	1 135.2	1 016.0	1 069.7	1 108.9	89.3%
Payment									
Current payments	1 170.5	875.6	1 006.0	901.7	1 093.0	921.6	981.5	991.0	86.8%
Compensation of employees	431.0	458.6	513.6	481.0	526.7	526.7	487.9	514.2	101.1%
Goods and services	739.5	416.9	492.3	420.7	566.3	394.9	493.5	476.8	74.6%
Total payments	1 170.5	875.6	1 006.0	901.7	1 093.0	921.6	981.5	991.0	86.8%
Net cash flow from investing activities	(146.7)	(95.1)	(75.0)	(82.3)	(69.3)	(93.5)	(64.9)	(117.8)	109.2%
Acquisition of property, plant, equipment and intangible assets	(45.0)	(17.7)	(57.5)	(32.5)	(57.3)	(30.1)	(64.9)	(44.3)	55.5%
Acquisition of software and other intangible assets	(101.7)	(77.5)	(17.5)	(49.8)	(12.0)	(64.1)	—	(73.5)	201.9%
Proceeds from the sale of property, plant, equipment and intangible assets	—	0.1	—	—	—	0.7	—	—	—
Net increase/(decrease) in cash and cash equivalents	—	19.2	(6.5)	5.3	(27.1)	0.9	23.3	0.0	
Statement of financial position									
Carrying value of assets	71.6	390.7	202.8	378.6	395.7	364.8	395.7	383.9	142.4%
Acquisition of assets	(45.0)	(17.7)	(57.5)	(32.5)	(57.3)	(30.1)	(64.9)	(44.3)	55.5%
Inventory	1.1	0.5	1.4	0.6	0.6	0.8	0.6	0.8	74.1%
Receivables and prepayments	14.8	94.7	15.3	111.6	77.8	132.9	77.8	137.9	256.9%
Cash and cash equivalents	12.0	36.9	11.1	42.3	42.3	43.1	42.3	45.3	155.7%
Total assets	99.5	522.9	230.6	533.0	516.4	541.6	516.4	567.9	158.9%
Accumulated surplus/(deficit)	5.8	395.4	112.9	394.1	411.2	410.4	411.2	431.8	173.4%
Trade and other payables	71.2	93.7	75.2	102.0	68.2	93.7	68.2	96.8	136.6%
Provisions	22.5	33.8	42.5	37.0	37.0	37.4	37.0	39.3	106.1%
Total equity and liabilities	99.5	522.9	230.6	533.0	516.4	541.6	516.4	567.9	158.9%

Statements of estimates of financial performance, cash flow and financial position**Table 8.23 Government Pensions Administration Agency statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23		
Revenue									
Non-tax revenue	1 108.9	5.6%	100.0%	1 156.7	1 200.3	1 282.1	5.0%	100.0%	
Sale of goods and services other than capital assets	1 108.9	5.7%	99.8%	1 156.7	1 200.3	1 282.1	5.0%	100.0%	
Administrative fees	1 108.9	5.7%	99.8%	1 156.7	1 200.3	1 282.1	5.0%	100.0%	
Total revenue	1 108.9	5.6%	100.0%	1 156.7	1 200.3	1 282.1	5.0%	100.0%	
Current expenses	1 108.9	6.9%	100.0%	1 156.7	1 200.3	1 282.1	5.0%	100.0%	
Compensation of employees	514.2	3.9%	48.6%	572.0	605.2	640.6	7.6%	49.1%	
Goods and services	476.8	8.0%	41.7%	449.8	479.1	518.7	2.8%	40.6%	
Depreciation	117.8	18.3%	9.7%	134.9	116.0	122.8	1.4%	10.4%	
Total expenses	1 108.9	6.9%	100.0%	1 156.7	1 200.3	1 282.1	5.0%	100.0%	
Surplus/(Deficit)	—			—	—	—			

Table 8.23 Government Pensions Administration Agency statements of estimates of financial performance, cash flow and financial position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
Revised estimate	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
R million								
Cash flow statement								
Cash flow from operating activities	117.8	1.0%	299.6%	134.9	116.0	122.9	14.9%	300.0%
Receipts								
Non-tax receipts	1 108.9	3.9%	100.0%	1 156.7	1 200.3	1 282.1	5.0%	100.0%
Sales of goods and services other than capital assets	1 108.9	4.0%	99.8%	1 156.7	1 200.3	1 282.1	5.0%	100.0%
Administrative fees	1 108.9	4.0%	99.8%	1 156.7	1 200.3	1 282.1	5.0%	100.0%
Total receipts	1 108.9	3.9%	100.0%	1 156.7	1 200.3	1 282.1	5.0%	100.0%
Current payments	991.0	4.2%	92.0%	1 021.9	1 084.3	1 159.2	5.4%	100.0%
Compensation of employees	514.2	3.9%	49.4%	572.0	605.2	640.6	7.6%	54.7%
Goods and services	476.8	4.6%	42.6%	449.8	479.1	518.6	2.8%	45.3%
Total payment	991.0	4.2%	100.0%	1 021.9	1 084.3	1 159.2	5.4%	100.0%
Net cash flow from investing activities	(117.8)	7.4%	100.0%	(134.9)	(116.0)	(122.9)	1.4%	100.0%
Acquisition of property, plant, equipment and intangible assets	(44.3)	35.7%	32.0%	(54.7)	(72.3)	(76.8)	20.1%	50.8%
Acquisition of software and other intangible assets	(73.5)	-1.8%	68.2%	(80.1)	(43.7)	(46.1)	-14.4%	49.2%
Net increase/(decrease) in cash and cash equivalents	0.0	-97.7%	100.0%	0.0	0.0	0.0	-53.5%	100.0%
Statement of financial position								
Carrying value of assets	383.9	-0.6%	70.2%	403.5	423.7	444.0	5.0%	67.6%
Acquisition of assets	(44.3)	35.7%	-5.7%	(54.7)	(72.3)	(76.8)	20.1%	-10.1%
Inventory	0.8	14.2%	0.1%	0.9	0.9	0.9	4.9%	0.1%
Receivables and prepayments	137.9	13.4%	22.0%	145.0	152.2	159.5	5.0%	24.3%
Cash and cash equivalents	45.3	7.0%	7.7%	47.6	50.0	52.3	5.0%	8.0%
Total assets	567.9	2.8%	100.0%	596.9	626.7	656.8	5.0%	100.0%
Accumulated surplus/(deficit)	431.8	3.0%	75.3%	453.8	476.5	499.4	5.0%	76.0%
Trade and other payables	96.8	1.1%	17.9%	101.8	106.9	112.0	5.0%	17.1%
Provisions	39.3	5.2%	6.8%	41.3	43.4	45.4	5.0%	6.9%
Total equity and liabilities	567.9	2.8%	100.0%	596.9	626.7	656.8	5.0%	100.0%

Personnel information

Table 8.24 Government Pensions Administration Agency personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number		
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate								Average growth rate (%)	Average: Salary level/Total (%)	
			2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost	2021/22		Unit cost	2022/23				Unit cost
			Number	Cost		Number	Cost		Number	Cost		Number	Cost		Number	Cost			
Government Pensions Administration Agency			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2019/20 - 2022/23	
Salary level	1 404	1 404	981	493.7	0.5	1 210	514.2	0.4	1 404	572.0	0.4	1 404	605.2	0.4	1 404	640.6	0.5	7.6%	100.0%
1 – 6	839	839	571	252.6	0.4	735	191.9	0.3	839	194.7	0.2	839	206.3	0.2	839	218.7	0.3	4.5%	60.0%
7 – 10	415	415	308	158.7	0.5	363	200.7	0.6	415	210.5	0.5	415	223.2	0.5	415	236.6	0.6	5.6%	29.7%
11 – 12	97	97	72	50.0	0.7	74	61.3	0.8	97	94.1	1.0	97	99.8	1.0	97	105.1	1.1	19.7%	6.7%
13 – 16	53	53	30	32.6	1.1	38	60.4	1.6	53	72.7	1.4	53	75.9	1.4	53	80.3	1.5	10.0%	3.6%

1. Rand million.

Land and Agricultural Development Bank of South Africa

Selected performance indicators

Table 8.25 Land and Agricultural Development Bank of South Africa performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past		Current		Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Cost-to-income ratio	Administration	Priority 1: Economic transformation and job creation	54.4% (R564m/ R1bn)	60.5% (R628.7m/ R1bn)	52% (R343.6m/ R661.3m)	52.7%	53.2%	53.2%	53.2%
Capital adequacy ratio	Administration		18% (R2.2bn)	17% (R1.6bn)	16% (R3.2bn)	16%	16%	16%	16%
Value of development loan book disbursements per year	Administration		R2bn	R1.6bn	R1bn	R1.4bn	R1.8bn	R2bn	R2.5bn

Entity overview

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

The bank plays a pivotal role in advancing agriculture and rural development. Its broader mandate, as expressed in the Land and Agricultural Development Bank Act (2002), is to promote: the equitable ownership of agricultural land, particularly by historically disadvantaged people; agrarian reform, land redistribution or development programmes for historically disadvantaged people; land access for agricultural purposes; productivity, profitability, investment and innovation in agriculture; the growth of agricultural sectors and better use of land; rural development and job creation; commercial agriculture; and food security.

The bank's loan book is expected to increase from R45.2 billion in 2019/20 to R49 billion in 2022/23. In line with this increase, total operating expenses are expected to increase at an average annual rate of 3.2 per cent, from R4.8 billion in 2019/20 to R5.3 billion in 2022/23, and expenses related to funding liabilities are expected to increase at an average annual rate of 4.1 per cent, from R3.7 billion in 2019/20 to R4.2 billion in 2022/23.

The bank's number of personnel is expected to increase in 2022/23 as it fills vacant positions. This will contribute to an increase in spending on compensation of employees at an average annual rate of 6.7 per cent, from R424.6 million in 2019/20 to R515.3 million in 2022/23.

Revenue is expected to increase at an average annual rate of 3.7 per cent, from R5 billion in 2019/20 to R5.6 billion in 2022/23, in line with projected growth in the loan book. Interest income is expected to account for 97.4 per cent (R15.7 billion) of the bank's total revenue over the MTEF period.

Programmes/Objectives/Activities

Table 8.26 Land and Agricultural Development Bank of South Africa expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Administration	576.4	628.7	602.8	640.1	3.6%	13.2%	669.5	708.5	742.1	5.1%	13.5%
Corporate banking	2 867.8	1 309.0	1 043.5	1 201.0	-25.2%	36.1%	1 342.3	1 350.8	1 390.5	5.0%	25.9%
Commercial development banking	570.6	2 816.5	3 473.5	2 970.1	73.3%	50.8%	3 049.3	3 166.8	3 151.8	2.0%	60.6%
Total	4 014.8	4 754.2	5 119.9	4 811.2	6.2%	100.0%	5 061.1	5 226.1	5 284.4	3.2%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 8.27 Land and Agricultural Development Bank of South Africa statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Revenue									
Non-tax revenue	4 150.5	4 320.6	4 886.3	4 936.5	4 891.2	5 249.9	5 055.4	4 981.4	102.7%
Sale of goods and services other than capital assets	123.9	69.9	104.3	89.0	109.7	109.6	128.4	128.4	85.1%
of which:									
Administrative fees	111.6	39.6	81.5	55.5	80.9	92.0	97.3	97.3	76.6%
Sales by market establishment	12.3	30.3	22.9	33.5	28.9	17.6	31.1	31.1	118.3%
Other non-tax revenue	4 026.6	4 250.6	4 782.0	4 847.5	4 781.4	5 140.3	4 927.1	4 853.1	103.1%
Total revenue	4 150.5	4 320.6	4 886.3	4 936.5	4 891.2	5 249.9	5 055.4	4 981.4	102.7%
Expenses									
Current expenses	3 876.5	3 945.9	4 571.8	4 685.2	4 589.7	5 046.8	4 729.1	4 729.1	103.6%
Compensation of employees	404.3	331.9	394.0	341.6	396.8	393.6	424.6	424.6	92.1%
Goods and services	663.8	575.3	463.3	564.3	595.4	697.8	616.1	616.1	104.9%
Depreciation	9.8	9.8	22.8	22.8	16.7	16.7	12.4	12.4	100.0%
Interest, dividends and rent on land	2 798.6	3 028.9	3 691.8	3 756.5	3 580.7	3 938.7	3 676.0	3 676.0	104.8%
Total expenses	3 922.3	4 014.8	4 641.9	4 754.2	4 668.1	5 119.9	4 811.2	4 811.2	103.6%
Surplus/(Deficit)	228.1	305.8	244.4	182.3	223.1	130.0	244.3	170.3	

Table 8.27 Land and Agricultural Development Bank of South Africa statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Cash flow statement									
Cash flow from operating activities	881.9	696.1	682.6	791.7	657.8	579.4	675.3	675.3	94.6%
Receipts									
Non-tax receipts	4 101.8	4 312.8	4 758.2	4 932.0	4 824.5	5 146.1	4 969.7	4 969.7	103.8%
Sales of goods and services other than capital assets	75.2	69.9	86.1	85.7	43.1	105.5	42.6	42.6	123.0%
Administrative fees	75.2	69.9	86.1	85.7	43.1	105.5	42.6	42.6	123.0%
Other tax receipts	4 026.6	4 242.8	4 672.1	4 846.3	4 781.4	5 040.6	4 927.1	4 927.1	103.5%
Total receipts	4 101.8	4 312.8	4 758.2	4 932.0	4 824.5	5 146.1	4 969.7	4 969.7	103.8%
Payment									
Current payments	3 173.9	3 547.8	4 005.5	4 071.4	4 088.3	4 493.6	4 212.3	4 212.3	105.5%
Compensation of employees	289.2	331.9	309.4	341.6	396.8	393.6	424.6	424.6	105.1%
Goods and services	307.2	238.0	253.4	287.1	301.4	277.6	316.5	316.5	95.0%
Interest and rent on land	2 577.5	2 977.9	3 442.7	3 442.7	3 390.0	3 822.4	3 471.2	3 471.2	106.5%
Total payments	3 219.8	3 616.7	4 075.6	4 140.3	4 166.7	4 566.6	4 294.3	4 294.3	105.5%
Net cash flow from advancing activities (financial institutions only)	(5 374.0)	(4 895.2)	(4 603.8)	(2 442.5)	(959.3)	(2 392.0)	(3 123.8)	(3 123.8)	91.4%
Loan disbursements	(5 374.0)	(4 895.2)	(4 603.8)	(2 442.5)	(959.3)	(2 392.0)	(3 123.8)	(3 123.8)	91.4%
Net cash flow from investing activities	(51.1)	176.9	(2.5)	(358.9)	(1.2)	(1.2)	(0.9)	(0.9)	330.9%
Acquisition of property, plant, equipment and intangible assets	(19.9)	(24.5)	(2.5)	(1.7)	(1.2)	(1.2)	(0.9)	(0.9)	115.4%
Acquisition of software and other intangible assets	(31.2)	—	—	—	—	—	—	—	—
Proceeds from the sale of property, plant, equipment and intangible assets	—	—	—	72.9	—	—	—	—	—
Other flows from investing activities	—	201.3	—	(430.1)	—	—	—	—	—
Net cash flow from financing activities	4 265.5	3 113.0	3 854.5	3 160.6	(559.1)	2 654.2	(258.7)	(258.7)	118.7%
Borrowing activities	4 265.5	3 113.0	3 854.5	3 160.6	(559.1)	2 654.2	(258.7)	(258.7)	118.7%
Net increase/(decrease) in cash and cash equivalents	(277.6)	(909.3)	(69.2)	1 150.8	(861.7)	840.4	(2 708.1)	(2 708.1)	
Statement of financial position									
Carrying value of assets	253.4	240.1	258.8	369.5	251.1	60.8	259.5	259.5	90.9%
Acquisition of assets	(19.9)	(24.5)	(2.5)	(1.7)	(1.2)	(1.2)	(0.9)	(0.9)	115.4%
Investments	612.2	1 328.9	1 365.8	1 572.5	2 485.8	2 687.4	3 100.0	3 100.0	114.9%
Receivables and prepayments	41 800.0	40 975.6	39 645.8	43 418.5	41 995.3	44 465.5	44 963.6	44 963.6	103.2%
Cash and cash equivalents	1 842.9	1 211.3	3 031.9	2 362.1	3 418.9	3 202.6	710.9	710.9	83.1%
Non-current assets held for sale	50.0	48.0	49.6	10.1	—	—	—	—	58.3%
Derivatives financial instruments	—	15.1	—	—	—	—	—	—	—
Total assets	44 558.5	43 819.0	44 352.0	47 732.6	48 151.2	50 416.2	49 034.0	49 034.0	102.6%
Accumulated surplus/(deficit)	3 427.3	3 460.5	4 402.9	3 679.3	3 960.2	3 807.4	4 352.9	3 935.4	92.2%
Capital and reserves	134.8	137.5	134.8	101.0	101.0	101.0	101.0	101.0	93.4%
Capital reserve fund	1 766.6	1 766.6	1 766.6	1 766.6	1 766.6	1 766.6	1 766.6	1 766.6	100.0%
Borrowings	7 750.0	5 162.3	6 800.0	5 820.7	6 250.3	6 638.7	5 518.0	5 518.0	87.9%
Finance lease	—	—	—	—	—	70.1	—	—	—
Trade and other payables	201.4	164.0	343.0	160.7	324.0	72.6	328.6	328.6	60.7%
Provisions	535.2	445.3	537.8	448.7	596.1	340.6	646.6	646.6	81.2%
Derivatives financial instruments	30 743.3	32 682.8	30 366.8	35 755.6	35 153.0	37 619.2	36 320.3	36 737.8	107.7%
Total equity and liabilities	44 558.5	43 819.0	44 352.0	47 732.6	48 151.2	50 416.2	49 034.0	49 034.0	102.6%

Statements of estimates of financial performance, cash flow and financial position**Table 8.28 Land and Agricultural Development Bank of South Africa statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23		
Revenue									
Non-tax revenue	4 981.4	4.9%	100.0%	5 167.6	5 450.7	5 559.7	3.7%	100.0%	
Sale of goods and services other than capital assets	128.4	22.4%	2.0%	140.2	143.8	146.7	4.5%	2.6%	
Administrative fees	97.3	34.9%	1.4%	106.8	107.9	110.1	4.2%	2.0%	
Sales by market establishment	31.1	0.8%	0.6%	33.4	35.9	36.6	5.6%	0.6%	
Other non-tax revenue	4 853.1	4.5%	98.0%	5 027.4	5 306.9	5 413.0	3.7%	97.4%	
Total revenue	4 981.4	4.9%	100.0%	5 167.6	5 450.7	5 559.7	3.7%	100.0%	
Current expenses	4 729.1	6.2%	98.4%	4 974.1	5 134.0	5 190.5	3.2%	98.3%	
Compensation of employees	424.6	8.6%	8.0%	454.4	486.2	515.3	6.7%	9.2%	
Goods and services	616.1	2.3%	13.2%	742.2	639.5	523.3	-5.3%	12.4%	
Depreciation	12.4	8.3%	0.3%	—	—	—	-100.0%	0.1%	
Interest, dividends and rent on land	3 676.0	6.7%	76.9%	3 777.6	4 008.3	4 151.9	4.1%	76.6%	
Total expenses	4 811.2	6.2%	100.0%	5 061.1	5 226.1	5 284.4	3.2%	100.0%	
Surplus/(Deficit)	170.3			106.5	224.6	275.2			

Table 8.28 Land and Agricultural Development Bank of South Africa statements of estimates of financial performance, cash flow and financial position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate							
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Cash flow statement								
Cash flow from operating activities	675.3	-1.0%	103.1%	711.9	747.7	235.7	2.6%	101.6%
Receipts								
Non-tax receipts	4 969.7	4.8%	100.0%	5 169.9	5 448.3	5 455.3	3.2%	100.0%
Sales of goods and services other than capital assets	42.6	-15.2%	1.6%	42.6	41.4	42.2	-0.3%	0.8%
Administrative fees	42.6	-15.2%	1.6%	42.6	41.4	42.2	-0.3%	0.8%
Other tax receipts	4 927.1	5.1%	98.4%	5 127.4	5 406.9	5 413.0	3.2%	99.2%
Total receipts	4 969.7	4.8%	100.0%	5 169.9	5 448.3	5 455.3	3.2%	100.0%
Current payments	4 212.3	5.9%	87.3%	4 371.1	4 608.5	5 122.8	6.7%	98.1%
Compensation of employees	424.6	8.6%	8.0%	454.4	486.2	515.3	6.7%	10.1%
Goods and services	316.5	10.0%	6.0%	332.3	348.9	455.6	12.9%	7.7%
Interest and rent on land	3 471.2	5.2%	73.3%	3 584.4	3 773.4	4 151.9	6.2%	80.3%
Total payment	4 294.3	5.9%	100.0%	4 458.1	4 700.6	5 219.5	6.7%	100.0%
Net cash flow from advancing activities (financial institutions only)	(3 123.8)	-13.9%	100.0%	(1 610.2)	(1 663.2)	(957.7)	-32.6%	67.4%
Loan disbursements	(3 123.8)	-13.9%	100.0%	(1 610.2)	(1 663.2)	(957.7)	-32.6%	67.4%
Net cash flow from investing activities	(0.9)	-116.9%	100.0%	(0.9)	(0.9)	-	-100.0%	-
Acquisition of property, plant, equipment and intangible assets	(0.9)	-67.4%	46.7%	(0.9)	(0.9)	-	-100.0%	-
Net cash flow from financing activities	(258.7)	-143.6%	100.0%	2 136.9	(2 905.5)	71.9	-165.3%	100.0%
Borrowing activities	(258.7)	-143.6%	100.0%	2 136.9	(2 905.5)	71.9	-165.3%	100.0%
Net increase/(decrease) in cash and cash equivalents	(2 708.1)	43.9%	100.0%	1 237.7	(3 822.0)	(650.0)	-37.9%	100.0%
Statement of financial position								
Carrying value of assets	259.5	2.6%	0.5%	269.8	282.0	287.6	3.5%	0.5%
Acquisition of assets	(0.9)	-67.4%	-0.0%	(0.9)	(0.9)	-	-100.0%	-0.0%
Investments	3 100.0	32.6%	4.5%	3 190.9	3 273.0	3 338.4	2.5%	6.2%
Receivables and prepayments	44 963.6	3.1%	91.1%	46 408.0	47 885.1	48 842.8	2.8%	90.5%
Cash and cash equivalents	710.9	-16.3%	3.9%	1 948.6	1 900.0	1 250.0	20.7%	2.8%
Total assets	49 034.0	3.8%	100.0%	51 817.4	53 340.1	53 718.9	3.1%	100.0%
Accumulated surplus/(deficit)	3 935.4	4.4%	7.8%	4 105.7	4 366.3	4 390.9	3.7%	8.1%
Capital and reserves	101.0	-9.8%	0.2%	101.0	101.0	103.0	0.7%	0.2%
Capital reserve fund	1 766.6	-	3.7%	1 766.6	1 766.6	1 801.9	0.7%	3.4%
Borrowings	5 518.0	2.2%	12.1%	5 696.4	5 702.6	5 128.6	-2.4%	10.6%
Trade and other payables	328.6	26.1%	0.4%	347.7	356.5	363.6	3.4%	0.7%
Provisions	646.6	13.2%	1.0%	693.8	745.1	760.0	5.5%	1.4%
Derivatives financial instruments	36 737.8	4.0%	74.8%	39 106.2	40 302.1	41 170.8	3.9%	75.6%
Total equity and liabilities	49 034.0	3.8%	100.0%	51 817.4	53 340.1	53 718.9	3.1%	100.0%

Personnel information**Table 8.29 Land and Agricultural Development Bank of South Africa personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment													Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
		2018/19			2019/20			2020/21		2021/22		2022/23		2019/20 - 2022/23				
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Land and Agricultural Development Bank of South Africa																		
Salary level	457	461	393.6	0.9	457	424.6	0.9	457	454.4	1.0	457	486.2	1.1	461	515.3	1.1	6.7%	100.0%
1 – 6	28	28	5.0	0.2	28	5.5	0.2	28	5.8	0.2	28	6.2	0.2	28	6.6	0.2	6.4%	6.1%
7 – 10	110	110	63.4	0.6	110	69.1	0.6	110	74.8	0.7	110	80.7	0.7	110	85.5	0.8	7.3%	24.0%
11 – 12	206	210	171.8	0.8	206	182.8	0.9	206	194.8	0.9	206	208.5	1.0	210	221.0	1.1	6.5%	45.2%
13 – 16	104	104	125.3	1.2	104	136.6	1.3	104	145.6	1.4	104	155.3	1.5	104	164.6	1.6	6.4%	22.7%
17 – 22	9	9	28.1	3.1	9	30.7	3.4	9	33.3	3.7	9	35.5	3.9	9	37.6	4.2	7.1%	2.0%

1. Rand million.

Public Investment Corporation

Selected performance indicators

Table 8.30 Public Investment Corporation performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Value of net profit after tax per year	Investments	Priority 1: Economic transformation and job creation	R533m	R417m	R291m	R292m	R326m	R346m	R365m
Total amount of funds under management	Investments		R1.9tr	R2.tr	R2.1tr	R2.3tr	R2.4tr	R2.6tr	R2.8tr

Entity overview

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

The corporation makes investments through the Isibaya Fund under the guidance of the developmental investment framework of the Government Employees Pension Fund. 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 developments in rural areas. Through these investments, the corporation aims to make favourable returns on its clients' portfolios and contribute towards the growth and transformation of South Africa's economy. At least 30 per cent of the corporation's approved unlisted property transactions for new developments or acquisitions will be compliant with black economic empowerment regulations, targeted at 50 per cent representation by women.

As the corporation intensifies its investment activities, the value of the assets under its management is expected to increase from R2.3 trillion in 2019/20 to R2.8 trillion in 2022/23. This will necessitate the appointment of an estimated 18 additional asset managers. As a result, spending on compensation of employees is expected to increase at an average annual rate of 7.3 per cent, from R864.9 million in 2019/20 to R1.1 billion in 2022/23. Total expenditure is expected to increase from R1.4 billion in 2019/20 to R1.7 billion in 2022/23, at an average annual rate of 6.9 per cent.

The corporation derives its revenue mainly through the fees it charges for managing its clients' assets, including the Government Employees Pension Fund; board fees; and interest. Revenue is expected to increase at an average annual rate of 7 per cent, from R1.7 billion in 2019/20 to R2.1 billion in 2022/23, 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 8.31 Public Investment Corporation 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	430.3	419.3	581.5	714.1	18.4%	48.9%	767.1	826.0	871.5	6.9%	50.0%
Investments	368.9	603.4	559.7	714.1	24.6%	51.1%	767.1	826.0	871.5	6.9%	50.0%
Total	799.3	1 022.8	1 141.1	1 428.2	21.3%	100.0%	1 534.2	1 652.1	1 742.9	6.9%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 8.32 Public Investment Corporation statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Revenue									
Non-tax revenue	1 481.2	1 331.7	1 545.8	1 439.9	1 495.7	1 432.3	1 632.5	1 720.3	96.2%
Sale of goods and services other than capital assets	1 367.3	1 112.9	1 425.0	1 224.5	1 288.1	1 210.2	1 404.5	1 391.8	90.1%
<i>Sales by market establishment</i>	<i>1 367.3</i>	<i>1 112.9</i>	<i>1 425.0</i>	<i>1 224.5</i>	<i>1 288.1</i>	<i>1 210.2</i>	<i>1 404.5</i>	<i>1 391.8</i>	<i>90.1%</i>
Other non-tax revenue	113.9	218.9	120.8	215.5	207.6	222.1	228.0	328.5	146.9%
Total revenue	1 481.2	1 331.7	1 545.8	1 439.9	1 495.7	1 432.3	1 632.5	1 720.3	96.2%
Expenses									
Current expenses	973.1	611.9	1 080.7	845.3	1 078.1	1 035.0	1 201.3	1 314.6	87.9%
Compensation of employees	694.9	440.3	728.1	526.7	762.9	600.6	811.1	864.9	81.2%
Goods and services	248.5	161.1	319.9	298.9	300.2	410.8	374.3	433.9	105.0%
Depreciation	29.6	10.5	32.7	19.7	15.0	23.6	15.9	15.8	74.7%
Interest, dividends and rent on land	—	0.0	—	0.0	—	—	—	—	—
Total expenses	1 066.3	799.3	1 162.0	1 022.8	1 182.0	1 141.1	1 322.1	1 428.2	92.8%
Surplus/(Deficit)	414.9	532.5	383.8	417.1	313.7	291.2	310.5	292.1	
Cash flow statement									
Cash flow from operating activities	238.5	487.1	224.3	301.4	309.6	183.4	359.0	619.6	140.7%
Receipts									
Non-tax receipts	1 279.1	1 283.1	1 334.1	1 407.1	1 495.7	1 408.5	1 632.6	1 720.3	101.3%
Sales of goods and services other than capital assets	1 173.5	1 112.9	1 223.9	1 224.5	1 288.1	1 210.2	1 404.5	1 391.8	97.0%
<i>Sales by market establishment</i>	<i>1 173.5</i>	<i>1 112.9</i>	<i>1 223.9</i>	<i>1 224.5</i>	<i>1 288.1</i>	<i>1 210.2</i>	<i>1 404.5</i>	<i>1 391.8</i>	<i>97.0%</i>
Other tax receipts	105.6	170.2	110.2	182.7	207.6	198.3	228.1	328.5	135.0%
Total receipts	1 279.1	1 283.1	1 334.1	1 458.3	1 495.7	1 420.1	1 632.6	1 720.3	102.4%
Payment									
Current payments	947.3	586.0	1 028.5	987.2	1 074.8	1 082.6	1 156.0	980.4	86.4%
Compensation of employees	636.3	427.7	701.9	548.9	762.9	621.1	811.1	635.5	76.7%
Goods and services	311.0	138.3	326.6	378.2	311.7	381.5	344.7	344.7	96.0%
Interest and rent on land	—	20.0	—	60.0	0.2	80.0	0.2	0.2	34 275.0%
Total payments	1 040.6	796.0	1 109.8	1 156.9	1 186.1	1 236.7	1 273.6	1 100.7	93.1%
Net cash flow from investing activities	(142.4)	(689.4)	(100.1)	(404.7)	(27.6)	(165.1)	(112.5)	(551.0)	473.3%
Acquisition of property, plant, equipment and intangible assets	(40.1)	(6.4)	(33.0)	(101.5)	(17.5)	(3.3)	(22.9)	(196.9)	271.4%
Acquisition of software and other intangible assets	(9.8)	—	(23.6)	(2.7)	(84.0)	(9.0)	(1.8)	—	9.8%
Proceeds from the sale of property, plant, equipment and intangible assets	—	—	—	—	—	0.1	—	—	—
Other flows from investing activities	(92.4)	(683.0)	(43.5)	(300.6)	73.9	(152.9)	(87.9)	(354.1)	994.8%
Net increase/(decrease) in cash and cash equivalents	96.2	(202.3)	124.2	(103.4)	282.0	18.2	246.5	68.5	
Statement of financial position									
Carrying value of assets	122.5	69.1	96.9	98.8	173.1	88.3	286.3	211.9	69.0%
<i>Acquisition of assets</i>	<i>(40.1)</i>	<i>(6.4)</i>	<i>(33.0)</i>	<i>(101.5)</i>	<i>(17.5)</i>	<i>(3.3)</i>	<i>(22.9)</i>	<i>(196.9)</i>	<i>271.4%</i>
Investments	1 183.7	2 006.0	1 254.3	2 350.5	2 813.3	2 454.4	2 982.1	2 625.1	114.6%
Receivables and prepayments	112.1	79.5	118.8	95.6	267.6	226.8	283.7	238.2	81.8%
Cash and cash equivalents	561.4	403.2	732.7	299.8	305.6	318.1	514.4	386.6	66.6%
Taxation	7.6	107.9	8.0	100.2	87.9	144.0	93.1	101.1	230.4%
Total assets	1 987.3	2 665.7	2 210.8	2 944.9	3 647.6	3 231.6	4 159.6	3 562.8	103.3%
Accumulated surplus/(deficit)	1 467.4	1 666.3	1 676.5	1 890.4	2 189.2	1 842.5	2 196.3	2 134.6	100.1%
Capital and reserves	279.8	553.7	279.8	680.8	931.9	937.4	1 438.7	987.8	107.8%
Finance lease	0.0	0.7	0.0	1.2	1.6	0.1	0.3	0.3	123.7%
Trade and other payables	32.2	105.4	34.1	32.7	73.4	66.4	46.0	46.0	135.0%
Taxation	—	—	—	9.1	94.3	13.0	99.9	—	11.3%
Provisions	207.9	339.6	220.4	330.7	357.2	372.1	378.4	394.2	123.4%
Total equity and liabilities	1 987.3	2 665.7	2 210.8	2 944.9	3 647.6	3 231.6	4 159.6	3 562.8	103.3%

Statements of estimates of financial performance, cash flow and financial position

Table 8.33 Public Investment Corporation statements of estimates of financial performance, cash flow and financial position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	Revised estimate	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
R million	2019/20							
Revenue								
Non-tax revenue	1 720.3	8.9%	100.0%	1 857.8	1 998.5	2 108.4	7.0%	100.0%
Sale of goods and services other than capital assets	1 391.8	7.7%	83.5%	1 511.2	1 632.8	1 722.6	7.4%	81.4%
<i>Sales by market establishment</i>	<i>1 391.8</i>	<i>7.7%</i>	<i>83.5%</i>	<i>1 511.2</i>	<i>1 632.8</i>	<i>1 722.6</i>	<i>7.4%</i>	<i>81.4%</i>
Other non-tax revenue	328.5	14.5%	16.5%	346.6	365.7	385.8	5.5%	18.6%
Total revenue	1 720.3	8.9%	100.0%	1 857.8	1 998.5	2 108.4	7.0%	100.0%
Current expenses	1 314.6	29.0%	85.5%	1 408.4	1 517.3	1 600.8	6.8%	91.9%
Compensation of employees	864.9	25.2%	54.9%	972.2	1 011.8	1 067.5	7.3%	61.6%
Goods and services	433.9	39.1%	28.9%	419.5	489.3	514.7	5.9%	29.2%
Depreciation	15.8	14.8%	1.6%	16.7	16.2	18.6	5.5%	1.1%
Total expenses	1 428.2	21.3%	100.0%	1 534.2	1 652.1	1 742.9	6.9%	100.0%
Surplus/(Deficit)	292.1			323.6	346.4	365.5		
Cash flow statement								
Cash flow from operating activities	619.6	8.4%	267.3%	774.4	950.0	1 001.0	21.8%	262.8%
Receipts								
Non-tax receipts	1 720.3	10.3%	98.9%	1 857.8	1 998.5	2 108.4	7.0%	100.0%
Sales of goods and services other than capital assets	1 391.8	7.7%	84.2%	1 511.2	1 632.8	1 722.6	7.4%	81.4%
<i>Sales by market establishment</i>	<i>1 391.8</i>	<i>7.7%</i>	<i>84.2%</i>	<i>1 511.2</i>	<i>1 632.8</i>	<i>1 722.6</i>	<i>7.4%</i>	<i>81.4%</i>
Other tax receipts	328.5	24.5%	14.7%	346.6	365.7	385.8	5.5%	18.6%
Total receipts	1 720.3	10.3%	100.0%	1 857.8	1 998.5	2 108.4	7.0%	100.0%
Current payments	980.4	18.7%	83.3%	903.8	796.8	840.6	-5.0%	81.1%
Compensation of employees	635.5	14.1%	51.5%	583.1	449.5	474.2	-9.3%	49.3%
Goods and services	344.7	35.6%	28.0%	320.5	347.1	366.2	2.0%	31.8%
Interest and rent on land	0.2	-77.1%	3.8%	0.3	0.3	0.3	6.5%	0.0%
Total payment	1 100.7	11.4%	100.0%	1 083.4	1 048.5	1 107.4	0.2%	100.0%
Net cash flow from investing activities	(551.0)	-7.2%	100.0%	(736.2)	(583.9)	(614.7)	3.7%	100.0%
Acquisition of property, plant, equipment and intangible assets	(196.9)	213.3%	15.9%	(215.5)	(306.7)	(323.5)	18.0%	42.5%
Acquisition of software and other intangible assets	—	—	1.5%	(44.9)	(3.7)	(3.9)	—	1.8%
Other flows from investing activities	(354.1)	-19.7%	82.5%	(475.8)	(273.5)	(287.3)	-6.7%	55.6%
Net increase/(decrease) in cash and cash equivalents	68.5	-169.7%	100.0%	38.2	366.1	386.2	78.0%	100.0%
Statement of financial position								
Carrying value of assets	211.9	45.3%	3.7%	239.3	269.0	283.8	10.2%	6.0%
<i>Acquisition of assets</i>	<i>(196.9)</i>	<i>213.3%</i>	<i>-2.3%</i>	<i>(215.5)</i>	<i>(306.7)</i>	<i>(323.5)</i>	<i>18.0%</i>	<i>-6.2%</i>
Investments	2 625.1	9.4%	76.2%	2 956.7	3 134.1	3 306.5	8.0%	72.6%
Receivables and prepayments	238.2	44.2%	5.0%	251.3	111.2	117.3	-21.0%	4.5%
Cash and cash equivalents	386.6	-1.4%	11.5%	424.8	790.9	834.4	29.2%	14.4%
Taxation	101.1	-2.1%	3.7%	98.7	104.7	110.4	3.0%	2.5%
Total assets	3 562.8	10.2%	100.0%	3 970.8	4 409.8	4 652.4	9.3%	100.0%
Accumulated surplus/(deficit)	2 134.6	8.6%	60.9%	2 458.2	2 804.6	2 958.9	11.5%	62.3%
Capital and reserves	987.8	21.3%	25.2%	1 047.0	1 109.9	1 170.9	5.8%	26.1%
Finance lease	0.3	-26.0%	0.0%	0.3	0.3	0.4	5.8%	0.0%
Trade and other payables	46.0	-24.2%	2.1%	48.7	51.7	54.5	5.8%	1.2%
Taxation	—	—	0.2%	—	3.2	3.4	—	0.0%
Provisions	394.2	5.1%	11.6%	416.5	440.1	464.3	5.6%	10.4%
Total equity and liabilities	3 562.8	10.2%	100.0%	3 970.8	4 409.8	4 652.4	9.3%	100.0%

Personnel information

Table 8.34 Public Investment Corporation personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number			
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
			2018/19			2019/20			2020/21		2021/22		2022/23							
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number		Cost	Unit cost	2019/20 - 2022/23	
Public Investment Corporation		438	438	400	600.6	1.5	438	864.9	2.0	443	972.2	2.2	433	1 011.8	2.3	433	1 067.5	2.5	7.3%	100.0%
1 – 6	23	23	23	3.5	0.2	23	4.6	0.2	23	4.8	0.2	22	4.9	0.2	22	5.2	0.2	3.7%	5.2%	
7 – 10	173	173	140	94.3	0.7	172	150.4	0.9	166	171.7	1.0	166	190.2	1.1	166	178.6	1.1	5.9%	38.4%	
11 – 12	72	72	67	75.0	1.1	72	98.3	1.4	82	129.1	1.6	72	104.3	1.4	72	109.8	1.5	3.7%	17.1%	
13 – 16	125	125	129	247.4	1.9	126	324.3	2.6	127	337.1	2.7	128	345.9	2.7	128	363.7	2.8	3.9%	29.1%	
17 – 22	45	45	41	180.3	4.4	45	287.3	6.4	45	329.6	7.3	45	366.5	8.1	45	410.2	9.1	12.6%	10.3%	

1. Rand million.

South African Revenue Service

Selected performance indicators

Table 8.35 South African Revenue Service performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage of compliance of personal income tax filing per year	Business and individual tax	Priority 6: A capable, ethical and developmental state	91.5% (5.2 m / 5.7 m)	94% (5.3 m / 5.6 m)	61% (13.5 m / 22.1 m)	92%	92%	92%	92%
Percentage uptake of personal income tax filing through eFiling per year	Business and individual tax		53% (2.5 m / 4.7 m)	52% (2.5 m / 4.8 m)	55% (2.7 m / 4.9 m)	53%	53%	53%	53%
Percentage of revenue collected (excluding customs and excise revenue) per year	Business and individual tax	Priority 1: Economic transformation and job creation	— ¹	100% (R892.9bn / R892.5bn)	98% (R921.2bn / R937.4bn)	100%	100%	100%	100%
Percentage improvement in the collection of overdue debt per year	Business and individual tax		— ¹	— ¹	— ¹	30%	20%	15%	15%
Percentage of customs and excise revenue collected per year	Customs and excise	Priority 7: A better Africa and world	— ¹	99.6% (R322.2bn / R328.2bn)	100.4% (R366.5bn / R364.8bn)	100%	100%	100%	100%

1. No historical data available.

Entity overview

In terms of the South African Revenue Service Act (1997), the South African Revenue Service is mandated to collect all revenue due to the state and administer trade to support government in meeting its key developmental objectives for growth. This involves facilitating legitimate trade, protecting South Africa's ports of entry, and eliminating illegal trade and tax evasion.

As its principal contribution to South Africa's economic and social development, the revenue service's focus over the medium term will continue to be on providing government with more than 90 per cent of the revenue it requires to meet its policy and delivery priorities. It aims to do this by modernising its ICT systems to encourage eFiling, improve the experience of taxpayers, monitor compliance and make tax collection more efficient. These improvements are expected to enable the revenue service to keep up with the evolving tax and customs legislative environment, and lead to changes in compliance behaviour by responding to the needs and expectations of taxpayers. An additional allocation of R1 billion over the medium term will be made available to execute strategic projects over the medium term, with a significant portion of this amount (R844 million) allocated for implementing the generally recognised accounting practice system.

The revenue service's total expenditure is expected to increase at an average annual rate of 7.4 per cent, from R11.1 billion in 2019/20 to R13.8 billion in 2022/23. As the revenue service requires a diverse skill set to expand

its footprint, improve compliance and revenue collection, and drive key initiatives, its number of personnel is expected to increase over the medium term. Accordingly, expenditure on compensation of employees is expected to increase at an average annual rate of 6.8 per cent, from R7.6 billion in 2019/20 to R9.2 billion in 2022/23. The revenue service aims to ensure this increase in expenditure remains modest by filling only critical vacancies, and recruiting scarce and high-end skills only in key areas. Revenue is expected to increase at an average annual rate of 4.7 per cent, from R10.2 billion in 2019/20 to R11.7 billion in 2022/23. The service's revenue is derived mainly from transfers from government, which account for 96.3 per cent of total revenue over the MTEF period.

Programmes/Objectives/Activities

Table 8.36 South African Revenue Service expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/Total (%) 2016/17 - 2019/20	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	4 500.6	4 501.7	4 534.9	4 429.5	-0.5%	41.4%	4 508.3	4 689.1	4 875.3	3.2%	37.0%
Business and individual tax	1 775.8	2 306.9	2 262.8	2 332.6	9.5%	20.0%	2 541.6	2 717.2	2 873.8	7.2%	20.8%
Enforcement	1 647.5	1 291.9	1 293.8	1 381.3	-5.7%	12.9%	1 544.8	1 651.3	1 746.2	8.1%	12.6%
Customs and excise	1 190.1	1 275.7	1 294.4	1 368.8	4.8%	11.8%	1 506.9	1 610.6	1 703.5	7.6%	12.3%
Digital, Information, Services and Technology	1 278.6	1 306.5	1 285.3	1 505.2	5.6%	12.4%	1 998.2	2 213.5	2 408.4	17.0%	16.1%
Projects	258.7	62.6	39.3	49.8	-42.2%	1.0%	89.4	89.4	89.4	21.5%	0.6%
Office of the Tax Ombud	29.4	33.9	40.9	45.5	15.6%	0.3%	48.6	51.9	54.9	6.5%	0.4%
African Tax Administration Forum	13.6	14.5	12.6	12.8	-2.1%	0.1%	13.4	14.1	14.8	5.0%	0.1%
Davis tax committee	1.7	1.1	0.0	4.3	36.6%	0.0%	4.6	5.0	5.3	6.6%	0.0%
Large business	—	—	—	4.6	—	0.0%	10.0	10.6	11.2	34.3%	0.1%
Total	10 696.0	10 794.9	10 764.0	11 134.5	1.3%	100.0%	12 265.8	13 052.7	13 782.8	7.4%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 8.37 South African Revenue Service statements of historical financial performance, cash flow and financial position

Statement of financial performance										Average: Outcome/Budget (%) 2016/17 - 2019/20
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
R million	2016/17		2017/18		2018/19		2019/20			
Revenue										
Non-tax revenue	535.6	1 185.4	469.2	548.6	427.8	725.1	312.2	645.3		177.9%
Sale of goods and services other than capital assets	305.6	925.1	308.6	346.3	307.8	546.7	312.2	580.9		194.4%
of which:										
Administrative fees	305.6	925.1	308.6	346.3	307.8	546.7	312.2	580.9		194.4%
Other non-tax revenue	230.0	260.2	160.6	202.3	120.0	178.4	—	64.4		138.1%
Transfers received	9 363.7	10 009.2	10 218.2	10 218.2	9 007.2	9 984.5	9 529.0	9 529.0		104.3%
Total revenue	9 899.3	11 194.5	10 687.4	10 766.8	9 435.0	10 709.5	9 841.2	10 174.3		107.5%
Expenses										
Current expenses	11 317.6	10 696.0	11 711.9	10 794.9	10 942.9	10 764.0	11 201.5	11 134.5		96.0%
Compensation of employees	7 285.7	7 174.5	7 731.2	7 433.0	7 381.7	7 536.3	7 787.6	7 557.6		98.4%
Goods and services	3 299.7	2 993.8	3 340.2	2 768.9	2 985.7	2 643.3	2 861.7	2 987.0		91.2%
Depreciation	729.5	524.4	637.3	589.0	575.3	580.1	552.0	589.9		91.5%
Interest, dividends and rent on land	2.7	3.2	3.2	4.0	0.2	4.2	0.2	0.0		180.1%
Total expenses	11 317.6	10 696.0	11 711.9	10 794.9	10 942.9	10 764.0	11 201.5	11 134.5		96.0%
Surplus/(Deficit)	(1 418.3)	498.6	(1 024.6)	(28.1)	(1 507.9)	(54.4)	(1 360.3)	(960.2)		

Table 8.37 South African Revenue Service statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Cash flow statement									
Cash flow from operating activities	(718.5)	322.5	(512.1)	510.6	(1 440.8)	(657.7)	(845.5)	(596.9)	12.0%
Receipts									
Non-tax receipts	535.6	1 182.7	469.2	513.7	427.8	706.8	312.2	376.6	159.3%
Sales of goods and services other than capital assets	305.6	931.2	308.6	321.8	307.8	533.2	312.2	312.2	170.0%
Other sales	305.6	931.2	308.6	321.8	307.8	533.2	312.2	312.2	170.0%
Other tax receipts	230.0	251.4	160.6	191.9	120.0	173.5	–	64.4	133.4%
Transfers received	9 363.7	9 363.7	10 168.2	10 218.2	9 007.2	9 007.2	9 529.0	9 529.0	100.1%
Total receipts	9 899.3	10 546.3	10 637.4	10 731.9	9 435.0	9 714.0	9 841.2	9 905.6	102.7%
Payment									
Current payments	10 617.8	10 223.8	11 149.4	10 221.3	10 875.8	10 371.7	10 686.7	10 502.5	95.4%
Compensation of employees	7 285.7	7 157.8	7 731.2	7 490.8	7 381.7	7 660.5	7 787.6	7 557.6	98.9%
Goods and services	3 329.4	3 062.8	3 415.0	2 726.5	3 493.9	2 709.5	2 899.0	2 944.8	87.1%
Interest and rent on land	2.7	3.2	3.2	4.0	0.2	1.6	0.2	–	138.7%
Total payments	10 617.8	10 223.8	11 149.4	10 221.3	10 875.8	10 371.7	10 686.7	10 502.5	95.4%
Net cash flow from investing activities	(1 704.7)	(1 235.9)	(829.2)	(536.8)	(970.4)	(725.7)	–	(383.8)	82.2%
Acquisition of property, plant, equipment and intangible assets	(726.2)	(767.5)	(540.5)	(219.7)	(547.3)	(419.8)	–	(144.9)	85.5%
Acquisition of software and other intangible assets	(978.5)	(471.2)	(288.6)	(319.5)	(423.1)	(306.4)	–	(238.9)	79.0%
Proceeds from the sale of property, plant, equipment and intangible assets	–	2.7	–	2.3	–	0.5	–	–	–
Net cash flow from financing activities	8.7	(2.6)	3.5	48.6	27.4	3.4	(9.6)	18.8	227.0%
Borrowing activities	10.0	–	10.0	40.0	40.0	20.0	–	28.5	147.4%
Repayment of finance leases	(1.3)	(2.6)	(6.5)	8.6	(12.6)	(16.6)	(9.6)	(9.7)	67.6%
Net increase/(decrease) in cash and cash equivalents	(2 414.5)	(916.0)	(1 337.7)	22.4	(2 383.8)	(1 379.9)	(855.1)	(961.8)	
Statement of financial position									
Carrying value of assets	3 561.5	3 229.6	3 421.5	3 144.5	3 539.6	3 318.2	2 987.7	3 112.1	94.8%
Acquisition of assets	(726.2)	(767.5)	(540.5)	(219.7)	(547.3)	(419.8)	–	(144.9)	85.5%
Inventory	–	–	–	38.3	38.3	27.8	38.3	60.8	165.6%
Loans	70.5	80.5	70.5	42.2	2.2	28.5	2.2	–	104.0%
Accrued investment interest	15.7	–	–	–	–	–	–	–	–
Receivables and prepayments	135.7	129.7	132.7	260.4	262.0	299.0	265.5	298.1	124.0%
Cash and cash equivalents	955.7	2 454.2	1 116.5	2 476.6	92.8	1 096.7	(762.3)	134.9	439.3%
Total assets	4 739.1	5 894.1	4 741.3	5 962.0	3 935.0	4 770.1	2 531.4	3 605.8	126.9%
Accumulated surplus/(deficit)	2 854.2	3 148.3	2 123.8	3 120.3	2 589.8	3 065.9	1 229.5	1 837.0	127.0%
Capital and reserves	224.5	262.2	433.0	324.6	326.3	368.8	326.3	371.5	101.3%
Finance lease	11.8	13.8	7.3	26.3	26.3	14.0	4.2	4.3	117.8%
Deferred income	–	977.5	977.2	977.4	–	0.1	–	0.1	200.1%
Trade and other payables	847.6	732.6	334.3	806.2	728.7	708.2	703.9	1 040.5	125.7%
Provisions	800.9	759.8	865.7	707.1	263.9	613.1	267.5	352.4	110.7%
Total equity and liabilities	4 739.1	5 894.1	4 741.3	5 962.0	3 935.0	4 770.1	2 531.4	3 605.8	126.9%

Statements of estimates of financial performance, cash flow and financial position**Table 8.38 South African Revenue Service statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23		
Revenue									
Non-tax revenue	645.3	-18.3%	7.2%	315.2	318.3	321.5	-20.7%	3.7%	
Sale of goods and services other than capital assets	580.9	-14.4%	5.6%	315.2	318.3	321.5	-17.9%	3.5%	
Administrative fees	580.9	-14.4%	5.6%	315.2	318.3	321.5	-17.9%	3.5%	
Other non-tax revenue	64.4	-37.2%	1.6%	–	–	–	-100.0%	0.2%	
Transfers received	9 529.0	-1.6%	92.8%	10 510.0	10 973.1	11 368.0	6.1%	96.3%	
Total revenue	10 174.3	-3.1%	100.0%	10 825.2	11 291.4	11 689.5	4.7%	100.0%	
Current expenses	11 134.5	1.3%	100.0%	12 265.8	13 052.7	13 782.8	7.4%	100.0%	
Compensation of employees	7 557.6	1.7%	68.5%	8 121.6	8 690.1	9 194.1	6.8%	66.8%	
Goods and services	2 987.0	-0.1%	26.3%	3 614.8	3 942.5	4 265.5	12.6%	29.4%	
Depreciation	589.9	4.0%	5.3%	529.4	420.1	323.2	-18.2%	3.8%	
Interest, dividends and rent on land	0.0	-95.1%	0.0%	0.0	–	–	-100.0%	0.0%	
Total expenses	11 134.5	1.3%	100.0%	12 265.8	13 052.7	13 782.8	7.4%	100.0%	
Surplus/(Deficit)	(960.2)			(1 440.6)	(1 761.2)	(2 093.2)			

Table 8.38 South African Revenue Service statements of estimates of financial performance, cash flow and financial position

Statement of financial performance		Average growth rate	Average: Expenditure/ Total	Medium-term estimate			Average growth rate	Average: Expenditure/ Total
	Revised estimate	(%)	(%)				(%)	(%)
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Cash flow statement								
Cash flow from operating activities	(596.9)	-222.8%	17.0%	(1 075.9)	(1 354.7)	(1 710.8)	-3.2%	8.9%
Receipts								
Non-tax receipts	376.6	-31.7%	6.8%	315.2	318.3	321.5	-5.1%	3.1%
Sales of goods and services other than capital assets	312.2	-30.5%	5.1%	315.2	318.3	321.5	1.0%	2.9%
Other sales	312.2	-30.5%	5.1%	315.2	318.3	321.5	1.0%	2.9%
Other tax receipts	64.4	-36.5%	1.7%	—	—	—	-100.0%	0.2%
Transfers received	9 529.0	0.6%	93.2%	10 510.0	10 973.1	11 368.0	6.1%	96.9%
Total receipts	9 905.6	-2.1%	100.0%	10 825.2	11 291.4	11 689.5	5.7%	100.0%
Current payments								
Compensation of employees	10 502.5	0.9%	95.2%	11 901.1	12 646.1	13 400.3	8.5%	100.0%
Goods and services	7 557.6	1.8%	68.8%	8 121.6	8 690.1	9 194.1	6.8%	69.4%
	2 944.8	-1.3%	26.4%	3 779.5	3 956.0	4 206.2	12.6%	30.6%
Total payment	10 502.5	0.9%	100.0%	11 901.1	12 646.1	13 400.3	8.5%	100.0%
Net cash flow from investing activities								
Acquisition of property, plant, equipment and intangible assets	(383.8)	-32.3%	100.0%	(510.6)	(510.6)	(510.6)	10.0%	100.0%
Acquisition of software and other intangible assets	(144.9)	-42.6%	49.7%	(104.5)	(104.5)	(104.5)	-10.3%	24.8%
	(238.9)	-20.3%	50.5%	(406.1)	(406.1)	(406.1)	19.4%	75.2%
Net cash flow from financing activities								
Borrowing activities	18.8	-292.8%	100.0%	(4.3)	—	—	-100.0%	—
Repayment of finance leases	28.5	—	203.7%	—	—	—	-100.0%	—
	(9.7)	54.5%	-103.7%	(4.3)	—	—	-100.0%	—
Net increase/(decrease) in cash and cash equivalents	(961.8)	1.6%	100.0%	(1 590.9)	(1 865.3)	(2 221.4)	32.2%	100.0%
Statement of financial position								
Carrying value of assets	3 112.1	-1.2%	65.9%	3 093.3	3 183.9	3 371.3	2.7%	88.5%
Acquisition of assets	(144.9)	-42.6%	-7.4%	(104.5)	(104.5)	(104.5)	-10.3%	-3.2%
Inventory	60.8	—	0.7%	56.8	61.8	65.8	2.7%	1.7%
Receivables and prepayments	298.1	32.0%	5.3%	339.2	338.2	304.2	0.7%	8.9%
Cash and cash equivalents	134.9	-62.0%	27.5%	—	—	—	-100.0%	0.9%
Total assets	3 605.8	-15.1%	100.0%	3 489.3	3 583.9	3 741.3	1.2%	100.0%
Accumulated surplus/(deficit)								
Capital and reserves	1 837.0	-16.4%	55.2%	396.4	(1 364.8)	(3 458.1)	-223.5%	-17.1%
Borrowings	371.5	12.3%	7.0%	365.5	355.7	341.7	-2.7%	10.0%
Finance lease	—	—	—	1 456.0	3 321.4	5 542.7	—	70.6%
Deferred income	4.3	-31.9%	0.3%	—	—	—	-100.0%	0.0%
Trade and other payables	0.1	-95.8%	8.2%	0.1	0.1	0.1	—	0.0%
Provisions	1 040.5	12.4%	17.4%	881.2	879.0	950.2	-3.0%	26.0%
	352.4	-22.6%	11.8%	390.0	392.5	364.7	1.2%	10.4%
Total equity and liabilities	3 605.8	-15.1%	100.0%	3 489.3	3 583.9	3 741.3	1.2%	100.0%

Personnel information

Table 8.39 South African Revenue Service personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number	
Number of funded posts	Number of posts on approved establishment		Actual		Revised estimate		Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/Total (%)		
			2018/19		2019/20		2020/21			2021/22			2022/23					2019/20 - 2022/23	
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number				Cost
South African Revenue Service			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	12 794	12 794	12 531	7 536.3	0.6	12 438	7 557.6	0.6	12 794	8 121.6	0.6	12 794	8 690.1	0.7	12 794	9 194.1	0.7	6.8%	100.0%
1 – 6	78	78	106	21.4	0.2	78	15.9	0.2	78	16.4	0.2	78	17.5	0.2	78	18.5	0.2	5.2%	0.6%
7 – 10	8 525	8 525	8 350	3 381.0	0.4	8 370	3 465.4	0.4	8 525	3 638.4	0.4	8 525	3 893.1	0.5	8 525	4 118.1	0.5	5.9%	66.8%
11 – 12	2 380	2 380	2 323	1 898.0	0.8	2 284	1 944.2	0.9	2 380	2 109.7	0.9	2 380	2 257.4	0.9	2 380	2 388.4	1.0	7.1%	18.5%
13 – 16	1 768	1 768	1 713	2 135.5	1.2	1 669	2 027.5	1.2	1 768	2 229.4	1.3	1 768	2 385.5	1.3	1 768	2 524.3	1.4	7.6%	13.7%
17 – 22	43	43	39	100.4	2.6	37	104.6	2.8	43	127.7	3.0	43	136.7	3.2	43	144.8	3.4	11.4%	0.3%

1. Rand million.

South African Special Risks Insurance Association

Selected performance indicators

Table 8.40 South African Special Risks Insurance Association performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Value of gross written premium per year	Sustainable revenue growth: Gross written premium income growth	Priority 1: Economic transformation and job creation	R1.7bn	R1.7bn	R1.9bn	R2bn	R2.1bn	R2.3bn	R2.5bn
Value of net underwriting profit per year	Sustainable revenue growth: Net underwriting profit growth	Priority 6: A capable, ethical and developmental state	R458.9m	R489.8m	R525.8m	R569.4m	R600.7m	R655.5m	R700.1m
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	Priority 4: Spatial integration, human settlements and local government	87.2% (2 157/ 2 479)	86.5% (3 148/ 3 639)	71.1% (3 869/ 5 443)	90%	90%	90%	90%
Percentage of large loss claims finalised within 60 days per year	Customer centricity: Provide superior customer service to external stakeholders by reducing the internal claim turnaround time	Priority 1: Economic transformation and job creation	79.1% (410/ 518)	88.5% (3 220/ 3 639)	85.6% (4 659/ 5 443)	70%	70%	70%	70%
Average number of days for processing claims less than R250 000 per year	Customer centricity: Provide superior customer service to external stakeholders by reducing the internal claim turnaround time	Priority 6: A capable, ethical and developmental state	30	30	30	30	30	30	30
Average number of days per year for processing claims	Customer centricity: Provide superior customer service to external stakeholders by reducing the internal claim turnaround time		60	70	70	70	70	70	70

Entity overview

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.

Over the medium term, the association will focus on the sustainability of its business by establishing new distribution channels; enhancing customer service 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 8.5 per cent, from R2.5 billion in 2019/20 to R3.2 billion in 2022/23. This is mainly due to projected increases in administrative, marketing and underwriting expenses. In response to the anticipated increase in claims, additional regulatory requirements and the development of new products, its number of personnel is expected to increase over the period ahead. Accordingly, spending on compensation of employees is expected to increase at an average annual rate of 8.4 per cent, from R216.8 million in 2019/20 to R276.1 million in 2022/23. Similarly, spending on goods and services is expected to increase at an average annual rate of 8.6 per cent, from R2 billion in 2019/20 to R2.6 billion in 2022/23. Revenue is expected to increase at an average annual rate of 8.3 per cent, from R3 billion in 2019/20 to R3.8 billion in 2022/23. The association expects to derive 79.9 per cent of its revenue over the medium term through underwriting premiums.

Programmes/Objectives/Activities**Table 8.41 South African Special Risks Insurance Association expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Administration	534.3	647.9	385.9	764.6	12.7%	29.4%	839.1	909.6	974.1	8.4%	30.6%
Sustainable revenue growth: Gross written premium income growth	236.9	271.1	319.8	339.3	12.7%	14.3%	367.8	399.1	434.7	8.6%	13.5%
Sustainable revenue growth: Net underwriting profit growth	786.5	748.6	1 760.8	1 274.5	17.5%	53.5%	1 385.6	1 503.0	1 639.2	8.8%	51.0%
Capital management: Ensure compliance with statutory capital requirements and the calculation of an economic risk basis for capital value	4.7	5.8	8.3	8.0	19.7%	0.3%	8.5	9.1	9.8	7.0%	0.3%
Customer centricity: Provide superior customer service to external stakeholders by reducing the internal claim turnaround time	4.6	4.9	11.9	13.5	43.1%	0.4%	14.5	15.5	16.6	7.0%	0.5%
People, capacity and capability: Attract, retain and develop skills that support our aspirations	9.7	11.8	49.3	93.6	112.9%	1.7%	104.5	111.7	115.6	7.3%	3.7%
Brand development: Create a trusted brand that resonates with all our customers	5.5	5.4	7.3	7.7	11.9%	0.3%	8.1	8.5	5.8	-8.8%	0.3%
Regulatory environment: Proactively manage compliance	0.0	0.1	0.0	0.0	80.8%	0.0%	0.0	0.0	0.0	5.5%	0.0%
Total	1 582.2	1 695.6	2 543.4	2 501.2	16.5%	100.0%	2 728.2	2 956.6	3 195.8	8.5%	100.0%

Statements of historical financial performance, cash flow and financial position**Table 8.42 South African Special Risks Insurance Association statements of historical financial performance, cash flow and financial position**

Statement of financial performance		Budget		Audited outcome		Budget		Audited outcome		Budget estimate		Revised estimate		Average: Outcome/ Budget (%)
R million		2016/17		2017/18		2018/19		2019/20		2019/20		2019/20		2016/17 - 2019/20
Revenue														
Non-tax revenue		2 230.8		2 125.4		2 695.0		2 720.8		2 369.0		2 478.3		102.1%
Sale of goods and services other than capital assets		1 760.4	1 687.3	2 044.1	1 887.1	2 110.3	2 207.2	2 225.6	2 379.0					100.2%
of which:														
Administrative fees		—	0.6	—	0.2	—	—	—	—					—
Sales by market establishment		1 760.4	1 686.8	2 044.1	1 886.9	2 110.3	2 207.2	2 225.6	2 379.0					100.2%
Other non-tax revenue		470.4	438.1	650.8	833.7	258.8	271.1	587.9	612.5					109.5%
Total revenue		2 230.8	2 125.4	2 695.0	2 720.8	2 369.0	2 478.3	2 813.5	2 991.4					102.1%
Expenses														
Current expenses		1 350.3		1 381.1		1 882.1		1 353.3		2 538.5		2 614.5		96.9%
Compensation of employees		58.8	56.9	72.9	78.8	72.2	155.8	79.0	216.8					179.7%
Goods and services		1 283.0	1 316.9	1 804.3	1 269.6	2 462.2	2 453.8	1 988.9	2 030.1					93.8%
Depreciation		8.5	7.2	5.0	5.0	4.1	4.9	15.4	15.4					98.1%
Total expenses		1 601.0	1 582.2	2 132.8	1 695.6	2 356.9	2 543.4	2 464.5	2 501.2					97.3%
Surplus/(Deficit)		629.8	543.3	562.2	1 025.2	12.1	(65.1)	349.0	490.2					

Table 8.42 South African Special Risks Insurance Association statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Cash flow statement									
Cash flow from operating activities	391.1	659.0	789.5	729.9	585.4	578.5	(390.5)	(815.6)	83.7%
Receipts									
Non-tax receipts	2 409.9	2 359.4	2 671.6	2 546.0	2 542.9	2 692.3	2 799.1	(222.5)	70.8%
Sales of goods and services other than capital assets	1 849.1	1 922.2	2 020.8	2 075.5	2 106.7	2 179.5	2 218.0	684.4	83.7%
<i>Sales by market establishment</i>	<i>1 849.1</i>	<i>1 922.2</i>	<i>2 020.8</i>	<i>2 075.5</i>	<i>2 106.7</i>	<i>2 179.5</i>	<i>2 218.0</i>	<i>684.4</i>	<i>83.7%</i>
Other tax receipts	560.8	437.2	650.8	470.5	436.2	512.7	581.2	(906.9)	23.0%
Total receipts	2 409.9	2 359.4	2 671.6	2 546.0	2 542.9	2 692.3	2 799.1	(222.5)	70.8%
Payment									
Current payments	1 728.3	1 396.1	1 641.7	1 536.1	1 954.8	2 063.2	2 995.5	357.9	64.3%
Compensation of employees	67.3	57.1	50.9	58.2	91.5	91.6	128.2	(34.4)	51.0%
Goods and services	1 503.5	1 339.0	1 427.9	1 477.9	1 603.1	1 971.7	2 607.1	392.3	72.5%
Interest and rent on land	157.5	–	162.9	–	260.1	–	260.1	–	–
Transfers and subsidies	0.3	0.3	–	0.2	0.9	1.1	0.9	0.9	125.7%
Total payments	2 018.7	1 700.4	1 882.1	1 816.1	1 957.6	2 113.7	3 189.6	593.1	68.8%
Net cash flow from investing activities	(596.4)	515.4	(1 464.5)	(1 416.5)	1 151.2	1 642.9	1 741.7	(1 200.7)	-55.1%
Acquisition of property, plant, equipment and intangible assets	(4.2)	(1.2)	(2.6)	(2.0)	(1.8)	–	(2.2)	–	30.8%
Acquisition of software and other intangible assets	(2.0)	(0.3)	(8.1)	(1.3)	(1.1)	(1.6)	(1.3)	(71.2)	596.0%
Proceeds from the sale of property, plant, equipment and intangible assets	–	0.1	–	0.1	–	(1.5)	–	(10.3)	–
Other flows from investing activities	(590.2)	516.9	(1 453.9)	(1 413.2)	1 154.1	1 646.1	1 745.1	(1 119.1)	-43.2%
Net cash flow from financing activities	–	(151.2)	–	(163.0)	–	–	–	–	–
Borrowing activities	–	–	–	–	–	–	–	–	–
Other flows from financing activities	–	(151.2)	–	(163.0)	–	–	–	–	–
Net increase/(decrease) in cash and cash equivalents	(205.3)	1 023.2	(675.0)	(849.6)	1 736.5	2 221.5	1 351.2	(2 016.3)	
Statement of financial position									
Carrying value of assets	59.7	62.2	66.5	66.8	134.7	76.8	144.6	104.8	76.6%
<i>Acquisition of assets</i>	<i>(4.2)</i>	<i>(1.2)</i>	<i>(2.6)</i>	<i>(2.0)</i>	<i>(1.8)</i>	<i>–</i>	<i>(2.2)</i>	<i>–</i>	<i>30.8%</i>
Investments	5 091.2	4 031.6	7 882.9	5 769.5	1 968.3	3 841.9	5 855.6	5 388.0	91.5%
Receivables and prepayments	78.9	186.2	417.3	201.3	375.9	328.3	400.6	297.0	79.6%
Cash and cash equivalents	1 561.8	2 790.3	1 336.5	1 940.8	5 983.0	4 162.2	2 078.4	3 361.4	111.8%
Taxation	–	26.8	–	38.1	–	63.3	–	–	–
Total assets	6 791.6	7 097.1	9 703.1	8 016.4	8 461.9	8 472.6	8 479.2	9 151.2	97.9%
Accumulated surplus/(deficit)	2 427.0	5 284.3	5 846.4	6 097.1	6 209.2	6 097.1	6 701.6	7 312.2	117.0%
Capital and reserves	3 438.7	480.3	2 472.9	529.7	495.5	528.2	495.5	–	22.3%
Deferred income	2.7	7.2	3.8	4.3	4.2	8.9	4.5	10.1	200.6%
Trade and other payables	861.9	1 295.9	1 273.7	1 274.2	1 713.3	1 768.4	1 261.7	1 846.7	121.0%
Taxation	54.8	18.2	102.8	91.9	14.8	70.1	13.2	(17.8)	87.5%
Provisions	6.5	11.2	3.4	19.2	24.9	–	2.8	–	80.7%
Total equity and liabilities	6 791.6	7 097.1	9 703.1	8 016.4	8 461.9	8 472.6	8 479.2	9 151.2	97.9%

Statements of estimates of financial performance, cash flow and financial position**Table 8.43 South African Special Risks Insurance Association statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate							
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Revenue	2 991.4	12.1%	100.0%	3 237.5	3 503.1	3 804.6	8.3%	100.0%
Non-tax revenue	2 379.0	12.1%	79.3%	2 581.2	2 800.6	3 052.6	8.7%	79.9%
Sale of goods and services other than capital assets	2 379.0	12.1%	79.3%	2 581.2	2 800.6	3 052.6	8.7%	79.9%
<i>Sales by market establishment</i>	2 379.0	12.1%	79.3%	2 581.2	2 800.6	3 052.6	8.7%	79.9%
Other non-tax revenue	612.5	11.8%	20.7%	656.3	702.5	751.9	7.1%	20.1%
Total revenue	2 991.4	12.1%	100.0%	3 237.5	3 503.1	3 804.6	8.3%	100.0%
Current expenses	2 262.3	17.9%	90.1%	2 493.2	2 698.0	2 910.0	8.8%	91.0%
Compensation of employees	216.8	56.2%	5.8%	241.3	257.4	276.1	8.4%	8.7%
Goods and services	2 030.1	15.5%	83.9%	2 212.0	2 396.0	2 599.4	8.6%	81.2%
Depreciation	15.4	29.0%	0.4%	39.9	44.6	34.6	30.8%	1.2%
Total expenses	2 501.2	16.5%	100.0%	2 728.2	2 956.6	3 195.8	8.5%	100.0%
Surplus/(Deficit)	490.2			509.3	546.5	608.8		
Cash flow statement								
Cash flow from operating activities	(815.6)	-207.4%	68.2%	(16 478.3)	820.0	900.8	-228.4%	59.7%
Receipts	(222.5)	-145.5%	100.0%	6 428.0	3 481.7	3 779.1	-357.0%	100.0%
Non-tax receipts	684.4	-29.1%	-15.9%	4 278.8	2 787.7	3 036.8	64.3%	-20.1%
Sales of goods and services other than capital assets	684.4	-29.1%	-15.9%	4 278.8	2 787.7	3 036.8	64.3%	-20.1%
<i>Sales by market establishment</i>	684.4	-29.1%	-15.9%	4 278.8	2 787.7	3 036.8	64.3%	-20.1%
Other tax receipts	(906.9)	-227.5%	115.9%	2 149.2	694.0	742.3	-193.5%	120.1%
Total receipts	(222.5)	-145.5%	100.0%	6 428.0	3 481.7	3 779.1	-357.0%	100.0%
Current payments	357.9	-36.5%	68.6%	22 663.1	2 398.8	2 587.6	93.4%	84.8%
Compensation of employees	(34.4)	-184.5%	2.3%	247.1	120.7	130.0	-255.7%	1.1%
Goods and services	392.3	-33.6%	66.2%	22 416.0	2 278.1	2 457.6	84.3%	83.7%
Transfers and subsidies	0.9	53.4%	0.0%	1.1	1.3	1.5	18.4%	0.1%
Total payment	593.1	-29.6%	100.0%	22 906.3	2 661.6	2 878.3	69.3%	100.0%
Net cash flow from investing activities	(1 200.7)	-232.6%	100.0%	(2 654.6)	(297.1)	(197.8)	-45.2%	100.0%
Acquisition of software and other intangible assets	(71.2)	532.2%	1.5%	(29.2)	(14.0)	(7.8)	-52.1%	3.9%
Proceeds from the sale of property, plant, equipment and intangible assets	(10.3)	-672.0%	0.2%	(3.5)	(3.2)	(3.0)	-33.7%	0.9%
Other flows from investing activities	(1 119.1)	-229.4%	98.4%	(2 621.9)	(280.0)	(186.9)	-44.9%	95.2%
Net cash flow from financing activities	-	-100.0%	-	(377.3)	(525.9)	(683.5)	-	-
Borrowing activities	-	-	-	-	-	-	-	-
Other flows from financing activities	-	-100.0%	-	(377.3)	(525.9)	(683.5)	-	-
Net increase/(decrease) in cash and cash equivalents	(2 016.3)	-225.4%	100.0%	(19 510.2)	(3.0)	19.6	-121.3%	100.0%
Statement of financial position								
Carrying value of assets	104.8	19.0%	0.9%	176.2	237.9	228.7	29.7%	1.8%
Investments	5 388.0	10.2%	58.2%	6 508.6	6 965.2	7 452.4	11.4%	64.0%
Receivables and prepayments	297.0	16.8%	3.1%	264.0	298.5	327.8	3.3%	2.9%
Cash and cash equivalents	3 361.4	6.4%	37.3%	3 010.7	3 029.4	3 347.8	-0.1%	31.3%
Total assets	9 151.2	8.8%	100.0%	9 959.5	10 531.0	11 356.6	7.5%	100.0%
Accumulated surplus/(deficit)	7 312.2	11.4%	75.6%	8 065.8	8 425.7	9 071.6	7.5%	80.2%
Deferred income	10.1	11.7%	0.1%	4.9	6.7	7.2	-10.5%	0.1%
Trade and other payables	1 846.7	12.5%	18.8%	1 856.2	2 067.7	2 244.4	6.7%	19.6%
Taxation	(17.8)	-199.3%	0.5%	32.5	30.9	33.5	-223.6%	0.2%
Total equity and liabilities	9 151.2	8.8%	100.0%	9 959.5	10 531.0	11 356.6	7.5%	100.0%

Personnel information

Table 8.44 South African Special Risks Insurance Association personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number	
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/Total (%)	
		2018/19			2019/20			2020/21			2021/22			2022/23					2019/20 - 2022/23
		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		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	131	131	124	155.8	1.3	131	216.8	1.7	139	241.3	1.7	141	257.4	1.8	144	276.1	1.9	8.4%	100.0%
1 – 6	35	35	26	13.9	0.5	35	25.0	0.7	38	29.8	0.8	38	29.9	0.8	38	33.1	0.9	9.8%	26.8%
7 – 10	58	58	61	54.5	0.9	58	73.0	1.3	60	78.5	1.3	61	84.0	1.4	64	91.0	1.4	7.6%	43.8%
11 – 12	21	21	21	34.0	1.6	21	49.8	2.4	21	53.0	2.5	22	58.0	2.6	22	62.5	2.8	7.9%	15.5%
13 – 16	11	11	10	24.4	2.4	11	35.0	3.2	14	40.0	2.9	14	43.5	3.1	14	46.5	3.3	9.9%	9.5%
17 – 22	6	6	6	29.0	4.8	6	34.0	5.7	6	40.0	6.7	6	42.0	7.0	6	43.0	7.2	8.1%	4.3%

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 2020/21 is R15.3 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 2020/21 is R25.2 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 2020/21 is R66.5 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 centre's total budget for 2020/21 is R353.5 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 authority's legislative mandate is primarily derived from the Financial Sector Regulation Act (2017). Its total budget for 2020/21 is R827 million.
- 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 2020/21 is R393.5 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 2020/21 is R169.3 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 office's total budget for 2020/21 is R62.1 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, and has jurisdiction only over funds that are registered under the act. Its total budget for 2020/21 is R74.4 million.

Vote 9

Planning, Monitoring and Evaluation

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	194.3	187.7	–	6.6	201.0	213.0
National Planning Coordination	81.7	81.1	–	0.6	86.3	91.5
Sector Monitoring Services	81.6	80.7	–	0.9	86.3	91.1
Public Sector Monitoring and Capacity Development	90.3	90.2	–	0.1	95.5	94.0
Evidence and Knowledge Systems	52.1	52.0	–	0.1	55.2	58.3
Total expenditure estimates	500.0	491.8	–	8.2	524.3	547.9
Executive authority	Minister in the Presidency					
Accounting officer	Director-General: Planning, Monitoring and Evaluation					
Website	www.dpme.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Improve government service delivery through integrated planning, monitoring and evaluation.

Mandate

The Department of Planning, Monitoring and Evaluation is mandated to:

- support the National Planning Commission
- facilitate the implementation of the National Development Plan (NDP) through the development of sector-specific and outcome-specific medium-term plans and delivery agreements, and monitor and evaluate the implementation of these plans
- ensure the alignment of departmental strategic and annual plans and budget allocations with government's medium-term strategic framework
- monitor the performance of individual national and provincial government departments and municipalities, and facilitate targeted intervention programmes
- monitor frontline service delivery and manage the presidential hotline
- develop and implement the annual national evaluations plan and support the national evaluations system
- promote good planning, monitoring and evaluation practices in government.

Selected performance indicators

Table 9.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of annual reports produced per year by the National Planning Commission on the review of the NDP	National Planning Coordination	All	1	1	1	1	1	1	1
Number of assessment reports produced on the strategic plans and annual performance plans of national institutions per year	National Planning Coordination	Priority 6: A capable, ethical and developmental state	44	44	45	45	47	47	47

Table 9.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of reports produced on the implementation of government's medium-term strategic framework per year	Sector Monitoring Services	All	2	2	2	1	2	2	2
Number of mid-year and annual public service delivery reports produced per year	Public Sector Monitoring and Capacity Development	Priority 6: A capable, ethical and developmental state	— ¹	— ¹	— ¹	1	2	2	2
Number of overview reports produced on the status of frontline performance and citizen engagement per year	Public Sector Monitoring and Capacity Development		— ¹	— ¹	— ¹	2	2	2	2
Number of evidence reports produced on evaluations, research and development indicators per year	Evidence and Knowledge Systems	All	— ¹	— ¹	— ¹	— ¹	10	10	10

1. No historical data available.

Expenditure analysis

Chapter 13 of the NDP sets out a vision for building a capable and developmental state, which is expressed in terms of priority 6 (a capable, ethical and developmental state) of government's 2019-2024 medium-term strategic framework. The work of the Department of Planning, Monitoring and Evaluation is directly aligned with this priority. Accordingly, over the medium term, the department intends to focus on: reviewing the NDP, improving and strengthening government planning and coordination, supporting the implementation of short-term and medium-term goals, developing intervention programmes to support service delivery, and conducting research and evaluations.

As part of the national macro organisation of government in 2019/20, the department's organisational structure was revised to accommodate the transfer of the youth function to the Department of Women, Youth and Persons with Disabilities, and the socioeconomic impact assessment system function to the Presidency. Spending on compensation of employees accounts for an estimated 67.8 per cent (R1.1 billion) of the department's total expenditure over the medium term.

Reviewing the NDP

The NDP was adopted as a guide to achieving South Africa's goals, broadly in terms of socioeconomic development, and specifically in terms of eliminating poverty, creating jobs and reducing inequality by 2030. The National Planning Commission was tasked with reviewing some aspects of the NDP in 2019/20 to address certain implementation challenges. Over the medium term, this review is expected to assess the capacity and capability of the state in measuring the implementation of the NDP. Related activities are set to be carried out in the *Management: National Planning Coordination* subprogramme in the *National Planning Coordination* programme. Allocations in the subprogramme amount to R157.7 million over the MTEF period.

Improving and strengthening government planning and coordination

The department is mandated to improve and strengthen government's planning and coordination. This involves: ensuring the implementation of government's medium-term strategic framework, which is implemented in five-year cycles to allow for revisions, and serves as a roadmap for achieving goals linked to NDP outcomes; and conducting assessments of national departments' draft strategic and annual performance plans to ensure alignment with the medium-term strategic framework and the NDP. In this regard, in each year over the medium term, the department expects to produce 47 assessment reports. Based on the outcomes of these assessments, the department will, in consultation with National Treasury, identify delivery priorities for the funding of national departments. Related activities are carried out in the *Planning Coordination* subprogramme in the *National Planning Coordination* programme. Allocations to the subprogramme amount to R101.8 million over the period ahead.

Supporting implementation of short-term and medium-term goals

Tracking the performance of the short-term and medium-term goals of government's 2019-2024 medium-term strategic framework is a core function of the department. Accordingly, over the MTEF period, the department will engage national and provincial departments, government agencies and key state-owned entities to assess their implementation of the priorities and indicators of the medium-term strategic framework, and identify performance gaps and interventions to address underperformance. In this regard, the department plans to produce 2 reports per year over the medium term for submission to Cabinet. These activities are budgeted for in the *Outcomes Monitoring and Support*, and *Intervention Support* subprogrammes, which together account for 94.9 per cent (R246.8 million) of allocations to the *Sector Monitoring Services* programme over the medium term.

Developing intervention programmes to support service delivery

The department plans to produce 2 reports per year over the MTEF period to monitor the impact of policy priorities in relation to actual service delivery through various frontline monitoring programmes, including targeted site visits, citizen-based monitoring and the presidential hotline. To enhance capacity over the medium term, the department plans to assess the performance of government departments, agencies, state-owned enterprises and local government. This will include the development of a new monitoring model to replace the management performance assessment tool, and support the annual development and assessment of performance agreements of heads of department. These activities will be carried out in the *Public Service Monitoring and Capacity Development* subprogramme in the *Public Sector Monitoring and Capacity Development* programme. Allocations in the subprogramme amount to R266.2 million over the MTEF period.

Conducting research and evaluations

The department's ongoing focus is on maximising the use of its evaluations and research to generate rapid and relevant evidence to inform planning and monitoring, and appropriate interventions. As such, over the medium term, the department plans to work towards improving research and knowledge, and maintain evidence-based policy development, planning, implementation and monitoring by providing support for data management. This will be achieved by developing and monitoring the implementation of a national evaluation plan, and conducting evaluations and research to support the planning and monitoring activities of the *National Planning Coordination* and *Sector Monitoring Services* programmes. Accordingly, in each year over the medium term, the department plans to produce 10 evidence reports on indicators related to evaluations, and research and development. These activities will be carried out in the *Evaluation, Research, Knowledge and Data Systems* subprogramme, which accounts for R156.4 million of the total budget in the *Evidence and Knowledge Systems* programme over the MTEF period.

Expenditure trends and estimates

Table 9.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. National Planning Coordination											
3. Sector Monitoring Services											
4. Public Sector Monitoring and Capacity Development											
5. Evidence and Knowledge Systems											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	134.3	154.9	151.1	184.2	11.1%	37.7%	194.3	201.0	213.0	5.0%	38.6%
Programme 2	43.4	42.5	58.0	85.9	25.5%	13.9%	81.7	86.3	91.5	2.1%	16.8%
Programme 3	47.8	54.4	61.3	74.6	16.1%	14.4%	81.6	86.3	91.1	6.9%	16.3%
Programme 4	66.5	72.6	80.1	86.9	9.3%	18.5%	90.3	95.5	94.0	2.7%	17.9%
Programme 5	75.4	101.2	34.1	47.9	-14.1%	15.6%	52.1	55.2	58.3	6.8%	10.4%
Total	367.4	425.6	384.6	479.5	9.3%	100.0%	500.0	524.3	547.9	4.5%	100.0%
Change to 2019 Budget estimate				1.0			(9.5)	(12.7)	(8.8)		

Table 9.2 Vote expenditure trends and estimates by programme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	359.6	417.8	369.2	467.6	9.2%	97.4%	491.8	515.7	539.0	4.8%	98.2%
Compensation of employees	197.8	227.5	257.4	318.1	17.2%	60.4%	339.9	358.6	373.8	5.5%	67.8%
Goods and services ¹	161.8	190.3	111.9	149.5	-2.6%	37.0%	151.9	157.1	165.1	3.4%	30.4%
of which:											
Advertising	5.2	8.2	0.8	6.3	6.4%	1.2%	5.2	5.5	5.7	-3.0%	1.1%
Communication	4.9	3.5	4.3	4.4	-3.4%	1.0%	4.4	5.0	5.1	5.3%	0.9%
Computer services	24.5	23.0	25.6	32.7	10.1%	6.4%	28.4	29.9	26.3	-7.1%	5.7%
Consultants: Business and advisory services	61.6	86.0	20.7	35.5	-16.8%	12.3%	46.8	49.1	55.7	16.2%	9.1%
Operating leases	6.9	7.3	8.7	13.6	25.4%	2.2%	16.1	16.9	17.6	8.9%	3.1%
Travel and subsistence	33.9	33.8	24.5	21.6	-14.0%	6.9%	28.6	27.3	30.4	12.0%	5.3%
Transfers and subsidies ¹	0.3	0.3	0.4	0.4	8.7%	0.1%	–	–	–	-100.0%	0.0%
Provinces and municipalities	0.0	0.0	0.0	0.0	0.0%	0.0%	–	–	–	-100.0%	0.0%
Departmental agencies and accounts	–	–	0.0	–	0.0%	0.0%	–	–	–	0.0%	0.0%
Non-profit institutions	0.1	0.0	–	–	-100.0%	0.0%	–	–	–	0.0%	0.0%
Households	0.2	0.2	0.4	0.4	26.0%	0.1%	–	–	–	-100.0%	0.0%
Payments for capital assets	7.5	7.5	14.9	11.5	15.3%	2.5%	8.2	8.6	9.0	-8.0%	1.8%
Buildings and other fixed structures	0.1	0.1	0.2	–	-100.0%	0.0%	0.2	0.2	0.2	0.0%	0.0%
Machinery and equipment	5.4	5.9	12.7	9.1	18.9%	2.0%	6.7	7.1	7.4	-6.9%	1.5%
Software and other intangible assets	1.9	1.5	2.0	2.4	6.9%	0.5%	1.3	1.4	1.4	-15.7%	0.3%
Payments for financial assets	0.0	0.1	0.1	–	-100.0%	0.0%	–	–	–	0.0%	0.0%
Total	367.4	425.6	384.6	479.5	9.3%	100.0%	500.0	524.3	547.9	4.5%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 9.3 Vote transfers and subsidies trends and estimates

				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17	2019/20	2020/21	2021/22	2022/23	2019/20	2022/23
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	–	–	1	–	–	0.1%	–	–	–	–	–
Communication	–	–	1	–	–	0.1%	–	–	–	–	–
Households											
Social benefits											
Current	181	239	434	362	26.0%	88.9%	–	–	–	-100.0%	98.6%
Employee social benefits	181	239	434	362	26.0%	88.9%	–	–	–	-100.0%	98.6%
Provinces and municipalities											
Municipal bank accounts											
Current	5	10	6	5	–	1.9%	–	–	–	-100.0%	1.4%
Vehicle licences	5	10	6	5	–	1.9%	–	–	–	-100.0%	1.4%
Non-profit institutions											
Current	100	25	–	–	-100.0%	9.1%	–	–	–	–	–
South African Planning Institute	100	–	–	–	-100.0%	7.3%	–	–	–	–	–
Geekathon	–	25	–	–	–	1.8%	–	–	–	–	–
Total	286	274	441	367	8.7%	100.0%	–	–	–	-100.0%	100.0%

Personnel information

Table 9.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																						
1. Administration																						
2. National Planning Coordination																						
3. Sector Monitoring Services																						
4. Public Sector Monitoring and Capacity Development																						
5. Evidence and Knowledge Systems																						
Number of posts estimated for 31 March 2020						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 (%)							
		2018/19			2019/20			2020/21		2021/22		2022/23										
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			2019/20 - 2022/23						
Planning, Monitoring and Evaluation						422	257.4	0.6	454	302.7	0.7	466	339.9	0.7	464	358.6	0.8	458	373.8	0.8	0.3%	100.0%
Salary level	424	40	422	257.4	0.6	454	302.7	0.7	466	339.9	0.7	464	358.6	0.8	458	373.8	0.8	0.3%	100.0%			
1 – 6	62	1	65	14.7	0.2	66	15.9	0.2	65	17.0	0.3	65	18.2	0.3	66	19.8	0.3	–	14.2%			
7 – 10	152	–	143	64.4	0.5	159	76.3	0.5	159	81.6	0.5	159	87.3	0.5	159	93.2	0.6	–	34.5%			
11 – 12	96	–	91	76.7	0.8	95	84.9	0.9	95	90.3	1.0	95	96.0	1.0	95	101.9	1.1	–	20.6%			
13 – 16	112	2	83	94.3	1.1	96	118.7	1.2	105	139.9	1.3	105	148.8	1.4	100	150.8	1.5	1.4%	22.0%			
Other	2	37	40	7.2	0.2	38	6.9	0.2	42	11.1	0.3	40	8.3	0.2	38	8.3	0.2	–	8.6%			
Programme	424	40	422	257.4	0.6	454	302.7	0.7	466	339.9	0.7	464	358.6	0.8	458	373.8	0.8	0.3%	100.0%			
Programme 1	177	14	174	85.6	0.5	193	101.0	0.5	199	115.6	0.6	196	119.7	0.6	195	125.0	0.6	0.3%	42.5%			
Programme 2	53	6	57	41.5	0.7	63	51.1	0.8	66	59.0	0.9	67	63.0	0.9	66	66.8	1.0	1.6%	14.2%			
Programme 3	81	11	72	50.1	0.7	76	58.9	0.8	78	66.1	0.8	78	70.3	0.9	74	69.1	0.9	-0.9%	16.6%			
Programme 4	74	6	79	54.9	0.7	81	62.0	0.8	81	66.0	0.8	81	70.3	0.9	81	74.7	0.9	–	17.6%			
Programme 5	39	3	40	25.2	0.6	41	29.7	0.7	42	33.2	0.8	42	35.4	0.8	42	38.2	0.9	0.8%	9.1%			

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

2. Rand million.

Departmental receipts

Table 9.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
R thousand	2016/17	2017/18	2018/19	2019/20		2016/17	2019/20	2020/21	2021/22	2022/23	2019/20	2022/23
Departmental receipts	1 215	1 212	1 461	7 234	7 234	81.2%	100.0%	1 950	1 017	1 036	-47.7%	100.0%
Sales of goods and services produced by department	82	89	80	92	92	3.9%	3.1%	100	105	111	6.5%	3.6%
Sales by market establishments of which:	27	26	12	14	14	-19.7%	0.7%	20	22	24	19.7%	0.7%
Parking	27	26	12	14	14	-19.7%	0.7%	20	22	24	19.7%	0.7%
Other sales of which:	55	63	68	78	78	12.4%	2.4%	80	83	87	3.7%	2.9%
Commission	37	63	49	54	54	13.4%	1.8%	55	57	60	3.6%	2.0%
Transport	18	–	15	14	14	-8.0%	0.4%	15	16	17	6.7%	0.6%
Sales of assets less than R5000	–	–	4	10	10	–	0.1%	10	10	10	–	0.4%
Sales of scrap, waste, arms and other used current goods of which:	–	5	13	7	7	–	0.2%	10	10	10	12.6%	0.3%
Sale of wastepaper	–	5	13	7	7	–	0.2%	10	10	10	12.6%	0.3%
Interest, dividends and rent on land	23	30	15	35	35	15.0%	0.9%	35	35	35	–	1.2%
Interest	23	30	15	35	35	15.0%	0.9%	35	35	35	–	1.2%
Sales of capital assets	160	10	20	40	40	-37.0%	2.1%	35	37	40	–	1.4%
Transactions in financial assets and liabilities	950	1 078	1 333	7 060	7 060	95.1%	93.7%	1 770	830	840	-50.8%	93.4%
Total	1 215	1 212	1 461	7 234	7 234	81.2%	100.0%	1 950	1 017	1 036	-47.7%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 9.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Ministerial Support	42.8	39.1	22.8	32.6	-8.7%	22.0%	35.1	36.3	39.2	6.4%	18.1%
Departmental Management	7.7	10.2	11.5	14.4	22.9%	7.0%	15.2	16.0	17.0	5.7%	7.9%
Corporate and Financial Services	83.8	105.6	116.8	137.2	17.9%	71.0%	144.0	148.7	156.8	4.5%	74.0%
Total	134.3	154.9	151.1	184.2	11.1%	100.0%	194.3	201.0	213.0	5.0%	100.0%
Change to 2019 Budget estimate				(3.0)			(0.5)	(1.8)	2.5		
Economic classification											
Current payments	128.9	148.9	136.9	176.7	11.1%	94.7%	187.7	194.1	205.8	5.2%	96.5%
Compensation of employees	65.9	80.3	85.6	104.6	16.7%	53.9%	115.6	119.7	125.0	6.1%	58.6%
Goods and services ¹	63.0	68.5	51.2	72.2	4.6%	40.8%	72.1	74.4	80.8	3.8%	37.8%
of which:											
Advertising	5.0	8.0	0.7	6.1	7.2%	3.2%	5.2	5.5	5.7	-2.4%	2.8%
Audit costs: External	2.3	3.1	2.6	2.3	-0.1%	1.7%	2.7	2.8	3.0	8.9%	1.4%
Computer services	11.7	10.6	10.0	16.1	11.2%	7.7%	12.4	13.1	16.0	-0.2%	7.3%
Operating leases	6.8	7.2	8.6	13.6	25.8%	5.8%	16.0	16.9	17.5	8.8%	8.1%
Property payments	2.6	2.8	4.0	4.3	18.7%	2.2%	4.2	4.4	4.6	2.3%	2.2%
Travel and subsistence	18.9	19.3	10.0	9.0	-22.1%	9.2%	16.4	15.7	17.4	24.8%	7.4%
Interest and rent on land	—	0.0	—	—	—	—	—	—	—	—	—
Transfers and subsidies ¹	0.1	0.1	0.1	0.1	22.6%	0.1%	—	—	—	-100.0%	—
Provinces and municipalities	0.0	0.0	0.0	0.0	—	—	—	—	—	-100.0%	—
Departmental agencies and accounts	—	—	0.0	—	—	—	—	—	—	—	—
Households	0.1	0.0	0.1	0.1	24.0%	0.1%	—	—	—	-100.0%	—
Payments for capital assets	5.4	5.9	14.0	7.3	10.9%	5.2%	6.6	6.9	7.2	-0.6%	3.5%
Buildings and other fixed structures	0.1	0.1	0.2	—	-100.0%	0.1%	0.2	0.2	0.2	—	0.1%
Machinery and equipment	5.2	5.5	12.3	6.7	9.3%	4.8%	6.4	6.8	7.0	1.4%	3.4%
Software and other intangible assets	0.1	0.3	1.5	0.6	93.7%	0.4%	—	—	—	-100.0%	0.1%
Payments for financial assets	0.0	0.1	0.1	—	-100.0%	—	—	—	—	—	—
Total	134.3	154.9	151.1	184.2	11.1%	100.0%	194.3	201.0	213.0	5.0%	100.0%
Proportion of total programme expenditure to vote expenditure	36.6%	36.4%	39.3%	38.4%	—	—	38.9%	38.3%	38.9%	—	—

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

Programme 2: National Planning Coordination

Programme purpose

Facilitate and coordinate macro and transversal planning functions across government, and coordinate planning functions in the department.

Objectives

- Ensure the achievement of the NDP's objectives by 2030 by:
 - developing an annual budget prioritisation framework
 - embedding the national spatial development framework in the strategic and annual performance plans of national and provincial departments over the medium term.
- Coordinate planning functions across government by:
 - assessing the alignment of the strategic and annual performance plans of national and provincial departments and public entities with government's 2019-2024 medium-term strategic framework annually

- assessing the alignment of provincial growth and development plans with local government's integrated development plans and, in turn, with government's 2019-24 medium-term strategic framework annually.

Subprogrammes

- *Management: National Planning Coordination* provides management and support services to the programme and the National Planning Commission.
- *Planning Coordination* develops and implements planning frameworks and facilitates the alignment of the planning and budgeting functions across government and in the department.

Expenditure trends and estimates

Table 9.7 National Planning Coordination expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Management: National Planning Coordination	18.8	19.6	37.5	50.0	38.6%	54.7%	49.7	52.5	55.6	3.6%	60.1%
Planning Coordination	24.7	22.9	20.5	35.9	13.4%	45.3%	32.0	33.9	35.9	–	39.9%
Total	43.4	42.5	58.0	85.9	25.5%	100.0%	81.7	86.3	91.5	2.1%	100.0%
Change to 2019 Budget estimate				11.6			0.1	(0.4)	1.5		
Economic classification											
Current payments	42.7	42.0	57.9	85.0	25.8%	99.0%	81.1	85.7	90.8	2.2%	99.2%
Compensation of employees	29.0	28.2	41.5	56.9	25.1%	67.7%	59.0	63.0	66.8	5.5%	71.1%
Goods and services ¹	13.6	13.8	16.5	28.1	27.3%	31.3%	22.1	22.8	24.0	-5.1%	28.1%
of which:											
Catering: Departmental activities	0.4	0.5	0.4	0.6	11.3%	0.8%	0.3	0.3	0.3	-19.6%	0.4%
Communication	0.3	0.3	0.4	0.5	9.3%	0.6%	0.4	0.5	0.5	2.3%	0.5%
Computer services	0.4	0.2	0.5	0.5	7.4%	0.7%	0.5	0.5	0.5	3.0%	0.6%
Consultants: Business and advisory services	6.8	8.3	9.7	18.2	39.0%	18.7%	15.9	16.6	17.4	-1.6%	19.7%
Travel and subsistence	4.2	3.6	4.5	4.1	-0.8%	7.1%	3.7	3.5	3.9	-1.1%	4.4%
Training and development	–	0.0	–	1.3	–	0.6%	0.5	0.5	0.5	-24.7%	0.8%
Transfers and subsidies ¹	0.1	0.0	0.0	0.1	-15.7%	0.1%	–	–	–	-100.0%	–
Non-profit institutions	0.1	0.0	–	–	-100.0%	0.1%	–	–	–	–	–
Households	–	0.0	0.0	0.1	–	–	–	–	–	-100.0%	–
Payments for capital assets	0.7	0.4	0.1	0.9	8.5%	0.9%	0.6	0.6	0.6	-10.0%	0.8%
Machinery and equipment	0.1	0.0	0.1	0.1	–	0.1%	0.1	0.1	0.1	0.8%	0.1%
Software and other intangible assets	0.6	0.4	–	0.8	9.5%	0.8%	0.5	0.5	0.5	-11.3%	0.7%
Total	43.4	42.5	58.0	85.9	25.5%	100.0%	81.7	86.3	91.5	2.1%	100.0%
Proportion of total programme expenditure to vote expenditure	11.8%	10.0%	15.1%	17.9%	–	–	16.3%	16.5%	16.7%	–	–

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

Programme 3: Sector Monitoring Services

Programme purpose

Ensure government policy coherence. Develop, facilitate, support and monitor the implementation of sector plans and intervention strategies.

Objectives

- Ensure the effective implementation of government's 2019-2024 medium-term strategic framework by:
 - monitoring the achievement of targets in priorities 1 to 5 and priority 7, and reporting on progress to Cabinet twice annually
 - monitoring and reporting on the achievement of targets in the performance agreements between the president and ministers annually
 - supporting, where and when required, the development and implementation of special intervention programmes.

Subprogrammes

- *Management: Sector Monitoring Services* provides management and support services to the programme.
- *Outcomes Monitoring and Support* facilitates the implementation of the priorities outlined in government's 2019-2024 medium-term strategic framework through the continual monitoring of performance and the provision of appropriate support.
- *Intervention Support* develops and supports special intervention strategies and plans.

Expenditure trends and estimates

Table 9.8 Sector Monitoring Services expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/ Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/ Total (%)
R million											
Management: Sector Monitoring Services	0.8	1.6	3.1	4.8	80.8%	4.3%	3.9	4.1	4.3	-3.4%	5.1%
Outcomes Monitoring and Support	42.5	48.0	52.2	61.9	13.3%	86.0%	68.1	72.0	76.0	7.1%	83.3%
Intervention Support	4.4	4.8	6.0	7.9	21.6%	9.7%	9.7	10.2	10.8	10.8%	11.6%
Total	47.8	54.4	61.3	74.6	16.1%	100.0%	81.6	86.3	91.1	6.9%	100.0%
Change to 2019 Budget estimate				(9.9)			(10.9)	(12.1)	(10.6)		
Economic classification											
Current payments	46.8	53.4	60.6	74.4	16.8%	98.8%	80.7	85.4	90.2	6.6%	99.1%
Compensation of employees	40.7	43.4	50.1	64.2	16.4%	83.4%	66.1	70.3	69.1	2.5%	80.8%
Goods and services ¹	6.0	10.0	10.5	10.2	19.3%	15.4%	14.6	15.1	21.1	27.3%	18.3%
of which:											
Administrative fees	0.2	0.2	0.2	0.3	14.5%	0.4%	0.2	0.2	0.2	-17.5%	0.3%
Communication	0.6	0.4	0.6	0.5	-0.5%	0.9%	0.6	0.6	0.7	7.2%	0.7%
Consultants: Business and advisory services	–	3.0	4.0	4.0	–	4.6%	10.1	10.6	16.2	59.9%	12.2%
Consumables: Stationery, printing and office supplies	0.1	0.1	0.1	0.1	-7.5%	0.2%	0.1	0.1	0.1	8.4%	0.1%
Travel and subsistence	4.6	5.1	4.4	3.7	-7.2%	7.4%	3.4	3.3	3.7	0.1%	4.2%
Operating payments	0.1	0.6	0.3	0.5	63.8%	0.6%	0.2	0.2	0.2	-31.2%	0.3%
Transfers and subsidies¹	–	0.0	0.1	0.1	–	0.1%	–	–	–	-100.0%	–
Households	–	0.0	0.1	0.1	–	0.1%	–	–	–	-100.0%	–
Payments for capital assets	1.0	1.0	0.6	0.1	-50.4%	1.1%	0.9	0.9	1.0	99.0%	0.9%
Machinery and equipment	0.1	0.1	0.1	0.1	28.9%	0.2%	0.1	0.1	0.1	-10.3%	0.1%
Software and other intangible assets	0.9	0.9	0.5	–	-100.0%	1.0%	0.8	0.8	0.9	–	0.8%
Total	47.8	54.4	61.3	74.6	16.1%	100.0%	81.6	86.3	91.1	6.9%	100.0%
Proportion of total programme expenditure to vote expenditure	13.0%	12.8%	15.9%	15.6%	–	–	16.3%	16.5%	16.6%	–	–

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

Programme 4: Public Sector Monitoring and Capacity Development

Programme purpose

Support the implementation of the medium-term strategic framework by monitoring and improving the capacity of state institutions to develop and implement plans, and provide services.

Objectives

- Strengthen state governance, efficiency, effectiveness and equity through:
 - monitoring the achievement of targets related to priority 6 of government's 2019-2024 medium-term strategic framework, and reporting on progress to Cabinet twice annually
 - developing and implementing the new performance and capabilities analytical framework by March 2021
 - ensuring the alignment of the performance agreements of heads of departments with government's 2019-2024 medium-term strategic framework and supporting assessments conducted on heads of department annually

- monitoring service delivery through regular frontline monitoring visits, citizen-based monitoring and the presidential hotline, and reporting to Cabinet, annually.

Subprogrammes

- *Management: Public Sector Monitoring and Capacity Development* provides management and support services to the programme.
- *Public Service Monitoring and Capacity Development* reviews, monitors and supports the implementation of the priorities outlined in government's 2019-2024 medium-term strategic framework. This subprogramme also develops and implements strategic interventions to support and unblock implementation.

Expenditure trends and estimates

Table 9.9 Public Sector Monitoring and Capacity Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Management: Public Sector Monitoring and Capacity Development	2.9	3.1	2.8	3.9	11.1%	4.2%	4.3	4.5	4.8	6.9%	4.8%
Public Service Monitoring and Capacity Development	63.6	69.5	77.3	83.0	9.3%	95.8%	86.0	91.0	89.2	2.5%	95.2%
Total	66.5	72.6	80.1	86.9	9.3%	100.0%	90.3	95.5	94.0	2.7%	100.0%
Change to 2019 Budget estimate				1.1			(0.8)	(1.3)	(6.4)		
Economic classification											
Current payments	65.9	72.5	79.9	85.7	9.1%	99.3%	90.2	95.4	93.9	3.1%	99.6%
Compensation of employees	44.5	51.0	54.9	61.4	11.3%	69.2%	66.0	70.3	74.7	6.8%	74.3%
Goods and services ¹	21.5	21.4	25.0	24.3	4.3%	30.1%	24.2	25.1	19.3	-7.5%	25.3%
of which:											
Administrative fees	0.3	0.4	0.3	0.7	27.1%	0.6%	0.2	0.2	0.2	-33.6%	0.3%
Communication	1.5	1.1	1.2	1.2	-6.3%	1.6%	1.2	1.4	1.5	8.4%	1.5%
Computer services	12.2	11.9	14.6	14.3	5.5%	17.3%	15.0	15.8	9.2	-13.6%	14.8%
Consultants: Business and advisory services	0.3	0.5	1.7	1.7	89.8%	1.3%	3.2	3.4	3.5	27.3%	3.2%
Travel and subsistence	5.2	5.0	4.8	4.2	-6.5%	6.3%	4.0	3.8	4.2	-0.1%	4.4%
Operating payments	0.5	0.2	0.3	0.2	-23.5%	0.4%	0.3	0.3	0.3	9.6%	0.3%
Transfers and subsidies¹	0.1	0.1	0.1	0.1	-15.9%	0.1%	–	–	–	-100.0%	–
Households	0.1	0.1	0.1	0.1	-15.9%	0.1%	–	–	–	-100.0%	–
Payments for capital assets	0.4	0.1	0.1	1.1	37.7%	0.5%	0.1	0.1	0.1	-56.9%	0.4%
Machinery and equipment	0.1	0.1	0.1	0.1	0.3%	0.1%	0.1	0.1	0.1	-2.9%	0.1%
Software and other intangible assets	0.3	–	–	1.0	45.4%	0.4%	–	–	–	-100.0%	0.3%
Payments for financial assets	–	0.0	–	–	–	–	–	–	–	–	–
Total	66.5	72.6	80.1	86.9	9.3%	100.0%	90.3	95.5	94.0	2.7%	100.0%
Proportion of total programme expenditure to vote expenditure	18.1%	17.1%	20.8%	18.1%	–	–	18.1%	18.2%	17.2%	–	–

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

Programme 5: Evidence and Knowledge Systems

Programme purpose

Coordinate and support the generation, collation, accessibility and timely use of quality evidence to support planning, monitoring and evaluation across government.

Objectives

- Support the planning and monitoring roles of the department by:
 - developing and implementing the national evaluation plan annually
 - conducting research and evaluations in key policy areas as identified annually, and producing relevant evidence reports
 - improving knowledge management in the department through the development and implementation of

a departmental knowledge and evidence hub by March 2021.

Subprogrammes

- *Management: Evidence and Knowledge Systems* provides management and support services to the programme.
- *Evaluation, Research, Knowledge and Data Systems* provides evaluation, research, knowledge management, and data integration and analysis services.

Expenditure trends and estimates

Table 9.10 Evidence and Knowledge 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Management: Evidence and Knowledge Systems	–	0.5	0.7	2.9	–	1.6%	2.8	3.1	3.2	3.9%	5.6%
Evaluation, Research, Knowledge and Data Systems	75.4	100.7	33.4	45.0	-15.8%	98.4%	49.3	52.1	55.0	6.9%	94.4%
Total	75.4	101.2	34.1	47.9	-14.1%	100.0%	52.1	55.2	58.3	6.8%	100.0%
Change to 2019 Budget estimate				1.2			2.7	2.9	4.0		
Economic classification											
Current payments	75.4	101.0	33.9	45.7	-15.4%	99.0%	52.0	55.1	58.2	8.4%	98.9%
Compensation of employees	17.7	24.4	25.2	31.1	20.7%	38.0%	33.2	35.4	38.2	7.2%	64.6%
Goods and services ¹	57.7	76.6	8.6	14.6	-36.7%	60.9%	18.8	19.7	19.9	10.9%	34.2%
of which:											
Communication	0.2	0.2	0.3	0.3	11.4%	0.4%	0.3	0.4	0.3	3.5%	0.6%
Computer services	0.2	0.3	0.3	1.1	65.2%	0.7%	0.5	0.5	0.5	-20.3%	1.2%
Consultants: Business and advisory services	54.1	73.0	4.3	10.0	-43.1%	54.6%	15.6	16.4	16.5	18.3%	27.4%
Travel and subsistence	1.1	0.9	0.7	0.7	-14.0%	1.3%	1.0	1.0	1.1	17.4%	1.8%
Training and development	–	1.0	1.2	–	–	0.9%	0.5	0.5	0.5	–	0.7%
Operating payments	0.5	0.4	0.8	1.9	60.4%	1.4%	0.7	0.7	0.7	-27.1%	1.9%
Transfers and subsidies¹	0.0	0.1	0.2	0.1	55.4%	0.1%	–	–	–	-100.0%	–
Households	0.0	0.1	0.2	0.1	55.4%	0.1%	–	–	–	-100.0%	–
Payments for capital assets	0.0	0.1	0.1	2.1	274.3%	0.9%	0.1	0.1	0.1	-64.5%	1.1%
Machinery and equipment	0.0	0.1	0.1	2.1	274.3%	0.9%	0.1	0.1	0.1	-64.5%	1.1%
Payments for financial assets	–	0.0	–	–	–	–	–	–	–	–	–
Total	75.4	101.2	34.1	47.9	-14.1%	100.0%	52.1	55.2	58.3	6.8%	100.0%
Proportion of total programme expenditure to vote expenditure	20.5%	23.8%	8.9%	10.0%	–	–	10.4%	10.5%	10.6%	–	–

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

Vote 10

Public Enterprises

Budget summary

R million	2020/21					2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	Total	Total
MTEF allocation							
Administration	164.3	160.8	0.0	3.5	–	174.4	184.1
State-owned Companies Governance Assurance and Performance	54.6	54.6	–	–	–	57.9	61.1
Business Enhancement, Transformation and Industrialisation	37 630.4	90.4	–	–	37 540.0	4 405.1	1 873.8
Total expenditure estimates	37 849.4	305.9	0.0	3.5	37 540.0	4 637.4	2 119.1
Executive authority	Minister of Public Enterprises						
Accounting officer	Director-General of Public Enterprises						
Website	www.dpe.gov.za						

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Drive investment, productivity and transformation in the department's portfolio of state-owned companies to unlock growth, drive industrialisation, create jobs and develop skills.

Mandate

The Department of Public Enterprises is government's shareholder representative for the state-owned companies in its portfolio. The department's mandate is to fulfil oversight responsibilities at these companies to ensure that they contribute to the realisation of government's strategic objectives, as articulated in the National Development Plan, government's 2019-2024 medium-term strategic framework and the reimaged industrial strategy. State-owned companies are crucial to driving the state's strategic objectives of creating jobs, and enhancing equity and transformation. The department does not directly execute programmes but seeks to use state ownership in the economy to support the achievement of these objectives.

Selected performance indicators

Table 10.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of shareholder compacts signed per year	Business Enhancement, Transformation and Industrialisation	Priority 1: Economic transformation and job creation	5	6	7	7	7	7	7
Number of corporate plans reviewed per year	Business Enhancement, Transformation and Industrialisation		5	6	7	7	7	7	7
Number of quarterly financial reviews per year	Business Enhancement, Transformation and Industrialisation		24	24	26	28	28	28	28

Expenditure analysis

Chapter 13 of the National Development Plan identifies the potential of state-owned companies to build a capable and developmental state. This is given expression by priority 1 (economic transformation and job creation) of government's 2019-2024 medium-term strategic framework, with which the mandates of state-owned companies are closely aligned. In overseeing state-owned companies' fulfilment of their mandates, over the medium term the Department of Public Enterprises will continue to focus on enhancing reforms to stabilise

state-owned companies, and strengthening its oversight capacity to ensure that the state-owned companies in its portfolio are sustainable and contribute to investment in key infrastructure.

By ensuring that these companies contribute to lowering the cost of doing business in South Africa, the department aims to reduce the burden of administered prices on the economy by reducing the cost of electricity and freight transport. The department oversees the operations of 7 state-owned companies (Alexkor, Denel, Eskom, South African Airways, South African Express Airways, the South African Forestry Company and Transnet) to ensure that appropriate investments are made to create jobs and sustain economic growth.

Total expenditure decreases at an average annual rate of 66.6 per cent, from R56.9 billion in 2019/20 to R2.1 billion in 2022/23. This is due to significant additional allocations made to state-owned companies in 2019/20. Excluding payments for financial assets, compensation of employees is the department's largest cost driver, spending on which is expected to increase at an average annual rate of 8.8 per cent, from R170.2 million in 2019/20 to R219.1 million in 2022/23. However, in 2019/20 Cabinet approved baseline reductions amounting to R9.6 million over the MTEF period on the department's compensation of employees, and goods and services budgets. The department is in the process of implementing a realigned organisational structure, which is expected to enable it to be responsive and efficient in fulfilling its oversight and monitoring role.

Enhancing reforms to stabilise state-owned companies

Based on the 2013 report of the presidential review committee on state-owned entities, in 2018 Cabinet approved a number of reforms for state-owned companies. These include determining an appropriate shareholder ownership model and an overarching shareholder policy, and developing a standardised approach to the appointment of boards for state-owned companies. Accordingly, by 2020/21, the department expects to develop a state-owned enterprise bill and a shareholder management policy. The legislation and policy will be drafted with the intention of improving state-owned companies' overall performance in terms of: setting explicit goals; ensuring that boards and management monitor performance effectively; and transparently and directly linking executives' performance incentives with desired outcomes, including audit outcomes. Once a shareholder management policy is adopted and a performance evaluation framework is put in place, boards' performance will be evaluated annually.

The department's oversight activities are mainly funded in the *State-owned Companies Governance Assurance and Performance*, and *Business Enhancement, Transformation and Industrialisation* programmes. The combined budget for these programmes is expected to decrease at an average annual rate of 67.6 per cent, from R56.7 billion in 2019/20 to R1.9 billion in 2022/23. This is due to an additional R56.6 billion allocated in 2019/20 to settle state-owned companies' debts and provide working capital.

Excluding provisional allocations to Eskom and South African Airways over the medium term, additional allocations will be made over the medium term including R33 billion for Eskom in 2020/21; R9.9 billion for South African Airways (R3.8 billion in 2020/21, R4.3 billion in 2021/22 and R1.8 billion in 2022/23); R576 million for Denel in 2020/21; and R164 million for South African Express Airways in 2020/21. Additional allocations to state-owned companies will be used to settle government guaranteed debt and for working capital in certain instances, and are subject to conditions that include restructuring, the implementation of turnaround plans, the review of business models, the sale of non-core assets and the identification of strategic equity partners, among other things. Over the MTEF period, the department intends to closely monitor and assist the state-owned companies in implementing and complying with these conditions.

Strengthening oversight capacity

In 2019/20, the department concluded an assessment to identify risk and governance shortfalls in state-owned companies. It intends to work with the companies to develop and implement a state-owned companies risk and integrity framework by 2021/22. The framework will be geared towards establishing minimum norms and standards as measures to restore good corporate governance within state-owned companies.

With regards to specific state-owned companies, over the medium term, the department plans to oversee the implementation of the 2019 roadmap for Eskom in a reformed electricity supply industry, which aims to

transform and stabilise the company. The department also plans to work closely with the business rescue practitioners for South African Airways and monitor the implementation of their recommendations. The viability of the corporatisation of Transnet's National Ports Authority will also be assessed over the period ahead. This is in line with findings from the World Bank suggesting that rail, ports and pipeline infrastructure managed by a single company could create conflicts of interest that negatively impact on the overall performance of a country's freight system.

Expenditure trends and estimates

Table 10.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. State-owned Companies Governance Assurance and Performance											
3. Business Enhancement, Transformation and Industrialisation											
Programme											
R million	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19		2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23		
Programme 1	151.6	144.0	136.0	163.1	2.5%	0.9%	164.3	174.4	184.1	4.1%	0.7%
Programme 2	33.7	27.5	33.5	41.6	7.3%	0.2%	54.6	57.9	61.1	13.7%	0.2%
Programme 3	68.5	78.8	6 305.3	56 678.3	838.6%	98.9%	37 630.4	4 405.1	1 873.8	-67.9%	99.1%
Total	253.8	250.4	6 474.8	56 883.0	507.4%	100.0%	37 849.4	4 637.4	2 119.1	-66.6%	100.0%
Change to 2019				38 938.0			37 536.5	4 305.4	1 774.6		
Budget estimate											
Economic classification											
Current payments	249.5	241.9	215.5	274.3	3.2%	1.5%	305.9	324.7	338.1	7.2%	1.2%
Compensation of employees	148.3	142.2	143.8	170.2	4.7%	0.9%	197.1	209.9	219.1	8.8%	0.8%
Goods and services ¹	101.2	99.8	71.7	104.0	0.9%	0.6%	108.7	114.7	119.0	4.6%	0.4%
of which:											
Audit costs: External	3.3	3.3	4.0	3.6	2.2%	0.0%	4.8	5.0	5.2	13.5%	0.0%
Computer services	3.8	6.0	5.4	5.4	11.7%	0.0%	5.1	5.4	5.7	2.0%	0.0%
Consultants: Business and advisory services	22.1	17.0	6.6	32.7	14.0%	0.1%	38.7	41.0	42.2	8.8%	0.2%
Operating leases	10.0	12.7	15.9	11.3	3.9%	0.1%	12.6	13.3	13.8	7.0%	0.1%
Property payments	2.0	5.2	3.7	4.1	27.5%	0.0%	4.7	5.0	5.2	8.3%	0.0%
Travel and subsistence	17.2	24.9	14.9	18.8	2.9%	0.1%	22.5	23.6	24.6	9.4%	0.1%
Transfers and subsidies¹	0.4	3.1	1.0	5.3	130.6%	0.0%	0.0	0.0	0.0	-84.7%	0.0%
Provinces and municipalities	0.0	0.0	0.0	0.0	6.9%	0.0%	0.0	0.0	0.0	20.0%	0.0%
Public corporations and private enterprises	–	–	–	1.0	0.0%	0.0%	–	–	–	-100.0%	0.0%
Households	0.4	3.1	1.0	4.3	116.1%	0.0%	–	–	–	-100.0%	0.0%
Payments for capital assets	3.9	5.2	9.3	3.4	-3.8%	0.0%	3.5	3.7	3.9	4.1%	0.0%
Machinery and equipment	3.8	4.9	8.8	3.3	-4.4%	0.0%	3.5	3.7	3.9	5.6%	0.0%
Software and other intangible assets	0.1	0.2	0.5	0.2	13.7%	0.0%	–	–	–	-100.0%	0.0%
Payments for financial assets	–	0.3	6 249.0	56 600.0	0.0%	98.4%	37 540.0	4 309.0	1 777.2	-68.5%	98.8%
Total	253.8	250.4	6 474.8	56 883.0	507.4%	100.0%	37 849.4	4 637.4	2 119.1	-66.6%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 10.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19		2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23		
Households											
Social benefits											
Current	405	2 890	1 029	4 286	119.5%	97.4%	–	–	–	-100.0%	98.5%
Employee social benefits	405	2 816	1 029	4 286	119.5%	96.6%	–	–	–	-100.0%	98.5%
Donation cash	–	74	–	–	–	0.8%	–	–	–	–	–
Provinces and municipalities											
Municipal bank accounts											
Current	9	11	12	11	6.9%	0.5%	17	18	19	20.0%	1.5%
Vehicle licences	9	11	12	11	6.9%	0.5%	17	18	19	20.0%	1.5%
Households											
Other transfers to households											
Current	20	167	–	–	-100.0%	2.1%	–	–	–	–	–
Employee social benefits	20	167	–	–	-100.0%	2.1%	–	–	–	–	–
Total	434	3 068	1 041	4 297	114.7%	100.0%	17	18	19	-83.6%	100.0%

Personnel information

Table 10.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																					
1. Administration																					
2. State-owned Companies Governance Assurance and Performance																					
3. Business Enhancement, Transformation and Industrialisation																					
Number of posts estimated for 31 March 2020			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 (%)					
			2018/19			2019/20			2020/21		2021/22		2022/23								
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost		
Public Enterprises			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2019/20 - 2022/23			
Salary level			214	22	197	143.8	0.7	202	170.2	0.8	234	197.1	0.8	234	209.9	0.9	231	219.1	0.9	4.6%	100.0%
1 – 6			19	–	13	3.5	0.3	14	5.2	0.4	18	6.6	0.4	18	7.1	0.4	18	7.6	0.4	8.7%	7.5%
7 – 10			78	–	72	34.5	0.5	76	39.5	0.5	78	43.3	0.6	78	46.3	0.6	78	49.5	0.6	0.9%	34.4%
11 – 12			42	–	36	30.7	0.9	40	34.2	0.9	42	37.9	0.9	42	40.3	1.0	42	42.9	1.0	1.6%	18.4%
13 – 16			73	–	54	68.7	1.3	70	91.1	1.3	76	102.3	1.3	76	108.8	1.4	73	111.3	1.5	1.4%	32.7%
Other			2	22	22	6.4	0.3	2	0.2	0.1	20	7.0	0.3	20	7.4	0.4	20	7.8	0.4	115.4%	6.9%
Programme			214	22	197	143.8	0.7	202	170.2	0.8	234	197.1	0.8	234	209.9	0.9	231	219.1	0.9	4.6%	100.0%
Programme 1			122	22	117	69.6	0.6	114	85.4	0.7	139	98.3	0.7	139	104.8	0.8	139	111.6	0.8	6.8%	58.9%
Programme 2			35	–	28	26.3	0.9	34	31.7	0.9	36	36.0	1.0	36	38.3	1.1	36	40.7	1.1	1.9%	15.8%
Programme 3			57	–	52	47.9	0.9	54	53.1	1.0	59	62.8	1.1	59	66.9	1.1	56	66.8	1.2	1.2%	25.3%

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

2. Rand million.

Departmental receipts

Table 10.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
Departmental receipts	5 213	188	366	214	214	-65.5%	100.0%	294	312	315	13.8%	100.0%
Sales of goods and services produced by department	75	64	60	97	97	9.0%	4.9%	99	99	101	1.4%	34.9%
Sales by market establishments	46	64	35	61	61	9.9%	3.4%	62	62	63	1.1%	21.9%
of which:												
Sales by market establishments	46	64	35	61	61	9.9%	3.4%	62	62	63	1.1%	21.9%
Other sales	29	–	25	36	36	7.5%	1.5%	37	37	38	1.8%	13.0%
of which:												
Commission insurance	29	–	24	36	36	7.5%	1.5%	37	37	38	1.8%	13.0%
Replacement of security cards	–	–	1	–	–	–	–	–	–	–	–	–
Sales of scrap, waste, arms and other used current goods	–	–	4	–	–	–	0.1%	–	–	–	–	–
of which:												
Sales of scrap paper	–	–	2	–	–	–	–	–	–	–	–	–
Cellular phones	–	–	2	–	–	–	–	–	–	–	–	–
Interest, dividends and rent on land	1	19	–	2	2	26.0%	0.4%	2	3	4	26.0%	1.0%
Interest	1	19	–	2	2	26.0%	0.4%	2	3	4	26.0%	1.0%
Sales of capital assets	–	95	17	–	–	–	1.9%	65	65	65	–	17.2%
Transactions in financial assets and liabilities	5 137	10	285	115	115	-71.8%	92.7%	128	145	145	8.0%	47.0%
Total	5 213	188	366	214	214	-65.5%	100.0%	294	312	315	13.8%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 10.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19		2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23		
R million											
Ministry	31.2	35.0	22.3	30.9	-0.3%	20.1%	34.8	37.0	38.7	7.8%	20.6%
Management	9.9	8.8	11.9	20.9	28.2%	8.6%	15.0	16.1	17.0	-6.5%	10.1%
Communications	38.3	36.3	33.6	40.2	1.6%	25.0%	37.4	39.8	41.9	1.4%	23.2%
Chief Financial Officer	15.2	16.1	17.2	19.4	8.3%	11.4%	20.9	22.3	23.4	6.5%	12.5%
Human Resources	36.3	27.7	27.5	29.3	-6.8%	20.3%	30.9	32.3	35.2	6.2%	18.6%
Internal Audit	6.1	3.6	3.6	6.9	4.3%	3.4%	7.0	7.4	7.7	3.7%	4.2%
Corporate Services	3.9	3.4	3.2	4.0	0.6%	2.4%	4.4	4.7	4.8	6.7%	2.6%
Office Accommodation	10.7	13.2	16.7	11.6	2.8%	8.8%	14.0	14.8	15.3	9.8%	8.1%
Total	151.6	144.0	136.0	163.1	2.5%	100.0%	164.3	174.4	184.1	4.1%	100.0%
Change to 2019				(1.8)			(11.6)	(11.7)	(0.1)		
Budget estimate											
Economic classification											
Current payments	147.4	135.8	125.8	155.4	1.8%	94.9%	160.8	170.7	180.2	5.1%	97.3%
Compensation of employees	77.9	68.8	69.6	85.4	3.1%	50.7%	98.3	104.8	111.6	9.3%	58.3%
Goods and services ¹	69.5	67.0	56.2	70.0	0.2%	44.2%	62.5	65.9	68.7	-0.6%	38.9%
of which:											
Audit costs: External	3.3	3.3	4.0	3.6	2.2%	2.4%	4.8	5.0	5.2	13.5%	2.7%
Computer services	3.8	6.0	5.4	5.4	11.7%	3.5%	5.1	5.4	5.7	2.0%	3.1%
Consultants: Business and advisory services	6.9	5.2	2.2	12.6	22.0%	4.5%	7.7	8.1	8.5	-12.5%	5.4%
Operating leases	10.0	12.7	15.9	11.3	3.9%	8.4%	12.6	13.3	13.8	7.0%	7.4%
Property payments	2.0	5.2	3.7	4.1	27.5%	2.5%	4.7	5.0	5.2	8.3%	2.8%
Travel and subsistence	11.3	16.3	10.0	10.5	-2.3%	8.1%	11.5	12.1	12.6	6.2%	6.8%
Transfers and subsidies¹	0.3	2.9	1.0	4.3	140.5%	1.4%	0.0	0.0	0.0	-83.5%	0.6%
Provinces and municipalities	0.0	0.0	0.0	0.0	6.9%	—	0.0	0.0	0.0	20.0%	—
Households	0.3	2.9	1.0	4.3	142.6%	1.4%	—	—	—	-100.0%	0.6%
Payments for capital assets	3.9	5.2	9.3	3.4	-4.1%	3.6%	3.5	3.7	3.9	4.4%	2.1%
Machinery and equipment	3.8	4.9	8.8	3.3	-4.4%	3.5%	3.5	3.7	3.9	5.6%	2.1%
Software and other intangible assets	0.1	0.2	0.5	0.1	5.0%	0.1%	—	—	—	-100.0%	—
Payments for financial assets	—	0.3	0.0	—	—	—	—	—	—	—	—
Total	151.6	144.0	136.0	163.1	2.5%	100.0%	164.3	174.4	184.1	4.1%	100.0%
Proportion of total programme expenditure to vote expenditure	59.7%	57.5%	2.1%	0.3%	—	—	0.4%	4.2%	4.7%	—	—

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

Programme 2: State-Owned Companies Governance Assurance and Performance

Programme purpose

Provide and enforce state-owned companies' governance, legal assurance, and financial and non-financial performance monitoring, evaluation and reporting systems in support of the shareholder to ensure alignment with government priorities.

Objectives

- Ensure effective shareholder oversight of state-owned companies on an ongoing basis by:
 - providing governance and legal systems
 - developing and maintaining shareholder risk profiles and mitigating strategies
 - monitoring, evaluating and reporting on financial and non-financial performance, and proposing intervention measures when required.

Subprogrammes

- Management* comprises the office of the deputy director-general, which provides strategic leadership and management for the programme's personnel.

- *Legal* provides external legal services and support, including transaction and contract management support, to sector teams and the commercial activities of the state-owned companies within their portfolio.
- *Governance* develops, monitors and advises on legislative, corporate governance and shareholder management systems for the department and its portfolio of state-owned companies. This subprogramme develops and implements risk and compliance management guidelines and systems for shareholder risk.
- *Financial Assessment and Investment Support* analyses state-owned companies' capital planning, operational performance, the execution of capital programmes and proposed restructuring proposals, and advises on appropriate action.

Expenditure trends and estimates

Table 10.7 State-owned Companies Governance Assurance and Performance 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Management	3.2	2.8	2.7	3.1	-0.4%	8.7%	3.3	3.5	3.6	4.5%	6.3%
Legal	12.9	11.6	12.1	12.2	-1.7%	35.8%	18.0	19.1	19.9	17.6%	32.2%
Governance	7.6	7.2	8.8	11.6	14.9%	25.8%	15.8	16.3	17.5	14.6%	28.4%
Financial Assessment and Investment Support	10.0	6.0	9.9	14.7	13.7%	29.7%	17.5	19.0	20.2	11.3%	33.2%
Total	33.7	27.5	33.5	41.6	7.3%	100.0%	54.6	57.9	61.1	13.7%	100.0%
Change to 2019 Budget estimate				(2.3)			7.5	7.7	(0.1)		
Economic classification											
Current payments	33.6	27.4	33.5	40.6	6.5%	99.1%	54.6	57.9	61.1	14.7%	99.5%
Compensation of employees	17.7	21.4	26.3	31.7	21.4%	71.2%	36.0	38.3	40.7	8.8%	68.1%
Goods and services ¹	15.9	6.0	7.2	8.9	-17.5%	27.8%	18.7	19.6	20.4	31.9%	31.4%
of which:											
Communication	0.3	0.2	0.2	0.3	7.2%	0.6%	0.3	0.3	0.3	1.2%	0.6%
Consultants: Business and advisory services	4.8	0.6	0.0	3.5	-9.8%	6.6%	11.0	11.6	12.1	50.8%	17.8%
Legal services	5.2	3.3	5.5	3.0	-16.9%	12.4%	3.1	3.2	3.4	4.5%	5.9%
Entertainment	—	—	—	—	—	—	0.0	0.0	0.0	—	—
Travel and subsistence	2.0	1.9	1.3	2.0	-0.1%	5.3%	4.2	4.4	4.5	30.7%	7.0%
Venues and facilities	0.2	0.0	0.0	0.1	-28.8%	0.2%	0.1	0.1	0.1	1.0%	0.1%
Transfers and subsidies¹	0.1	0.1	—	1.1	127.1%	0.9%	—	—	—	-100.0%	0.5%
Public corporations and private enterprises	—	—	—	1.0	—	0.8%	—	—	—	-100.0%	0.5%
Households	0.1	0.1	—	0.0	-31.4%	0.2%	—	—	—	-100.0%	—
Total	33.7	27.5	33.5	41.6	7.3%	100.0%	54.6	57.9	61.1	13.7%	100.0%
Proportion of total programme expenditure to vote expenditure	13.3%	11.0%	0.5%	0.1%	—	—	0.1%	1.4%	1.6%	—	—

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

Programme 3: Business Enhancement, Transformation and Industrialisation

Programme purpose

Provide sector oversight to ensure that state-owned companies contribute to the advancement of industrialisation, transformation, intergovernmental relations and international collaboration services. Support the shareholder in strategically positioning and enhancing the operations of state-owned companies.

Objectives

- Contribute to the enhancement of the performance of state-owned companies on an ongoing basis by:
 - conducting reviews and research, and modelling pipeline and new business enhancement opportunities within state-owned companies
 - assessing the operations of state-owned companies and developing mitigation instruments in conjunction with policy departments, regulatory bodies and industry

- conducting research, and modelling job creation and transforming instruments for state-owned companies to inform compact alignment imperatives, unlock bottlenecks affecting state-owned companies and inform evidence-based policy formulation.

Subprogrammes

- *Energy Resources* exercises shareholder oversight of Eskom, Alexkor and the South African Forestry Company.
- *Research and Economic Modelling* conducts cost-benefit analysis reviews on business enhancement and transformation initiatives, and develops economic sustainability models for proposed work packages and projects.
- *Transport and Defence* exercises shareholder oversight of Transnet, South African Express Airways, South African Airways and Denel.
- *Business Enhancement Services* develops and coordinates the implementation of state-owned companies' strategies to leverage localisation programmes; provides intergovernmental coordination and support to programmes and state-owned companies in relation to economic development programmes, as agreed with provincial and local government; and maintains a register of commitments made by state-owned companies and lobbies for the implementation of special programmes focusing on skills development, transformation and youth.

Expenditure trends and estimates

Table 10.8 Business Enhancement, Transformation and Industrialisation expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Energy Resources	22.5	14.5	9.5	49 013.7	1195.4%	77.7%	33 012.8	13.5	13.4	-93.5%	81.6%
Research and Economic Modelling	5.7	25.2	6.9	12.5	30.1%	0.1%	12.3	13.0	12.9	0.9%	0.1%
Transport and Defence	24.3	15.0	6 262.1	7 620.0	579.7%	22.1%	4 577.6	4 348.9	1 817.4	-38.0%	18.3%
Business Enhancement Services	16.0	24.3	26.7	32.0	25.9%	0.2%	27.7	29.7	30.2	-2.0%	0.1%
Total	68.5	78.8	6 305.3	56 678.3	838.6%	100.0%	37 630.4	4 405.1	1 873.8	-67.9%	100.0%
Change to 2019 Budget estimate				38 942.1			37 540.6	4 309.4	1 774.8		
Economic classification											
Current payments	68.5	78.8	56.2	78.3	4.5%	0.4%	90.4	96.1	96.7	7.3%	0.4%
Compensation of employees	52.7	51.9	47.9	53.1	0.3%	0.3%	62.8	66.9	66.8	7.9%	0.2%
Goods and services ¹	15.8	26.8	8.3	25.1	16.8%	0.1%	27.6	29.2	29.9	6.0%	0.1%
of which:											
Catering: Departmental activities	0.1	0.2	0.0	0.0	-14.1%	—	0.0	0.0	0.0	2.9%	—
Communication	0.5	1.4	0.2	0.6	6.5%	—	0.6	0.6	0.6	1.0%	—
Consultants: Business and advisory services	10.3	11.1	4.3	16.6	17.1%	0.1%	20.0	21.3	21.6	9.2%	0.1%
Entertainment	—	—	—	0.0	—	—	0.0	0.0	0.0	3.0%	—
Travel and subsistence	3.9	6.7	3.6	6.2	16.7%	—	6.9	7.2	7.5	6.5%	—
Venues and facilities	0.4	0.3	0.0	0.0	-68.3%	—	0.1	0.1	0.1	96.7%	—
Transfers and subsidies ¹	0.0	0.1	0.1	—	-100.0%	—	—	—	—	—	—
Households	0.0	0.1	0.1	—	-100.0%	—	—	—	—	—	—
Payments for financial assets	—	—	6 249.0	56 600.0	—	99.6%	37 540.0	4 309.0	1 777.2	-68.5%	99.6%
Total	68.5	78.8	6 305.3	56 678.3	838.6%	100.0%	37 630.4	4 405.1	1 873.8	-67.9%	100.0%
Proportion of total programme expenditure to vote expenditure	27.0%	31.5%	97.4%	99.6%	—	—	99.4%	95.0%	88.4%	—	—
Details of transfers and subsidies											
Households											
Social benefits											
Current	0.0	0.1	0.1	—	-100.0%	—	—	—	—	—	—
Employee social benefits	0.0	0.1	0.1	—	-100.0%	—	—	—	—	—	—

State-owned companies

Alexkor

Alexkor was established in terms of the Alexkor Limited Act (1992) to mine marine and land diamonds in Alexander Bay, Northern Cape. Over the medium term, the company will continue to execute its remaining deed of settlement obligations, which include the transfer of public and residential properties to the Northern Cape government and the Richtersveld community.

In 2018/19, Alexkor experienced financial challenges due to the poor performance of the Alexkor Richtersveld Mining Company Pooling and Sharing Joint Venture. Despite a 31.3 per cent increase in diamond production in 2018/19 (63 000 carats) compared to 2017/18 (48 000 carats), revenue in 2018/19 was constrained due to the poor quality of diamonds mined. This was exacerbated by an unsustainable corporate structure and cost base.

Alexkor generated revenue of R209.9 million in 2018/19, a 1 per cent increase from the previous year's revenue of R208.6 million. The company reported a loss of R149.6 million in 2018/19 compared to a profit of R34.2 million 2017/18. In 2019, the department appointed an administrator to oversee the business and ensure that the company is appropriately restructured. As such, the department's immediate focus is to review the current operating structures of Alexkor to restore the sustainability of its operations.

Denel

Denel was incorporated as a private company in 1992 in terms of the Companies Act (1973), with the South African government as its sole shareholder. It operates in the military aerospace and landward defence environment, and provides strategic defence equipment. Denel supplies the South African National Defence Force with strategic and sovereign capabilities. The company's broad focus over the medium term will be on restructuring, which entails optimising its cost structure and reviewing its business model to improve its global competitiveness. Emphasis will also be placed on the company's internal cost structure, efficiency, effectiveness, disposal of non-core businesses, improved supply chain policies and alignment of IT infrastructure with its new organisational structure. In 2019/20, the company commenced with its restructuring process, which is focused on optimising labour, consolidating its group corporate structure, reviewing its property portfolio and plant utilisation, and introducing strategic sector participation.

The restructuring process was necessitated by the company's steady decrease in revenue over the past 4 years. Total revenue generated in 2018/19 was R3.8 billion compared to R8.2 billion in 2015/16. A loss of R1.7 billion was recorded in 2018/19 compared to a loss of R1.1 billion in the previous year. This decrease in revenue was mainly due to liquidity challenges that constrained operations and, in turn, affected sales. However, cost savings and restructuring initiatives that are already in place, as well as recapitalisation allocations from the department (R1.8 billion in 2019/20 and R576 million in 2020/21) are expected to stimulate revenue generation through the expansion of the company's export base and improvement of its access to markets. Accordingly, the company expects to increase its revenue to more than R7 billion by 2022/23.

Eskom

Eskom is governed by the Eskom Conversion Act (2001) and is mandated to generate, transmit and distribute electricity to industrial, mining, commercial, agricultural and residential customers and redistributors. Eskom generates 95 per cent of the electricity used in South Africa and 45 per cent of the electricity used in Africa. In response to the company's persistent financial, operational and structural challenges, in 2019 it was announced that Eskom will be unbundled into three subsidiaries (generation, transmission and distribution) under a holding company, Eskom Holdings. This announcement led to the drafting and adoption of the 2019 roadmap for Eskom in a reformed electricity supply industry, which outlines actions to overcome the crisis, defines key steps in transforming the electricity supply system, addresses steps to restore the company's finances, identifies measures to reduce the company's cost structure and details the process of restructuring the entity.

However, while the roadmap has been adopted and a nine-point plan to improve generation is in place, Eskom's coal generation plants have been performing poorly due to an ageing fleet, poor maintenance practices and

poor performance of new units within the Medupi and Kusile power stations. As a result, rotational load shedding has been implemented because of insufficient capacity to meet demand. Although some progress has been made, Eskom's operational performance remains inadequate, with persistent technical and plant faults. The company aims to address supply constraints through interventions as set out in the nine-point plan, which are short-term, medium-term and long-term in nature. These interventions primarily involve fixing new plant defects, reducing trips and full load losses, accelerating the return of serviced units on long-term forced outages, fixing partial load losses and boiler tube leaks, rebuilding coal stockpiles, increasing diesel stocks and recruiting critical staff for the generation division.

Eskom's revenue increased from R177.4 billion in 2017/18 to R179.9 billion in 2018/19. Profit before depreciation and amortisation and net fair value loss decreased significantly, from R45.4 billion in 2017/18 to R31.5 billion in 2018/19. The company's loss for the year increased significantly, from R2.3 billion in 2017/18 to R20.7 billion in 2018/19, mainly due to high primary energy costs, depreciation and finance costs. To stabilise Eskom's financial position in the short term, an additional R33 billion has been allocated to the company in 2020/21 through the Special Appropriations Act (2019) in addition to the provisional allocation of R23 billion. These allocations are subject to conditions, which include providing updates on strategies to manage municipal and other consumer debts, coal contract renegotiation and cost containment measures.

South African Airways

South African Airways operates a full-service network in the international, regional and domestic markets. The airline is responsible for promoting air links with South Africa's key business, trading and tourism markets across the world, and contributing to key domestic air linkages.

In December 2019, South African Airways was placed under business rescue to restore confidence in the airline and safeguard the company's assets. The business rescue process is also intended to restructure and reposition the company towards greater sustainability and attract strategic equity partners. Over the medium term, the airline's future will be guided by the recommendations of its business rescue practitioners. This is expected to take place in conjunction with the continued implementation of the company's long-term turnaround strategy, which aims to assist the airline in returning to solvency and profitability. The company refined its long-term turnaround strategy in 2019/20 to focus on: liquidity and balance sheet restructuring, revenue stimulation and network optimisation, organisational design, supply chain transformation, and business process transformation at South African Airways Technical. In 2019/20, R5.5 billion was allocated to South African Airways for repayment of debt and working capital. Over the MTEF period, R9.9 billion (R3.8 billion in 2020/21, R4.3 billion in 2021/22 and R1.8 billion in 2022/23) has been allocated to the airline for the repayment of government guaranteed debt and the provision of working capital. The airline is expected to continue relying on government support under business rescue.

The airline generated revenue of R27.1 billion in 2018/19 and recorded a provisional loss of R4.9 billion, compared to R28.1 billion and R5.4 billion, respectively, in 2017/18. As losses were anticipated in 2018/19 and 2019/20, government allocated R5 billion to the airline in 2018/19. This was in addition to the R10 billion allocated to the company in 2017/18. However, despite these recapitalisations, South African Airways remains insolvent, with its liabilities exceeding its assets by R13 billion at the end of 2018/19.

South African Express Airways

South African Express Airways serves as a regional air carrier mandated to provide transportation and other related aviation services on low-density domestic and African regional routes. The airline faces serious financial and liquidity challenges, and was grounded by the South African Civil Aviation Authority in May 2016, May 2018 and August 2019. The airline's continuing liquidity challenges are driven by a number of factors, including: unfavourable contracts entered into with service providers, an inability to raise financing facilities with local banks, suppliers placing the airline on a cash basis and demanding very stringent payment plans to settle old debt, and increased legal expenses due to disputes with suppliers where proper procurement processes were not followed.

The airline resumed operations in August 2018 with a new turnaround strategy focusing on governance,

profitability, operations, customer service and human capital. The strategy mainly includes initiatives to optimise the airline's route network, cancel or renegotiate contracts and agreements, strengthen revenue collection and management, fill key positions and reduce employee costs, enhance its organisational culture and values, and improve schedule and aircraft reliability. The airline's current business model is unsustainable and is being reviewed as part of the plan to consolidate the two state-owned airlines. The placing of South African Airways under business rescue provides a structured opportunity to reorganise state aviation assets to better position them as sustainable and attractive to investors.

The airline received a recapitalisation allocation of R1.2 billion in 2018/19, which was earmarked for the repayment of government guaranteed debt, and an additional R300 million in 2019/20. These allocations temporarily restored the solvency of the airline. In 2020/21, R164 million has been allocated to eliminate government's contingent liability exposure, relating to aircraft lease payments and letters of credit

South African Forestry Company

The South African Forestry Company was established in 1992 in terms of the Management of State Forests Act (1992). It is mandated to ensure the sustainable management of plantation forests, increase downstream timber processing, and play a catalytic role in rural economic development and transformation. Over the medium term, the company plans to continue fulfilling its commitments to communities near its operations, and diversify its product offering by increasing its production of timber for public facilities, poles for the electricity distribution sector, and furniture. The company supports communities around its operations, and is developing suitable land settlement models in partnership with the newly formed Department of Agriculture, Land Reform and Rural Development.

Although revenue increased from R926.4 million in 2017/18 to R1 billion in 2018/19, the company recorded a loss of R117.6 million in 2018/19, increasing from R80.2 million in the previous year as a result of a decrease in demand for timber, and delays in upgrading obsolete equipment. Revenue is expected to increase to R1.6 billion in 2021/22 as a result of planned investments in new projects.

Transnet

Transnet provides and operates freight transportation services and infrastructure. The company's current operating model is geared towards lowering the cost of doing business in South Africa. As such, Transnet aims to improve the competitiveness of South African goods and services to stimulate economic growth and ensure the security of supply in providing ports, rail and pipeline infrastructure in a cost-effective manner.

To sustain and expand its capacity, over the five-year period ending 2024/25, Transnet plans to invest R153.5 billion in capital expenditure, particularly in rail, port and pipeline infrastructure, across its operating divisions. The company is also addressing operational challenges with regards to rail and ports, with the aim of improving performance and increasing the volume of freight transported by rail. The department is investigating the implications of giving effect to the National Ports Act (2005) to ensure that this is done in a manner that is prudent and responsible. This is especially in light of volumes transported on rail by Transnet having decreased from 226.3 million tons in 2017/18 to 215.1 million tons in 2018/19, and port container volumes decreasing from 4.7 million 20-foot equivalent units in 2017/18 to 4.5 million 20-foot equivalent units in 2018/19.

Revenue increased by 1.6 per cent, from R72.9 billion in 2017/18 to R74.1 billion in 2018/19, mainly due to a 9.1 per cent increase in petroleum volumes. The company generated a net profit of R6 billion in 2018/19, increasing from R4.9 billion generated in 2017/18, and has remained self-sustaining. Transnet contributes significantly to public infrastructure investment. In 2018/19, R17.9 billion was spent on capital projects, bringing the company's total investment over the last 7 years to R183.5 billion.

Vote 11

Public Service and Administration

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	258.3	255.8	0.5	2.0	275.7	286.6
Policy Development, Research and Analysis	39.5	39.4	0.0	0.1	41.9	42.4
Public Service Employment and Conditions of Service	77.7	77.4	–	0.3	81.9	84.1
Government Chief Information Officer	28.6	28.3	–	0.2	30.3	31.7
Service Delivery Support	101.4	58.9	42.3	0.1	107.7	110.6
Governance of Public Administration	60.2	59.8	0.3	0.1	69.2	72.1
Total expenditure estimates	565.7	519.6	43.2	2.9	606.6	627.5

Executive authority Minister for Public Service and Administration
Accounting officer Director-General of Public Service and Administration
Website www.dpsa.gov.za

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Lead the modernisation of the public service, through a generally applicable framework of norms and standards, to improve service delivery.

Mandate

The Department of Public Service and Administration draws its mandate from section 195(1) of the Constitution, which sets out basic values and principles to which the public service should adhere to; and the Public Service Act (1994), which gives the Minister for Public Service and Administration the responsibility for establishing norms and standards relating to:

- the functions of the public service
- organisational structures and the establishment of departments, and other organisational and governance arrangements in the public service
- the conditions of service and other employment practices for employees
- labour relations in the public service
- the health and wellness of employees
- information management in the public service
- electronic government
- integrity, ethics, conduct and anti-corruption in the public service
- transformation, reform, innovation and any other matter to improve the effectiveness and efficiency of the public service and its delivery of services to the public.

Selected performance indicators

Table 11.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Development of a unigrade job-grading system as part of managing the public service wage bill	Public Service Employment and Conditions of Service	Priority 6: A capable, ethical and developmental state	— ¹	— ¹	— ¹	— ¹	Transitional plan of a uniform job-grading system submitted to the director-general	Uniform job-grading system developed	Uniform job-grading system implemented in the public sector
Development of a public service digital strategy to facilitate the digital transformation of public administration	Government Chief Information Officer		— ¹	— ¹	Public service digitisation strategic framework submitted to the director-general	Priority e-government initiatives to support digital transformation for public administration submitted to the director-general	Revised public service digital strategy submitted to the director-general	Support provided through engagements to selected national and provincial departments on the implementation of the revised public service digital strategy	Report on the implementation of the revised public service digital strategy submitted to the director-general
Development of a public service data governance framework to improve business intelligence in the public service	Government Chief Information Officer		— ¹	— ¹	— ¹	— ¹	Public service data governance framework submitted to the director-general	Support provided through engagements with selected national and provincial departments on the implementation of the public service data governance framework	Support provided through engagements with selected national and provincial departments on the implementation of the public service data governance framework
Implementation report on the second-generation review of the African peer review mechanism	Service Delivery Support		— ¹	— ¹	— ¹	Public dialogue forums in preparation for the second-generation review of African peer review mechanism conducted	Report submitted to the director-general	Report on the institutionalisation of the African peer review mechanism national action plan submitted to the director-general	District model performance and impact on socioeconomic governance assessed
Development of a framework on conducting lifestyle audits to intensify the fight against corruption in the public service	Governance of Public Administration		— ¹	— ¹	— ¹	— ¹	Framework on conducting lifestyle audits submitted to the director-general	Lifestyle audits piloted in 5 national departments	Lifestyle audits conducted on a selected category of employees in the public service

1. No historical data available.

Expenditure analysis

Chapter 13 of the National Development Plan articulates a vision of a capable and developmental state built through strengthening delegation, accountability and oversight in the public service. This vision is supported by priority 6 (a capable, ethical and developmental state) of government's 2019-2024 medium-term strategic framework, with which the work of the Department of Public Service and Administration is closely aligned. Accordingly, over the medium term, the department intends to address governance and operational challenges in the public service sector, which, among others, include: a lack of integration and coordination in services provided by departments; dissimilar experiences of the quality and quantity of government services by the public; departments' non-compliance with the Public Service Act (1994) and regulations; and different conditions of service for employees in the local, provincial and national spheres of government, including public entities. Responding to these and other challenges in the public service over the period ahead will entail: improving the implementation of Batho Pele principles; ensuring efficiency and effectiveness, and the implementation of policies in the public service; stabilising the public service; and intensifying the fight against corruption.

The department's total allocation over the MTEF period is R1.8 billion. This reflects a decrease by R1.4 billion

from the 2019 Budget as a result of the reorganisation of vote structures, through which the Public Service Commission and National School of Government became standalone votes instead of departments within the Department of Public Service and Administration. Accordingly, transfers to departmental agencies and accounts decrease to R129.7 million (7.2 per cent of the department's total budget) over the medium term. As the department's work is labour intensive, spending on compensation of employees accounts for an estimated 59.1 per cent (R1.1 billion) of its total expenditure over the period.

Improving the implementation of Batho Pele

Adherence to Batho Pele principles entails putting people first in the delivery of public services. As such, over the medium term, the department will focus on restructuring the service delivery model to best serve the public. Emphasis will also be placed on improving the monitoring of and reporting on the quality of public services, and increasing responsiveness to concerns and views raised by citizens. To ensure stringent compliance with the principles across government, the department plans to consult and work with the Auditor-General of South Africa. These activities will be carried out in the *Service Delivery Improvement Initiatives* subprogramme in the *Service Delivery Support* programme at a projected cost of R8.7 million over the medium term. Expenditure in this programme is expected to increase at an average annual rate of 3.7 per cent, from R99.2 million in 2019/20 to R110.6 million in 2022/23.

Ensuring efficiency and effectiveness, and the implementation of policies in the public service

In its pursuit of a unified, fully functioning public service, the department will ensure that the Public Administration Management Act (2014) is fully implemented and monitored on an ongoing basis. This will include operationalising the office of standards and compliance within the department in 2020/21. The office will promote greater compliance with public administration norms and standards towards improved efficiency and effectiveness in the public administration system. Over the period ahead, activities carried out by the office will include: institutionalising tools to measure efficiency and effectiveness, and capacity and capability; evaluating the appropriateness of norms and standards; monitoring adherence to norms and standards; and enforcing compliance with norms and standards. To operationalise the office, an estimated R5.7 million over the medium term is allocated in the *Public Service Performance, Monitoring and Evaluation* subprogramme in the *Policy Development, Research and Analysis* programme.

The department recognises that implementing all relevant policies across the public service is integral to an efficient and effective government. Accordingly, by March 2021, the department plans to conduct a system-wide analysis, which is expected to inform the development of a coordinated strategy to tackle critical challenges in policy implementation. Over the period ahead, the department will be proactive and systematic in supporting and assisting other departments in correctly interpreting and implementing its directives, policies, and norms and standards. These activities will also be carried out in the *Policy Development, Research and Analysis* programme, which has a total allocation of R123.9 million over the medium term.

Stabilising the public service

Cooperation between government and organised labour is necessary to address challenges while upholding all existing laws and collective agreements, which have thus far yielded significant achievements. In recognition of this, the department has identified the management of the public service wage bill as a key challenge in maintaining labour peace. Accordingly, over the period ahead, the department plans to determine a wage bill strategy for updating the remuneration policy for public servants. Part of this process entails reviewing spending on compensation of employees and developing a job-grading system by 2021/22. Related activities are expected to be carried out at a cost of R6 million in the *Remuneration and Job Grading* subprogramme in the *Public Service Employment and Conditions of Services* programme. Spending in the programme is expected to increase at an annual average rate of 3.6 per cent, from R75.6 million in 2019/20 to R84.1 million in 2022/23.

Intensifying the fight against corruption

Corruption impedes service delivery, compromises development and undermines the public's confidence in the state. In responding to the need within government to root out and fight corruption, the department plans to

inculcate a culture of accountability in the public service and limit the scope for conflicts of interest. This will be achieved through the introduction or enforcement of measures such as the prohibition of public service employees from conducting business with the state, conducting lifestyle audits on selected categories of employees, and monitoring the implementation of the financial disclosure framework. The department plans to develop a framework for conducting lifestyle audits, which is expected to be piloted in 5 national departments in 2021/22.

The department has established a public administration ethics, integrity and disciplinary technical assistance unit, which provides technical assistance and support to institutions in all spheres of government on matters relating to misconduct in the public service. Over the medium term, the unit plans to develop norms and standards on ethics, integrity, conduct and discipline management. For this purpose, R82.3 million has been allocated in the *Ethics and Integrity Management* subprogramme in the *Governance of Public Administration* programme, which has a total budget of R201.5 million over the medium term. Expenditure in the programme is expected to decrease to R72.1 million in 2022/23, as a result of the creation of a separate vote for the Public Service Commission.

Expenditure trends and estimates

Table 11.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Policy Development, Research and Analysis											
3. Public Service Employment and Conditions of Service											
4. Government Chief Information Officer											
5. Service Delivery Support											
6. Governance of Public Administration											
Programme					Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Adjusted appropriation							
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20	2022/23
Programme 1	225.3	222.9	242.3	241.6	2.4%	48.1%	258.3	275.7	286.6	5.9%	45.6%
Programme 2	30.8	29.6	31.4	36.3	5.6%	6.6%	39.5	41.9	42.4	5.4%	6.9%
Programme 3	66.1	64.7	67.5	75.6	4.6%	14.1%	77.7	81.9	84.1	3.6%	13.7%
Programme 4	15.9	16.5	20.5	23.3	13.6%	3.9%	28.6	30.3	31.7	10.7%	4.9%
Programme 5	83.9	82.0	88.3	99.2	5.7%	18.2%	101.4	107.7	110.6	3.7%	18.0%
Programme 6	40.9	39.3	42.6	51.2	7.7%	9.0%	60.2	69.2	72.1	12.1%	10.9%
Total	463.0	454.9	492.7	527.2	4.4%	100.0%	565.7	606.6	627.5	6.0%	100.0%
Change to 2019				(8.8)			(9.1)	(9.2)	(11.5)		
Budget estimate											
Economic classification											
Current payments	413.2	410.0	445.0	480.1	5.1%	90.2%	519.6	557.8	576.6	6.3%	91.7%
Compensation of employees	254.5	260.4	273.6	303.7	6.1%	56.4%	333.7	360.7	376.4	7.4%	59.1%
Goods and services ¹	158.6	149.6	171.5	176.5	3.6%	33.9%	185.9	197.1	200.1	4.3%	32.6%
of which:											
Communication	6.7	6.5	6.3	8.1	6.6%	1.4%	8.3	9.2	9.6	5.7%	1.5%
Computer services	20.8	25.8	18.4	28.8	11.4%	4.8%	34.6	36.3	37.9	9.6%	5.9%
Operating leases	38.8	40.9	64.1	42.3	2.9%	9.6%	48.5	51.8	54.4	8.8%	8.5%
Property payments	11.0	10.1	10.0	17.1	15.8%	2.5%	17.4	18.8	19.5	4.6%	3.1%
Travel and subsistence	29.9	28.1	32.6	32.8	3.1%	6.4%	31.4	30.6	27.4	-5.8%	5.3%
Operating payments	5.4	3.4	3.5	6.1	4.5%	1.0%	7.7	7.8	7.7	7.7%	1.3%
Transfers and subsidies ¹	36.2	39.1	39.8	42.9	5.9%	8.2%	43.2	45.8	47.7	3.6%	7.7%
Provinces and municipalities	0.0	0.0	0.0	0.0	26.0%	0.0%	0.0	0.0	0.0	0.0%	0.0%
Departmental agencies and accounts	32.1	34.1	36.0	38.6	6.3%	7.3%	41.0	43.5	45.3	5.5%	7.2%
Foreign governments and international organisations	2.7	1.8	2.0	2.1	-7.6%	0.4%	2.2	2.3	2.4	4.2%	0.4%
Households	1.4	3.2	1.8	2.2	17.1%	0.4%	—	—	—	-100.0%	0.1%
Payments for capital assets	13.3	5.7	7.7	4.1	-32.2%	1.6%	2.9	3.1	3.3	-7.7%	0.6%
Machinery and equipment	13.3	5.7	7.7	2.8	-40.5%	1.5%	2.7	2.9	3.1	3.2%	0.5%
Software and other intangible assets	—	0.0	—	1.4	0.0%	0.1%	0.2	0.2	0.2	-48.2%	0.1%
Payments for financial assets	0.4	0.1	0.2	—	-100.0%	0.0%	—	—	—	0.0%	0.0%
Total	463.0	454.9	492.7	527.2	4.4%	100.0%	565.7	606.6	627.5	6.0%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 11.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R thousand											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	32 094	34 055	36 030	38 581	6.3%	89.1%	40 985	43 460	45 253	5.5%	93.7%
Communication	—	—	—	144	—	0.1%	151	158	163	4.2%	0.3%
Centre for Public Service Innovation	32 094	34 055	36 030	38 437	6.2%	89.0%	40 834	43 302	45 090	5.5%	93.4%
Households											
Social benefits											
Current	1 381	3 193	1 777	2 216	17.1%	5.4%	—	—	—	-100.0%	1.2%
Employee Social Benefits	1 381	3 193	1 777	2 216	17.1%	5.4%	—	—	—	-100.0%	1.2%
Provinces and municipalities											
Municipal bank accounts											
Current	5	8	8	10	26.0%	—	10	10	10	—	—
Vehicle licenses	5	8	8	10	26.0%	—	10	10	10	—	—
Foreign governments and international organisations											
Current	2 693	1 848	1 957	2 125	-7.6%	5.5%	2 200	2 321	2 406	4.2%	5.0%
African Association for Public Administration and Management	299	271	273	317	2.0%	0.7%	334	352	365	4.8%	0.8%
African Training and Research Centre in Administration for Development	725	—	—	—	-100.0%	0.5%	—	—	—	—	—
International Institute of Administration Sciences	42	36	38	43	0.8%	0.1%	47	50	52	6.5%	0.1%
Open Government Partnership	1 394	1 293	1 386	1 470	1.8%	3.5%	1 499	1 581	1 639	3.7%	3.4%
Organisation for Economic Cooperation and Development	233	248	260	295	8.2%	0.7%	320	338	350	5.9%	0.7%
Households											
Other transfers to households											
Current	—	20	6	—	—	—	—	—	—	—	—
Employee Social Benefits	—	20	6	—	—	—	—	—	—	—	—
Total	36 173	39 124	39 778	42 932	5.9%	100.0%	43 195	45 791	47 669	3.6%	100.0%

Personnel information

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

Programmes																			
1. Administration																			
2. Policy Development, Research and Analysis																			
3. Public Service Employment and Conditions of Service																			
4. Government Chief Information Officer																			
5. Service Delivery Support																			
6. Governance of Public Administration																			
Number of posts estimated for 31 March 2020			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							Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)				
		Actual			Revised estimate														
		2018/19			2019/20			2020/21		2021/22		2022/23		2019/20 - 2022/23					
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Public Service and Administration																			
Salary level	435	55	444	273.6	0.6	459	303.6	0.7	463	333.5	0.7	469	360.7	0.8	460	376.4	0.8	0.1%	100.0%
1 – 6	136	15	142	76.4	0.5	141	37.5	0.3	134	38.1	0.3	134	40.9	0.3	134	43.8	0.3	-1.7%	29.3%
7 – 10	108	18	115	69.0	0.6	116	55.8	0.5	117	60.3	0.5	119	66.0	0.6	114	67.6	0.6	-0.6%	25.2%
11 – 12	83	12	84	60.1	0.7	93	78.0	0.8	93	83.1	0.9	96	91.4	1.0	94	95.0	1.0	0.4%	20.3%
13 – 16	91	10	101	63.8	0.6	107	127.8	1.2	117	147.0	1.3	118	157.2	1.3	116	164.4	1.4	2.7%	24.7%
Other	17	–	2	4.3	2.2	2	4.6	2.3	2	4.9	2.5	2	5.2	2.6	2	5.6	2.8	–	0.4%
Programme	435	55	444	273.6	0.6	459	303.6	0.7	463	333.5	0.7	469	360.7	0.8	460	376.4	0.8	0.1%	100.0%
Programme 1	229	8	232	114.3	0.5	231	126.7	0.5	235	136.0	0.6	235	145.1	0.6	234	153.3	0.7	0.4%	50.5%
Programme 2	32	1	27	28.0	1.0	32	29.3	0.9	34	33.6	1.0	35	35.8	1.0	33	36.5	1.1	1.0%	7.2%
Programme 3	66	25	78	50.2	0.6	80	56.7	0.7	71	59.5	0.8	71	63.3	0.9	68	65.6	1.0	-5.3%	15.7%
Programme 4	19	2	20	14.9	0.7	19	17.0	0.9	20	19.3	1.0	20	20.5	1.0	20	21.8	1.1	1.7%	4.3%
Programme 5	49	16	48	32.5	0.7	51	36.6	0.7	52	41.3	0.8	52	43.9	0.8	50	45.0	0.9	-0.7%	11.1%
Programme 6	40	3	39	33.7	0.9	46	37.3	0.8	51	43.9	0.9	56	52.1	0.9	55	54.3	1.0	6.1%	11.2%

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

2. Rand million.

Departmental receipts

Table 11.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
R thousand				2019/20		2016/17 - 2019/20					2019/20 - 2022/23	
Departmental receipts	757	475	816	751	751	-0.3%	100.0%	561	594	622	-6.1%	100.0%
Sales of goods and services produced by department	193	173	179	184	184	-1.6%	26.0%	257	264	277	14.6%	38.8%
Sales by market establishments	114	95	97	100	100	-4.3%	14.5%	170	172	180	21.6%	24.6%
of which:												
Parking	114	95	97	100	100	-4.3%	14.5%	170	172	180	21.6%	24.6%
Administrative fees	79	78	82	84	84	2.1%	11.5%	87	92	97	4.9%	14.2%
of which:												
Commission	79	78	81	82	82	1.3%	11.4%	85	90	94	4.7%	13.9%
Replacement of access cards	—	—	1	2	2	—	0.1%	2	2	3	14.5%	0.4%
Interest, dividends and rent on land	3	8	3	4	4	10.1%	0.6%	4	5	5	7.7%	0.7%
Interest	3	8	3	4	4	10.1%	0.6%	4	5	5	7.7%	0.7%
Sales of capital assets	—	—	386	277	277	—	23.7%	—	—	—	-100.0%	11.0%
Transactions in financial assets and liabilities	561	294	248	286	286	-20.1%	49.6%	300	325	340	5.9%	49.5%
Total	757	475	816	751	751	-0.3%	100.0%	561	594	622	-6.1%	100.0%

Programme 1: Administration

Programme purpose

Provide strategic leadership, management and support services to the department, and coordinate the department's international relations.

Expenditure trends and estimates

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

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million				2019/20		2016/17 - 2019/20				2019/20 - 2022/23	
Ministry	44.4	44.8	40.3	36.9	-6.0%	17.9%	37.8	45.4	45.1	6.9%	15.5%
Departmental Management	2.8	2.5	3.0	11.1	58.8%	2.1%	13.2	13.9	14.4	9.0%	5.0%
Corporate Services	83.1	82.1	82.7	89.4	2.5%	36.2%	93.2	95.8	101.5	4.3%	35.8%
Finance Administration	26.7	25.1	26.8	28.1	1.7%	11.4%	30.5	32.0	33.7	6.2%	11.7%
Internal Audit	4.8	5.3	5.6	6.2	8.9%	2.3%	6.0	6.4	6.7	2.5%	2.4%
Legal Services	6.4	6.9	8.4	8.0	7.6%	3.2%	8.5	9.0	9.3	5.3%	3.3%
International Relations	11.0	8.8	8.8	9.2	-5.6%	4.0%	9.8	10.4	10.8	5.3%	3.8%
Office Accommodation	46.1	47.4	66.9	52.7	4.5%	22.9%	59.3	62.8	65.2	7.4%	22.6%
Total	225.3	222.9	242.3	241.6	2.4%	100.0%	258.3	275.7	286.6	5.9%	100.0%
Change to 2019 Budget estimate				(4.5)			(6.3)	(9.0)	(8.7)		
Economic classification											
Current payments	212.7	217.4	235.5	238.7	3.9%	97.0%	255.8	273.1	283.8	5.9%	99.0%
Compensation of employees	106.9	112.8	114.3	124.0	5.1%	49.1%	136.2	145.1	153.4	7.3%	52.6%
Goods and services ¹	105.9	104.6	121.2	114.8	2.7%	47.9%	119.6	128.0	130.5	4.4%	46.4%
of which:											
Audit costs: External	3.8	4.1	4.9	4.8	7.7%	1.9%	4.6	4.9	5.1	2.1%	1.8%
Communication	3.8	4.1	3.8	4.1	2.1%	1.7%	4.3	4.9	5.1	8.1%	1.7%
Computer services	14.0	19.8	11.6	18.7	10.1%	6.9%	16.4	17.5	18.1	-0.9%	6.7%
Operating leases	36.5	39.2	59.8	40.6	3.6%	18.9%	46.6	49.4	51.4	8.2%	17.7%
Property payments	9.9	9.9	8.8	15.5	16.1%	4.7%	16.4	17.3	18.0	5.0%	6.3%
Travel and subsistence	14.1	12.7	15.2	13.3	-2.1%	5.9%	11.0	12.0	10.0	-8.9%	4.4%
Transfers and subsidies¹	1.4	1.9	1.2	1.0	-11.1%	0.6%	0.5	0.6	0.6	-16.2%	0.2%
Provinces and municipalities	0.0	0.0	0.0	0.0	49.4%	—	0.0	0.0	0.0	—	—
Departmental agencies and accounts	—	—	—	0.1	—	—	0.1	0.1	0.1	4.7%	0.1%
Foreign governments and international organisations	1.1	0.3	0.3	0.4	-30.4%	0.2%	0.4	0.4	0.4	5.0%	0.1%
Households	0.3	1.6	0.9	0.5	14.3%	0.3%	—	—	—	-100.0%	—
Payments for capital assets	11.1	3.5	5.5	1.9	-44.5%	2.4%	2.0	2.1	2.2	5.0%	0.8%
Machinery and equipment	11.1	3.5	5.5	1.9	-44.5%	2.4%	2.0	2.1	2.2	5.0%	0.8%
Payments for financial assets	0.1	0.0	0.2	—	-100.0%	—	—	—	—	—	—
Total	225.3	222.9	242.3	241.6	2.4%	100.0%	258.3	275.7	286.6	5.9%	100.0%
Proportion of total programme expenditure to vote expenditure	48.7%	49.0%	49.2%	45.8%	—	—	45.7%	45.4%	45.7%	—	—

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

Programme 2: Policy Development, Research and Analysis

Programme purpose

Manage and oversee the setting and translation of public administration norms and standards into administrative policy instruments using research and policy analysis techniques. Manage the organisational functionality assessments of public service efficiency and effectiveness for public administration reform.

Objectives

- Improve the capacity and capability of the public service through public administration reforms by:
 - implementing the Public Administration Management Act (2014) on an ongoing basis
 - revising the draft white paper on the transformation and modernisation of a single public administration, to be gazetted by March 2023
 - operationalising the office of standards and compliance through implementing the strategic framework for norms and standards of the Public Administration Management Act (2014) by March 2022
 - improving compliance with regulations, determinations and directives by measuring non-compliance on an ongoing basis.

Subprogrammes

- *Management: Policy Development, Research and Analysis* provides administrative support and management to the programme.
- *Policy Oversight, Development and Knowledge Management* oversees, develops, formulates, manages, coordinates and reviews policies within the public service; manages learning networks; and promotes knowledge management.
- *Public Administration Policy Analysis* analyses existing and emerging public administration norms and standards, which inform the design, governance, administration and management of appropriate policy instruments in terms of the public administration legislative frameworks.
- *Integrated Public Sector Reform* manages public sector reforms through the development and monitoring of a public service reform strategy, which informs policy reviews and advice on the development of the integrated public service reforms across all spheres of government.
- *Public Service Performance, Monitoring and Evaluation* measures organisational performance, functionality and productivity through the monitoring and evaluation of public service norms and standards, which are derived from the performance information of the public service regulatory instruments.
- *Research and Analysis* researches and reports on national and international trends and best practices related to public administration, and analyses performance in sector departments.
- *Public Service Access Norms and Mechanisms* manages and facilitates integrated access, and geographic information systems and norms based on population segmentation.

Expenditure trends and estimates

Table 11.7 Policy Development, Research and Analysis 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Management: Policy Development, Research and Analysis	2.6	2.3	3.8	3.7	11.9%	9.7%	3.8	4.4	4.5	7.0%	10.3%
Policy Oversight, Development and Knowledge Management	6.1	4.4	3.0	3.9	-13.9%	13.6%	3.8	4.1	4.3	3.1%	10.1%
Public Administration Policy Analysis	1.0	0.6	1.6	3.6	53.8%	5.3%	3.5	3.8	3.9	3.4%	9.3%
Integrated Public Sector Reform	1.8	1.9	3.0	3.5	23.5%	8.0%	3.5	3.7	3.7	2.7%	9.0%
Public Service Performance, Monitoring and Evaluation	13.1	13.7	13.4	13.5	0.9%	41.9%	16.6	17.0	16.8	7.7%	39.9%

Table 11.7 Policy Development, Research and Analysis expenditure trends and estimates by subprogramme and economic classification

Classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome										
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Research and Analysis	2.2	3.5	3.1	4.1	22.9%	10.0%	4.3	4.6	4.8	5.2%	11.1%
Public Service Access Norms and Mechanisms	4.0	3.3	3.5	4.1	1.0%	11.6%	4.0	4.2	4.4	2.3%	10.4%
Total	30.8	29.6	31.4	36.3	5.6%	100.0%	39.5	41.9	42.4	5.4%	100.0%
Change to 2019 Budget estimate				–			1.0	0.9	(0.1)		
Economic classification											
Current payments	30.6	29.4	31.2	36.2	5.7%	99.5%	39.4	41.7	42.3	5.4%	99.7%
Compensation of employees	25.8	26.3	28.0	30.0	5.2%	85.9%	33.6	35.8	36.5	6.7%	84.9%
Goods and services ¹	4.9	3.1	3.2	6.1	8.1%	13.6%	5.8	6.0	5.8	-1.8%	14.8%
of which:											
Administrative fees	0.1	0.1	0.1	0.2	46.6%	0.3%	0.2	0.2	0.2	5.4%	0.5%
Catering: Departmental activities	0.1	0.1	0.1	0.4	63.1%	0.5%	0.3	0.3	0.3	-5.7%	0.8%
Communication	0.4	0.3	0.3	0.7	18.9%	1.3%	0.6	0.7	0.7	2.0%	1.6%
Travel and subsistence	1.9	1.9	1.9	3.3	20.1%	7.1%	3.7	3.7	3.5	1.2%	8.9%
Training and development	0.5	0.1	0.1	0.2	-29.3%	0.8%	0.2	0.2	0.2	4.8%	0.5%
Operating payments	0.2	0.1	0.2	0.4	30.3%	0.7%	0.3	0.3	0.3	-5.6%	0.8%
Transfers and subsidies¹	0.0	0.0	0.0	0.0	-25.0%	–	0.0	0.0	0.0	–	–
Departmental agencies and accounts	–	–	–	0.0	–	–	0.0	0.0	0.0	–	–
Households	0.0	0.0	0.0	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	0.2	0.1	0.2	0.1	-12.0%	0.5%	0.1	0.1	0.1	6.0%	0.3%
Machinery and equipment	0.2	0.1	0.2	0.1	-12.0%	0.5%	0.1	0.1	0.1	6.0%	0.3%
Total	30.8	29.6	31.4	36.3	5.6%	100.0%	39.5	41.9	42.4	5.4%	100.0%
Proportion of total programme expenditure to vote expenditure	6.7%	6.5%	6.4%	6.9%	–	–	7.0%	6.9%	6.8%	–	–

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

Programme 3: Public Service Employment and Conditions of Service

Programme purpose

Develop, implement and monitor labour relations, human resource management, and remuneration policies and guidelines. Ensure coordinated collective bargaining.

Objectives

- Contribute to improving the management of appropriate conduct within the public service by monitoring and reporting on disciplinary cases in the public service on a quarterly basis.
- Manage the public service wage bill to ensure increased performance without increasing expenditure by:
 - determining a wage bill strategy for the public service informed by a review of personnel expenditure by March 2021
 - developing a revised remuneration policy for the public service by March 2023
 - developing a job-grading system, applicable to all jobs and applied across all sectors of the public service, by March 2022, to be implemented from March 2023.

Subprogrammes

- *Management: Public Service Employment and Conditions of Service* provides administrative support and management to the programme.
- *Labour Relations, Negotiations and Discipline Management* implements and maintains policies and systems on labour relations issues for the public service, coordinates and facilitates discipline management, and ensures coordinated collective bargaining in the Public Service Coordinating Bargaining Council and the General Public Service Sectoral Bargaining Council.

- *Workplace Environment Management* develops and supports the implementation of employee health and wellness frameworks and policies within the public service, and ensures the institutionalisation of the public service charter among public service employees.
- *Human Resource Development* aims to improve the competency level of public servants through activities targeted at capacity development. These include internships, learnerships, compulsory courses and skills programmes designed to ensure a constant pool of productive employees through appropriate policies, prescripts, advice and support.
- *Remuneration and Job Grading* develops, implements and maintains policies, practices and systems on remuneration and job grading.
- *Employee Benefits* focuses on the development, implementation and maintenance of policies and practices on general and macro benefits. These include pension benefits, medical assistance, housing allowances, working hours, leave, foreign service dispensation and remunerative allowances.
- *Human Resource Planning, Employment Practices and Performance Management* manages and supports the implementation of human resources planning, and employment policies, frameworks, systems and practices.

Expenditure trends and estimates

Table 11.8 Public Service Employment and Conditions of Service 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 (%)
	2016/17	2017/18	2018/19		2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23		
R million												
Management: Public Service	1.5	1.2	0.8		3.8	36.3%	2.7%	3.9	4.2	4.3	3.9%	5.1%
Employment and Conditions of Service												
Labour Relations, Negotiations and Discipline Management	6.6	6.1	7.7		7.5	4.6%	10.2%	8.0	8.4	8.7	4.9%	10.2%
Workplace Environment Management	4.8	5.0	4.8		5.3	3.3%	7.2%	5.6	5.9	6.1	5.1%	7.2%
Human Resource Development	4.4	4.4	5.4		5.2	5.6%	7.1%	5.0	4.2	4.3	-5.9%	5.8%
Remuneration and Job Grading	21.6	22.8	21.9		11.7	-18.5%	28.5%	13.2	17.3	17.8	14.9%	18.8%
Employee Benefits	16.3	13.4	15.7		28.6	20.8%	27.0%	28.5	26.7	27.2	-1.7%	34.8%
Human Resource Planning, Employment Practices and Performance Management	11.0	11.7	11.3		13.5	7.0%	17.4%	13.4	15.3	15.8	5.5%	18.2%
Total	66.1	64.7	67.5		75.6	4.6%	100.0%	77.7	81.9	84.1	3.6%	100.0%
Change to 2019 Budget estimate					(8.8)			(12.9)	(12.2)	(13.6)		
Economic classification												
Current payments	64.9	62.4	66.5		75.2	5.0%	98.2%	77.4	81.6	83.7	3.7%	99.6%
Compensation of employees	49.2	49.6	50.2		59.7	6.7%	76.2%	59.5	63.3	65.6	3.1%	77.7%
Goods and services ¹	15.7	12.8	16.3		15.4	-0.5%	22.0%	17.9	18.3	18.2	5.6%	21.9%
of which:												
Communication	0.9	0.8	0.8		1.2	13.0%	1.4%	1.3	1.4	1.5	5.6%	1.7%
Computer services	2.0	1.7	1.8		1.7	-4.7%	2.6%	2.4	2.3	2.4	12.1%	2.8%
Consultants: Business and advisory services	1.8	1.0	1.0		1.0	-16.6%	1.8%	2.0	2.0	2.0	24.6%	2.2%
Operating leases	2.3	1.6	4.0		0.2	-52.8%	3.0%	0.6	0.9	1.5	83.1%	1.0%
Travel and subsistence	4.2	4.7	5.4		5.1	6.4%	7.1%	4.5	4.8	4.3	-5.8%	5.8%
Operating payments	0.8	0.4	0.3		1.9	33.1%	1.3%	3.5	3.3	3.0	15.5%	3.7%
Transfers and subsidies¹	0.8	1.2	0.5		0.1	-58.7%	0.9%	-	-	-	-100.0%	-
Provinces and municipalities	0.0	0.0	-		-	-100.0%	-	-	-	-	-	-
Households	0.7	1.2	0.5		0.1	-58.6%	0.9%	-	-	-	-100.0%	-
Payments for capital assets	0.5	1.1	0.5		0.3	-10.6%	0.9%	0.3	0.3	0.3	0.8%	0.4%
Machinery and equipment	0.5	1.1	0.5		0.3	-10.6%	0.9%	0.3	0.3	0.3	0.8%	0.4%
Payments for financial assets	0.0	-	0.0		-	-100.0%	-	-	-	-	-	-
Total	66.1	64.7	67.5		75.6	4.6%	100.0%	77.7	81.9	84.1	3.6%	100.0%
Proportion of total programme expenditure to vote expenditure	14.3%	14.2%	13.7%		14.3%	-	-	13.7%	13.5%	13.4%	-	-

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

Programme 4: Government Chief Information Officer

Programme purpose

Create an environment for the deployment of IT as a strategic tool of public administration. Minimise and control IT-related risks and costs in the public service.

Objectives

- Deploy a public service digital administration strategy to facilitate the digital transformation of public administration for implementation in selected national and provincial departments by March 2022.
- Improve business intelligence in the public service by developing a public service data governance framework for implementation in selected national and provincial departments by March 2021.

Subprogrammes

- *Management: Government Chief Information Officer* provides for administrative support and management to the programme.
- *Public Service ICT e-Enablement* develops a common public service vision and approach to ICT service delivery through the development and support of an ICT strategy.
- *Public Service ICT Stakeholder Management* coordinates and consolidates public service efforts in ICT to deploy ICT as a tool for service delivery; and manages the development of ICT governance and oversight policies and frameworks, and supports their implementation.
- *Public Service ICT Risk Management* reduces and controls public service ICT risks by continually improving the corporate governance of ICT in the public service based on identified risks in a rapidly evolving ICT environment.
- *Public Service ICT Service Management* minimises ICT costs in the public service by aligning the provision of ICT services with the department's ICT strategy, and developing and implementing related policies.

Expenditure trends and estimates

Table 11.9 Government Chief Information Officer 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Management: Government Chief Information Officer	0.9	1.6	2.9	3.4	56.6%	11.6%	3.6	3.8	3.9	4.2%	12.9%
Public Service ICT e-Enablement	4.6	5.1	6.2	7.9	19.8%	31.2%	11.3	11.8	12.1	15.3%	37.8%
Public Service ICT Stakeholder Management	6.1	5.8	7.2	6.2	0.8%	33.2%	7.5	5.9	6.6	2.2%	23.1%
Public Service ICT Risk Management	3.1	2.8	3.0	4.3	11.7%	17.4%	4.6	5.9	6.1	12.3%	18.4%
Public Service ICT Service Management	1.3	1.1	1.2	1.5	5.5%	6.6%	1.6	2.8	3.0	25.9%	7.8%
Total	15.9	16.5	20.5	23.3	13.6%	100.0%	28.6	30.3	31.7	10.7%	100.0%
Change to 2019				–			3.7	0.7	0.9		
Budget estimate											

Table 11.9 Government Chief Information Officer expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	15.7	16.1	20.4	23.0	13.5%	98.6%	28.3	30.0	31.4	10.9%	99.0%
Compensation of employees	13.5	13.5	14.9	17.5	9.0%	77.8%	19.3	20.5	21.8	7.7%	69.4%
Goods and services ¹	2.2	2.6	5.5	5.5	35.4%	20.8%	9.1	9.5	9.6	20.1%	29.6%
of which:											
Catering: Departmental activities	0.1	0.0	0.6	0.2	20.7%	1.2%	0.2	0.2	0.2	4.7%	0.7%
Communication	0.2	0.2	0.2	0.4	17.3%	1.3%	0.4	0.4	0.4	4.9%	1.4%
Computer services	0.2	0.2	0.2	2.0	131.6%	3.4%	5.5	5.7	5.8	42.3%	16.8%
Consultants: Business and advisory services	0.5	0.9	1.7	0.4	-8.5%	4.7%	0.4	0.4	0.4	4.8%	1.5%
Travel and subsistence	0.5	0.6	0.8	1.7	47.7%	4.8%	1.6	1.7	1.6	-1.4%	5.9%
Operating payments	0.1	0.1	0.1	0.2	33.3%	0.6%	0.2	0.2	0.2	5.9%	0.7%
Transfers and subsidies ¹	0.1	0.1	0.0	-	-100.0%	0.3%	-	-	-	-	-
Households	0.1	0.1	0.0	-	-100.0%	0.3%	-	-	-	-	-
Payments for capital assets	0.1	0.3	0.1	0.3	76.0%	1.1%	0.2	0.3	0.3	-7.9%	1.0%
Machinery and equipment	0.1	0.3	0.1	0.2	40.8%	0.9%	0.1	0.1	0.1	-24.0%	0.3%
Software and other intangible assets	-	0.0	-	0.2	-	0.2%	0.2	0.2	0.2	4.4%	0.6%
Payments for financial assets	-	0.0	0.0	-	-	-	-	-	-	-	-
Total	15.9	16.5	20.5	23.3	13.6%	100.0%	28.6	30.3	31.7	10.7%	100.0%
Proportion of total programme expenditure to vote expenditure	3.4%	3.6%	4.2%	4.4%	-	-	5.1%	5.0%	5.0%	-	-

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

Programme 5: Service Delivery Support

Programme purpose

Manage and facilitate the improvement of service delivery in government.

Objectives

- Inform the development, implementation and institutionalisation of an action plan for the African peer review mechanism by conducting an independent assessment of government through the African peer review mechanism by March 2021.
- Contribute to the improvement of service delivery on an ongoing basis by:
 - supporting national and provincial departments in selected sectors with the institutionalisation of the operations management framework
 - monitoring reporting on the implementation of Batho Pele principles in national and provincial departments
 - developing a framework for frontline staff by March 2021, and rolling it out to national and provincial departments
 - monitoring and reporting on the implementation of the public service charter in national and provincial departments
 - assisting departments to improve the quality of their service delivery improvement plans by assessing and providing feedback on the quality of plans submitted
 - managing and administering the Thusong service centre at Maponya Mall in Gauteng.

Subprogrammes

- *Management: Service Delivery Support* provides administrative support and management to the programme.
- *Service Delivery Planning and Operations Management* manages public service delivery planning and operations management through service standards, delivery models and standard operating procedures; and designs toolkits and instruments that support improved service delivery.

- *Service Delivery Improvement Initiatives* manages and supports continual service delivery improvement mechanisms, programmes and initiatives across the public service.
- *Community Development and Citizen Relations* facilitates and coordinates the implementation of community development programmes, and manages citizen relations through service delivery improvement forums.
- *Public Participation and Social Dialogue* manages, coordinates and promotes the implementation of the African peer review mechanism and public participation programmes, including the open government partnership project.
- *Batho Pele Support Initiatives* manages service delivery complaints and assists departments in designing service delivery charters with citizens and communities. This subprogramme promotes the professionalisation of government employees through change management programmes that institutionalise the Batho Pele principles.
- *Centre for Public Service Innovation* facilitates transfer payments to the Centre for Public Service Innovation, which unlocks innovation in the public sector and creates an enabling environment for improved and innovative service delivery through activities targeted at capacity development.

Expenditure trends and estimates

Table 11.10 Service Delivery Support 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million				2019/20	2016/17 - 2019/20					2019/20 - 2022/23	
Management: Service Delivery Support	2.9	3.8	3.4	4.3	14.0%	4.1%	4.5	4.8	4.9	4.2%	4.4%
Service Delivery Planning and Operations Management	3.6	3.5	10.8	9.1	36.3%	7.6%	8.5	6.3	6.3	-11.5%	7.2%
Service Delivery Improvement Initiatives	12.9	12.3	15.2	15.7	6.8%	15.8%	16.8	18.7	18.8	6.3%	16.7%
Community Development and Citizen Relations	8.3	7.0	5.7	8.8	2.0%	8.4%	9.4	9.9	10.3	5.5%	9.1%
Public Participation and Social Dialogue	14.6	11.8	6.9	13.0	-3.8%	13.1%	11.8	13.3	13.5	1.2%	12.3%
Batho Pele Support Initiatives	9.6	9.6	10.2	9.9	1.1%	11.1%	9.6	11.3	11.7	5.6%	10.2%
Centre for Public Service Innovation	32.1	34.1	36.0	38.4	6.2%	39.8%	40.8	43.3	45.1	5.5%	40.0%
Total	83.9	82.0	88.3	99.2	5.7%	100.0%	101.4	107.7	110.6	3.7%	100.0%
Change to 2019				4.5			0.2	0.3	(0.8)		
Budget estimate											

Table 11.10 Service Delivery Support expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	48.8	46.1	49.6	59.1	6.6%	57.6%	58.9	62.7	63.7	2.6%	58.3%
Compensation of employees	27.8	28.1	32.5	35.9	8.9%	35.2%	41.3	43.9	45.0	7.8%	39.7%
Goods and services ¹	21.0	18.0	17.1	23.1	3.3%	22.4%	17.7	18.7	18.7	-6.8%	18.7%
of which:											
Catering: Departmental activities	1.0	2.1	2.3	2.2	29.7%	2.1%	1.1	1.2	1.3	-16.0%	1.4%
Contractors	1.1	0.9	0.6	3.4	47.3%	1.7%	1.0	2.6	2.6	-9.0%	2.3%
Operating leases	0.1	–	0.3	1.2	180.2%	0.4%	0.9	1.2	1.3	2.7%	1.1%
Property payments	0.5	0.2	0.2	1.6	46.8%	0.7%	1.0	1.5	1.5	-0.4%	1.3%
Transport provided: Departmental activity	0.1	0.7	0.3	1.3	187.1%	0.7%	1.4	1.5	1.5	5.5%	1.4%
Travel and subsistence	6.8	6.2	7.7	6.3	-2.4%	7.6%	7.4	5.2	4.9	-7.8%	5.7%
Transfers and subsidies ¹	33.6	35.5	37.4	40.0	6.1%	41.5%	42.3	44.9	46.7	5.3%	41.5%
Departmental agencies and accounts	32.1	34.1	36.0	38.4	6.2%	39.8%	40.8	43.3	45.1	5.5%	40.0%
Foreign governments and international organisations	1.4	1.3	1.4	1.5	1.8%	1.6%	1.5	1.6	1.6	3.7%	1.5%
Households	0.1	0.1	0.0	0.1	21.3%	0.1%	–	–	–	-100.0%	–
Payments for capital assets	1.2	0.4	1.2	0.1	-52.6%	0.9%	0.1	0.1	0.2	5.2%	0.1%
Machinery and equipment	1.2	0.4	1.2	0.1	-52.6%	0.9%	0.1	0.1	0.2	5.2%	0.1%
Payments for financial assets	0.3	0.0	0.0	–	-100.0%	0.1%	–	–	–	–	–
Total	83.9	82.0	88.3	99.2	5.7%	100.0%	101.4	107.7	110.6	3.7%	100.0%
Proportion of total programme expenditure to vote expenditure	18.1%	18.0%	17.9%	18.8%	–	–	17.9%	17.8%	17.6%	–	–

Details of selected transfers and subsidies

Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	32.1	34.1	36.0	38.4	6.2%	39.8%	40.8	43.3	45.1	5.5%	40.0%
Centre for Public Service Innovation	32.1	34.1	36.0	38.4	6.2%	39.8%	40.8	43.3	45.1	5.5%	40.0%
Foreign governments and international organisations											
Current	1.4	1.3	1.4	1.5	1.8%	1.6%	1.5	1.6	1.6	3.7%	1.5%
Open Government Partnership	1.4	1.3	1.4	1.5	1.8%	1.6%	1.5	1.6	1.6	3.7%	1.5%

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

Programme 6: Governance of Public Administration

Programme purpose

Manage and oversee the implementation of policies, strategies and programmes on public service integrity, intergovernmental relations, the macro organisation of the state, organisational design and senior leadership management. Manage government intervention programmes.

Objectives

- Intensify the fight against corruption by developing a framework for conducting lifestyle audits by March 2021, which will be piloted in 5 departments by March 2022.
- Improve transparency, responsibility and accountability in the public service by monitoring and reporting on the department's compliance with the directive on public administration and management delegations on an ongoing basis to ensure that public service employees are prohibited from conducting business with the state.
- Contribute to the stabilisation of the public service by developing a Cabinet memorandum on the retention of heads of departments by March 2021.
- Enhance the quality of organisational structures in the public service by providing training and support to national and provincial departments on organisational design on an ongoing basis.

Subprogrammes

- *Management: Governance of Public Administration* provides administrative support and management to the programme.
- *Ethics and Integrity Management* develops and manages policies, strategies and programmes on ethics and integrity in the public service.
- *Organisational Design and Macro Organisation of the Public Service* develops, manages and supports the implementation of organisational design, and macro organisational policies and frameworks for the public service and the state.
- *Transformation Policies and Programmes* manages the development and supports the implementation of transformation and diversity management policies, practices and frameworks.
- *Intergovernmental Relations and Government Interventions* manages intergovernmental relations between Parliament and Cabinet, and manages government interventions in public administration.
- *Leadership Management* provides a leadership and management framework for the senior management service to ensure good governance of the public service.
- *Human Resource Management Information Systems* manages the development, implementation and maintenance of the human resource management module of the integrated financial management system, and provides data and statistics from the PERSAL system.

Expenditure trends and estimates

Table 11.11 Governance of Public Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17	2019/20	2020/21	2021/22	2022/23	2019/20	2022/23
R million											
Management: Governance of Public Administration	3.3	3.6	3.4	4.2	7.7%	8.3%	4.3	4.6	4.7	3.8%	7.0%
Ethics and Integrity Management	11.5	12.6	12.4	15.7	10.8%	30.0%	22.5	29.1	30.8	25.1%	38.8%
Organisational Design and Macro Organisation of the Public Service	6.5	6.3	7.6	9.3	12.4%	17.0%	9.9	10.5	10.8	5.4%	16.0%
Transformation Policies and Programmes	4.3	3.4	3.4	4.6	2.6%	9.1%	4.9	5.2	5.4	5.5%	8.0%
Intergovernmental Relations and Government Interventions	4.4	3.8	4.6	4.3	-0.5%	9.8%	4.5	4.8	5.0	5.0%	7.4%
Leadership Management	5.7	3.9	4.9	6.5	4.4%	12.0%	6.9	7.3	7.5	5.3%	11.2%
Human Resource Management Information Systems	5.2	5.7	6.3	6.7	8.5%	13.7%	7.1	7.6	7.9	5.7%	11.6%
Total	40.9	39.3	42.6	51.2	7.7%	100.0%	60.2	69.2	72.1	12.1%	100.0%
Change to 2019				–			5.2	10.1	10.8		
Budget estimate											
Economic classification											
Current payments	40.4	38.7	41.8	48.0	5.9%	97.0%	59.8	68.7	71.6	14.2%	98.2%
Compensation of employees	31.4	30.2	33.7	36.5	5.2%	75.7%	43.9	52.1	54.3	14.1%	73.9%
Goods and services ¹	9.0	8.5	8.1	11.5	8.4%	21.3%	15.9	16.6	17.3	14.7%	24.3%
of which:											
Catering: Departmental activities	0.2	0.0	0.1	0.5	37.4%	0.5%	0.5	0.6	0.6	5.3%	0.9%
Communication	0.6	0.5	0.5	0.7	5.8%	1.2%	0.7	0.7	0.8	5.0%	1.1%
Computer services	3.8	3.9	4.4	5.8	14.6%	10.3%	10.1	10.5	11.2	25.0%	14.9%
Travel and subsistence	2.3	2.0	1.6	3.2	10.6%	5.2%	3.1	3.3	3.1	-0.5%	5.0%
Training and development	0.2	0.4	0.1	0.3	2.2%	0.6%	0.3	0.3	0.3	5.1%	0.4%
Operating payments	0.2	0.2	0.2	0.3	19.6%	0.5%	0.3	0.3	0.4	4.3%	0.5%
Transfers and subsidies¹	0.3	0.4	0.7	1.9	80.2%	1.9%	0.3	0.3	0.4	-42.6%	1.1%
Foreign governments and international organisations	0.2	0.2	0.3	0.3	8.2%	0.6%	0.3	0.3	0.4	5.9%	0.5%
Households	0.1	0.2	0.4	1.6	165.6%	1.3%	–	–	–	-100.0%	0.6%

Table 11.11 Governance of Public Administration expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Payments for capital assets	0.2	0.2	0.2	1.3	88.6%	1.1%	0.1	0.1	0.1	-51.9%	0.7%
Machinery and equipment	0.2	0.2	0.2	0.1	-13.7%	0.4%	0.1	0.1	0.1	5.0%	0.2%
Software and other intangible assets	—	—	—	1.2	—	0.7%	—	—	—	-100.0%	0.5%
Payments for financial assets	0.0	0.0	—	—	-100.0%	—	—	—	—	—	—
Total	40.9	39.3	42.6	51.2	7.7%	100.0%	60.2	69.2	72.1	12.1%	100.0%
Proportion of total programme expenditure to vote expenditure	8.8%	8.6%	8.7%	9.7%	—	—	10.6%	11.4%	11.5%	—	—

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

Other department within the vote

Centre for Public Service Innovation

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	22.2	21.6	0.0	0.6	23.5	24.5
Public Sector Innovation	18.7	18.7	–	–	19.8	20.6
Total expenditure estimates	40.8	40.2	0.0	0.6	43.3	45.1

Executive authority Minister for Public Service and Administration
 Accounting officer Chief Executive Officer of the Centre for Public Service Innovation
 Website www.cpsi.co.za

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Department purpose

Facilitate the unearthing, development and practical implementation of innovative solutions within and throughout the public service.

Mandate

The responsibility for innovation in the public sector is vested in the Minister for Public Service and Administration, in terms of section 3(1)(i) of the Public Service Act (1994). The Centre for Public Service Innovation is tasked by the minister to fulfil this mandate, which includes establishing norms and standards relating to transformation, reform and innovation to improve the effectiveness and efficiency of the public service and its service delivery to the public.

Selected performance indicators

Table 11.12 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Number of innovative solutions developed to address service delivery challenges per year	Public Sector Innovation	Priority 6: A capable, ethical and developmental state	– ¹	– ¹	– ¹	2	2	2	2
Number of innovative solutions facilitated and supported for replication per year	Public Sector Innovation		2	0	2	2	2	2	2
Number of knowledge platforms hosted to unearth, demonstrate, share, encourage and award innovation in the public sector per year	Public Sector Innovation		10	10	9	9	9	9	9

1. No historical data available.

Expenditure analysis

The Centre for Public Service Innovation is tasked to contribute to the improvement, effectiveness and efficiency of the public service and its delivery of services to the public. This is in line with the National Development Plan's vision of a capable and developmental state, and contributes to priority 6 (a capable, ethical and developmental state) of government's 2019-2024 medium-term strategic framework.

Spending on the compensation of an average of 32 employees per year over the medium term accounts for an estimated 54.8 per cent (R70.9 million) of the centre's total budget, which increases at an average annual rate of 5.9 per cent, from R20.9 million in 2019/20 to R24.8 million in 2022/23.

The centre aims to encourage innovation in government through initiatives such as the annual public sector

innovation awards, and selects some of the innovative solutions submitted to the awards for replication in targeted government sectors, particularly for identified service delivery challenges. It also collaborates with other government departments, non-governmental organisations, the private sector, tertiary institutions, academics and international entities to find innovative solutions. Where existing solutions cannot be found, new solutions are developed through targeted innovation partnerships. These initiatives are allocated R1.3 million over the MTEF period in the *Solution Support and Incubation* subprogramme in the *Public Sector Innovation* programme.

An estimated R501 000 per year over the medium term will be spent on facilitating 1 conference and 4 training sessions annually for public sector officials on the management of innovation in the public sector. Some of the outcomes from these conferences and sessions will be published in *Ideas that Work: The South African Public Sector Innovation Journal*, which is an important platform for entrenching information sharing and learning for an informed and empowered public sector, including researchers in academic institutions. The centre plans to publish 1 edition of the journal, which is disseminated throughout the public sector in the country and internationally, per year over the medium term, with printing costs estimated to be R374 000 per edition. The centre will also participate in 2 global innovation programmes to share information on innovation initiatives across the world and increase exposure for noteworthy innovations in the South African public sector. This work will be carried out in the *Enabling Environment* subprogramme, spending in which accounts for an estimated 49.1 per cent (R28.8 million) of the total budget in the *Public Sector Innovation* programme over the medium term. Expenditure in this programme is expected to increase at an annual average rate of 5.6 per cent, from R17.5 million in 2019/20 to R20.6 million in 2022/23.

Expenditure trends and estimates

Table 11.13 Department expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Public Sector Innovation											
Programme					Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome				Adjusted appropriation						
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	17.9	18.3	18.4	21.0	5.4%	55.6%	22.2	23.5	24.5	5.3%	54.4%
Programme 2	13.5	14.2	15.3	17.5	8.9%	44.4%	18.7	19.8	20.6	5.6%	45.6%
Total	31.4	32.5	33.7	38.4	7.0%	100.0%	40.8	43.3	45.1	5.5%	100.0%
Change to 2019				–			(0.1)	(0.1)	–		
Budget estimate											
Economic classification											
Current payments	29.1	32.0	33.1	37.8	9.0%	97.0%	40.2	42.7	44.4	5.6%	98.5%
Compensation of employees	15.6	18.0	18.8	20.9	10.3%	53.9%	22.3	23.8	24.8	5.9%	54.8%
Goods and services ¹	13.5	14.0	14.3	16.8	7.6%	43.1%	17.9	18.9	19.6	5.2%	43.7%
of which:											
Audit costs: External	1.4	1.8	1.1	1.6	3.1%	4.4%	1.7	1.8	1.9	5.7%	4.2%
Computer services	0.7	0.9	1.0	2.3	45.1%	3.7%	1.9	2.0	2.1	-2.9%	5.0%
Consultants: Business and advisory services	0.6	0.5	1.0	0.7	6.1%	2.1%	0.8	0.9	0.9	8.9%	2.0%
Operating leases	2.8	3.7	4.4	4.1	13.9%	11.0%	4.6	4.8	5.0	6.6%	11.0%
Travel and subsistence	2.8	2.1	2.2	2.9	2.3%	7.4%	2.9	3.1	3.3	3.5%	7.3%
Venues and facilities	1.2	0.9	1.1	1.2	-2.0%	3.2%	1.7	1.7	1.8	16.3%	3.8%
Transfers and subsidies ¹	0.0	–	0.2	0.1	304.1%	0.2%	0.0	0.0	0.0	-75.3%	0.0%
Departmental agencies and accounts	–	–	–	0.0	0.0%	0.0%	0.0	0.0	0.0	0.0%	0.0%
Households	0.0	–	0.2	0.1	302.1%	0.2%	–	–	–	-100.0%	0.0%
Payments for capital assets	2.3	0.5	0.5	0.6	-35.2%	2.8%	0.6	0.6	0.7	1.9%	1.5%
Buildings and other fixed structures	0.8	–	–	–	-100.0%	0.6%	–	–	–	0.0%	0.0%
Machinery and equipment	1.3	0.5	0.3	0.3	-36.4%	1.8%	0.3	0.3	0.3	-0.7%	0.7%
Software and other intangible assets	0.2	–	0.2	0.3	14.3%	0.5%	0.3	0.3	0.3	4.8%	0.8%
Payments for financial assets	–	0.0	0.0	–	0.0%	0.0%	–	–	–	0.0%	0.0%
Total	31.4	32.5	33.7	38.4	7.0%	100.0%	40.8	43.3	45.1	5.5%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 11.14 department transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R thousand											
Households											
Other transfers to households											
Current	1	–	175	65	302.1%	100.0%	–	–	–	-100.0%	100.0%
Employee social benefits	1	–	175	65	302.1%	100.0%	–	–	–	-100.0%	100.0%
Total	1	–	175	65	302.1%	100.0%	–	–	–	-100.0%	100.0%

Personnel information

Table 11.15 Departmental personnel numbers and cost by salary level and programme¹

Programmes

- Administration
- Public Sector Innovation

2. Public sector innovation

Number of posts estimated for 31 March 2020			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 (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost
Centre for Public Service Innovation			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	32	–	32	18.8	0.6	32	20.9	0.7	32	22.3	0.7	32	23.8	0.7	32	24.8	0.8	–	100.0%
1 – 6	14	–	14	3.2	0.2	14	3.7	0.3	14	4.0	0.3	14	4.3	0.3	14	4.5	0.3	–	43.8%
7 – 10	3	–	3	1.2	0.4	3	1.3	0.4	3	1.4	0.5	3	1.5	0.5	3	1.6	0.5	–	9.4%
11 – 12	9	–	9	7.2	0.8	9	7.9	0.9	9	8.3	0.9	9	8.8	1.0	9	9.1	1.0	–	28.1%
13 – 16	6	–	6	7.2	1.2	6	8.0	1.3	6	8.7	1.4	6	9.2	1.5	6	9.6	1.6	–	18.8%
Programme	32	–	32	18.8	0.6	32	20.9	0.7	32	22.3	0.7	32	23.8	0.7	32	24.8	0.8	–	100.0%
Programme 1	19	–	19	9.6	0.5	19	10.7	0.6	19	11.3	0.6	19	12.0	0.6	19	12.6	0.7	–	59.4%
Programme 2	13	–	13	9.2	0.7	13	10.2	0.8	13	11.0	0.8	13	11.7	0.9	13	12.2	0.9	–	40.6%

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

2. Rand million.

Departmental receipts

Table 11.16 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
R thousand												
Departmental receipts	3	24	13	6	6	26.0%	100.0%	8	9	9	14.5%	100.0%
Sales of goods and services produced by department	3	5	5	6	6	26.0%	41.3%	8	9	9	14.5%	100.0%
Other sales	3	5	5	6	6	26.0%	41.3%	8	9	9	14.5%	100.0%
of which:												
Insurance collections	3	5	5	6	6	26.0%	41.3%	8	9	9	14.5%	100.0%
Transactions in financial assets and liabilities	–	19	8	–	–	–	58.7%	–	–	–	–	–
Total	3	24	13	6	6	26.0%	100.0%	8	9	9	14.5%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 11.17 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19		2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23		
R million											
Strategic Management	3.7	3.7	2.9	4.1	3.8%	19.0%	4.1	4.3	4.5	2.9%	18.6%
Corporate Resource Management	9.6	8.9	10.1	10.3	2.3%	51.4%	11.5	12.2	12.7	7.4%	51.2%
Office of the Chief Financial Officer	4.6	5.7	5.4	6.6	12.5%	29.6%	6.6	7.0	7.3	3.4%	30.1%
Total	17.9	18.3	18.4	21.0	5.4%	100.0%	22.2	23.5	24.5	5.3%	100.0%
Change to 2019				–			(0.1)	(0.1)	–		
Budget estimate											
Economic classification											
Current payments	16.1	17.9	18.1	20.4	8.2%	96.0%	21.6	22.9	23.9	5.3%	97.3%
Compensation of employees	7.8	9.3	9.6	10.7	10.8%	49.4%	11.3	12.0	12.6	5.7%	51.1%
Goods and services ¹	8.3	8.6	8.5	9.8	5.7%	46.5%	10.3	10.9	11.3	4.9%	46.3%
of which:											
Audit costs: External	1.4	1.8	1.1	1.6	3.1%	7.8%	1.7	1.8	1.9	5.7%	7.7%
Computer services	0.7	0.9	1.0	1.2	16.1%	5.1%	1.2	1.3	1.4	5.9%	5.6%
Consultants: Business and advisory services	0.6	0.5	0.3	0.3	-19.1%	2.3%	0.4	0.4	0.5	13.4%	1.8%
Operating leases	2.8	3.7	4.4	4.1	13.9%	19.8%	4.6	4.8	5.0	6.6%	20.3%
Property payments	0.4	0.4	0.4	0.3	-10.3%	2.0%	0.3	0.4	0.4	6.2%	1.5%
Travel and subsistence	1.0	0.7	0.5	0.9	-1.8%	4.1%	0.8	0.8	0.8	-3.5%	3.7%
Transfers and subsidies¹	0.0	–	0.2	0.0	–	0.2%	0.0	0.0	0.0	–	–
Departmental agencies and accounts	–	–	–	0.0	–	–	0.0	0.0	0.0	–	–
Households	0.0	–	0.2	–	-100.0%	0.2%	–	–	–	–	–
Payments for capital assets	1.8	0.4	0.1	0.6	-32.4%	3.8%	0.6	0.6	0.7	5.8%	2.6%
Buildings and other fixed structures	0.8	–	–	–	-100.0%	1.1%	–	–	–	–	–
Machinery and equipment	1.0	0.4	0.1	0.3	-35.3%	2.3%	0.3	0.3	0.3	7.0%	1.3%
Software and other intangible assets	0.0	–	0.0	0.3	118.7%	0.4%	0.3	0.3	0.3	4.8%	1.4%
Payments for financial assets	–	–	0.0	–	–	–	–	–	–	–	–
Total	17.9	18.3	18.4	21.0	5.4%	100.0%	22.2	23.5	24.5	5.3%	100.0%
Proportion of total programme expenditure to vote expenditure	57.0%	56.4%	54.5%	54.6%	–	–	54.3%	54.3%	54.4%	–	–

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

Programme 2: Public Sector Innovation

Programme purpose

Drive service delivery innovation in the public sector in line with government priorities.

Objectives

- Contribute to improving the delivery of public services by:
 - developing innovative solutions to address service delivery challenges on an ongoing basis
 - investigating challenges in service delivery to identify solutions, in partnership with the relevant stakeholders, for possible development, adaptation, piloting and/or replication on an ongoing basis
 - hosting 9 knowledge-sharing platforms per year to unearth, demonstrate, share, encourage and award innovation in the public sector annually
 - publishing 1 edition of Ideas that Work: The South African Public Sector Innovation Journal annually to encourage learning and information sharing.

Subprogrammes

- Research and Development* establishes the knowledge base in support of the programme to inform the selection and development of potentially innovative models and solutions.

- *Solution Support and Incubation* facilitates the testing, piloting, demonstration, replication and mainstreaming of innovative solutions for the public sector.
- *Enabling Environment* nurtures and sustains an enabling environment to entrench a culture and practice of innovation in the public sector through innovative platforms and products.

Expenditure trends and estimates

Table 11.18 Public Sector Innovation expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Average: Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Research and Development	2.5	3.5	3.8	4.5	22.2%	23.8%	4.9	5.1	5.4	5.6%	26.0%
Solution Support and Incubation	3.4	3.3	3.6	4.2	7.1%	24.1%	4.7	5.0	5.2	7.3%	24.9%
Enabling Environment	7.6	7.3	7.9	8.7	4.7%	52.1%	9.1	9.7	10.0	4.9%	49.1%
Total	13.5	14.2	15.3	17.5	8.9%	100.0%	18.7	19.8	20.6	5.6%	100.0%
Change to 2019 Budget estimate				–			(0.1)	(0.1)	–		
Economic classification											
Current payments	13.0	14.1	14.9	17.3	10.0%	98.2%	18.7	19.8	20.6	5.9%	99.8%
Compensation of employees	7.8	8.8	9.2	10.2	9.7%	59.4%	11.0	11.7	12.2	6.1%	59.2%
Goods and services ¹	5.3	5.3	5.8	7.1	10.4%	38.7%	7.6	8.0	8.3	5.6%	40.6%
of which:											
Computer services	0.0	–	0.0	1.1	555.0%	1.9%	0.7	0.7	0.7	-14.1%	4.2%
Consultants: Business and advisory services	–	–	0.7	0.4	–	1.8%	0.4	0.4	0.5	5.0%	2.2%
Contractors	0.9	1.0	1.1	0.8	-4.9%	6.1%	0.8	0.9	0.9	5.2%	4.4%
Travel and subsistence	1.8	1.5	1.7	2.0	4.4%	11.5%	2.2	2.3	2.4	6.5%	11.7%
Operating payments	0.6	0.6	0.3	0.5	-4.4%	3.3%	0.6	0.6	0.6	8.7%	3.1%
Venues and facilities	1.1	0.9	1.1	1.1	-1.3%	6.8%	1.5	1.6	1.7	16.9%	7.8%
Transfers and subsidies¹	–	–	0.0	0.1	–	0.1%	–	–	–	-100.0%	0.1%
Households	–	–	0.0	0.1	–	0.1%	–	–	–	-100.0%	0.1%
Payments for capital assets	0.5	0.1	0.4	0.1	-48.4%	1.7%	–	–	–	-100.0%	0.1%
Machinery and equipment	0.3	0.1	0.2	0.1	-40.4%	1.1%	–	–	–	-100.0%	0.1%
Software and other intangible assets	0.2	–	0.2	–	-100.0%	0.5%	–	–	–	–	–
Payments for financial assets	–	0.0	–	–	–	–	–	–	–	–	–
Total	13.5	14.2	15.3	17.5	8.9%	100.0%	18.7	19.8	20.6	5.6%	100.0%
Proportion of total programme expenditure to vote expenditure	43.0%	43.6%	45.5%	45.4%	–	–	45.7%	45.7%	45.6%	–	–

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

Vote 12

Public Service Commission

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	143.3	141.6	0.5	1.2	152.1	160.6
Leadership and Management Practices	47.2	47.1	–	0.1	50.2	51.2
Monitoring and Evaluation	46.1	46.0	–	0.1	49.0	50.0
Integrity and Anti-Corruption	61.1	61.0	–	0.1	65.0	66.4
Total expenditure estimates	297.6	295.7	0.5	1.4	316.3	328.2

Executive authority Minister for Public Service and Administration

Accounting officer Director-General of the Public Service Commission

Website www.psc.gov.za

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Promote constitutional values and the principles of public administration in the public service.

Mandate

The Public Service Commission is an independent institution established in terms of chapter 10 of the Constitution. The commission derives its mandate from sections 195 and 196 of the Constitution, which set out the values and principles that govern public administration. The commission is vested with custodial oversight responsibilities for the public service; and monitors, evaluates and investigates public administration practices. It has the power to issue directives on compliance with personnel procedures relating to recruitment, transfers, promotions and dismissals.

Selected performance indicators

Table 12.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage of grievances finalised per year	Leadership and Management Practices	Priority 6: A capable, ethical and developmental state	87% (615/709)	85% (559/654)	88% (505/571)	80%	80%	80%	80%
Number of reports on the management of grievances in the public service produced per year	Leadership and Management Practices		1	1	3	1	1	1	1
Number of communiques on grievance management drafted per year	Leadership and Management Practices		– ¹	2	2	2	2	2	2
Number of research reports on strategic human resources and leadership produced per year	Leadership and Management Practices		5	6	5	2	2	2	2

Table 12.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of reports on the evaluation of constitutional values and principles produced per year	Monitoring and Evaluation	Priority 6: A capable, ethical and developmental state	4	14	100	12	50	12	12
Percentage of public administration investigations concluded per year	Integrity and Anti-Corruption		84% (303/360)	69% (211/306)	68% (193/283)	70%	75%	75%	75%
Number of reports on selected public administration practices produced per year	Integrity and Anti-Corruption		4	2	2	2	1	1	1
Number of research reports on professional ethics per year	Integrity and Anti-Corruption		— ¹	1	1	1	1	1	1
Percentage of national anti-corruption hotline cases referred to relevant departments within 7 days of receipt of report per year	Integrity and Anti-Corruption		100% (1 856/1 856)	99.5% (878/882)	99.9% (1 075/1 076)	90%	80%	80%	80%
Percentage of financial disclosure forms received and scrutinised per year	Integrity and Anti-Corruption		100% (10 302/10 302)	100% (10 267/10 267)	100% (10 253/10 253)	100%	100%	100%	100%
Percentage of early resolution cases finalised within 45 days upon receipt of all relevant information per year	Integrity and Anti-Corruption		85% (126/148)	89% (17/19)	95% (40/42)	90%	80%	80%	80%

1. No historical data available.

Expenditure analysis

Chapters 13 and 14 of the National Development Plan set out a vision for building a capable and developmental state and, in doing so, rooting out corruption by building a resilient anti-corruption system. Priority 6 (a capable, ethical and developmental state) of government's 2019-2024 medium-term strategic framework gives expression to this vision. As the work of the Public Service Commission is directly aligned with this priority, over the medium term it intends to focus on promoting the implementation of constitutional values and principles, and promoting professional ethics and sound human resource management practices in the public service.

Expenditure increases at an average annual rate of 5.7 per cent, from R278.2 million in 2019/20 to R328.2 million in 2022/23. Compensation of employees accounts for approximately 76.9 per cent (R725.5 million) of the department's total expenditure over the medium term.

Promoting the implementation of constitutional values and principles

To ensure the continuity of ongoing projects over the MTEF period, the commission plans to conduct 50 quantitative evaluation reports in 2020/21 and 12 qualitative evaluations in each of the remaining years of the MTEF period. The purpose of these reports and evaluations is to assess departments' compliance with constitutional values and principles with a view to promote a culture of excellence in the public service. Quantitative indicators are used to establish whether systems are in place, while qualitative indicators aim to establish whether those systems assist in effecting change. Related activities will be carried out in the *Governance Monitoring* subprogramme, which accounts for 22.4 per cent (R32.5 million) of expenditure in the *Monitoring and Evaluation* programme over the medium term.

Based on these evaluation reports, the commission plans to schedule 30 workshops over the medium term in the national and provincial spheres of government that target participants at various levels, including senior management, to increase their awareness of constitutional values and principles. The commission will also continue to monitor that payments to suppliers are made within 30 days of receiving their invoices. This is to ensure that the public service is responsive to government's call for enterprise development and providing support to small, medium and micro enterprises.

Promoting professional ethics and sound human resource management practices in the public service

Professional ethics in the public service and the sound management of its human resources are crucial to building a capable developmental state that is aware of and responsive to the needs of all citizens. To promote professional ethics and quality leadership among national and provincial heads of departments, in 2020/21 the

commission plans to conduct a capacity-building workshop focused on leadership and ethics, including principles of effective financial management. Workshops targeted at heads of department that are specifically focused on promoting awareness of financial misconduct and ethical behaviour in the public service will also be held over the medium term. Related activities will be carried out in the *Leadership and Management Practices* programme, spending in which increases at an annual average rate of 3.6 per cent, from 46 million in 2019/20 to R51.2 million in 2022/23.

Over the period ahead, the commission plans to ensure that 80 per cent of cases reported on the national anti-corruption hotline are referred to the relevant departments within 7 days of receipt. Related activities will be carried out in the *Professional Ethics* subprogramme, which accounts for 37.6 per cent (R72.4 million) of expenditure in the *Integrity and Anti-Corruption* programme over the medium term.

Following the national macro organisation of government in 2019/20, over the MTEF period the commission plans to address grievances and complaints arising from the reorganisation process, and induct new heads of departments and executive authorities with the aim of strengthening compliance with the principles of reorganisation and effective public administration. Related activities will be carried out in the *Governance Monitoring* subprogramme in the *Monitoring and Evaluation* programme, which has a total budget of R145.0 million over the medium term.

Expenditure trends and estimates

Table 12.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Leadership and Management Practices											
3. Monitoring and Evaluation											
4. Integrity and Anti-Corruption											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	106.2	125.7	129.8	131.2	7.3%	48.4%	143.3	152.1	160.6	7.0%	48.1%
Programme 2	37.4	39.0	42.2	46.0	7.1%	16.2%	47.2	50.2	51.2	3.6%	15.9%
Programme 3	34.3	33.8	39.5	43.7	8.4%	14.9%	46.1	49.0	50.0	4.6%	15.5%
Programme 4	51.2	49.0	52.4	57.4	3.9%	20.6%	61.1	65.0	66.4	5.0%	20.5%
Total	229.1	247.4	263.9	278.2	6.7%	100.0%	297.6	316.3	328.2	5.7%	100.0%
Change to 2019 Budget estimate				–			–	–	–		
Economic classification											
Current payments	225.7	244.6	250.4	272.9	6.5%	97.5%	295.7	314.3	326.1	6.1%	99.1%
Compensation of employees	172.7	179.9	199.8	212.9	7.2%	75.1%	228.9	243.7	252.8	5.9%	76.9%
Goods and services ¹	53.0	64.7	50.3	60.0	4.2%	22.4%	66.9	70.6	73.3	6.9%	22.2%
of which:											
Audit costs: External	2.7	3.4	3.7	3.8	12.1%	1.3%	5.4	5.7	5.9	16.5%	1.7%
Communication	3.8	4.1	3.8	5.3	11.1%	1.7%	6.9	7.2	6.6	7.7%	2.1%
Computer services	4.7	6.4	5.3	7.2	15.5%	2.3%	10.9	11.4	11.9	18.0%	3.4%
Consultants: Business and advisory services	5.8	2.8	3.7	4.0	-11.4%	1.6%	5.0	5.3	5.6	11.1%	1.6%
Operating leases	20.6	30.6	19.0	21.2	0.8%	9.0%	20.5	21.7	23.1	3.0%	7.1%
Property payments	4.8	8.6	4.7	4.5	-2.3%	2.2%	4.2	4.7	4.9	2.6%	1.5%
Interest and rent on land	–	–	0.3	–	–	–	–	–	–	–	–
Transfers and subsidies¹	0.8	1.4	1.0	1.4	23.3%	0.5%	0.5	0.5	0.5	-27.2%	0.2%
Foreign governments and international organisations	0.1	0.0	–	0.0	-14.5%	–	–	–	–	-100.0%	–
Households	0.7	1.4	1.0	1.4	25.4%	0.4%	0.5	0.5	0.5	-26.6%	0.2%
Payments for capital assets	2.6	1.4	12.0	3.9	14.9%	1.9%	1.4	1.5	1.5	-26.7%	0.7%
Buildings and other fixed structures	–	–	4.0	–	–	0.4%	–	–	–	–	–
Machinery and equipment	1.5	0.9	7.7	3.7	36.4%	1.4%	1.4	1.5	1.5	-25.2%	0.7%
Software and other intangible assets	1.1	0.4	0.2	0.2	-42.0%	0.2%	–	–	–	-100.0%	–
Payments for financial assets	0.0	0.0	0.5	–	-100.0%	0.1%	–	–	–	–	–
Total	229.1	247.4	263.9	278.2	6.7%	100.0%	297.6	316.3	328.2	5.7%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 12.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/Total (%) 2016/17 - 2019/20	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R thousand											
Households											
Social benefits											
Current	702	1 392	1 024	1 385	25.4%	97.5%	498	523	548	-26.6%	98.8%
Employee Social Benefits	702	1 392	1 024	1 385	25.4%	97.5%	498	523	548	-26.6%	98.8%
Foreign governments and international organisations											
Current	56	24	—	35	-14.5%	2.5%	—	—	—	-100.0%	1.2%
Association of African Public Services Commissions	56	24	—	35	-14.5%	2.5%	—	—	—	-100.0%	1.2%
Total	758	1 416	1 024	1 420	23.3%	100.0%	498	523	548	-27.2%	100.0%

Personnel information

Table 12.4 Vote personnel numbers and cost by salary level and programme¹

Programmes

- Administration
- Leadership and Management Practices
- Monitoring and Evaluation
- Integrity and Anti-Corruption

Number of posts estimated for 31 March 2020			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 (%)					
			2018/19		2019/20		2020/21		2021/22		2022/23				2019/20 - 2022/23				
			Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost					
Public Service Commission			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
1 – 6	69	4	62	18.0	0.3	63	16.4	0.3	63	17.6	0.3	63	18.9	0.3	64	20.6	0.3	0.5%	21.5%
7 – 10	85	1	82	39.2	0.5	85	43.4	0.5	85	46.4	0.5	85	49.6	0.6	85	53.1	0.6	–	28.9%
11 – 12	76	4	79	67.7	0.9	80	74.1	0.9	81	79.8	1.0	81	84.8	1.0	76	84.7	1.1	-1.7%	27.0%
13 – 16	64	2	55	74.8	1.4	58	79.0	1.4	59	85.1	1.4	59	90.5	1.5	58	94.6	1.6	–	19.9%
Other	–	–	8	–	–	8	–	–	8	–	–	8	–	–	8	–	–	–	2.7%
Programme	294	11	286	199.8	0.7	294	212.9	0.7	296	228.9	0.8	296	243.9	0.8	291	252.9	0.9	-0.3%	100.0%
Programme 1	113	3	108	72.5	0.7	113	74.8	0.7	113	79.8	0.7	113	85.1	0.8	114	91.0	0.8	0.3%	38.5%
Programme 2	56	–	56	40.8	0.7	56	43.0	0.8	56	45.8	0.8	56	48.7	0.9	54	49.7	0.9	-1.2%	18.9%
Programme 3	55	–	51	36.9	0.7	54	40.6	0.8	55	44.4	0.8	55	47.2	0.9	53	48.2	0.9	-0.6%	18.4%
Programme 4	70	8	71	49.5	0.7	71	54.4	0.8	72	59.0	0.8	72	62.8	0.9	70	64.1	0.9	-0.5%	24.2%

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

Departmental receipts

Table 12.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate 2019/20	Revised estimate 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Receipt item/Total (%) 2016/17 - 2019/20	Medium-term receipts estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Receipt item/Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
R thousand												
Departmental receipts	371	469	535	405	405	3.0%	100.0%	581	582	477	5.6%	100.0%
Sales of goods and services produced by department	100	108	113	110	110	3.2%	24.2%	115	115	125	4.4%	22.7%
Other sales	100	108	113	110	110	3.2%	24.2%	115	115	125	4.4%	22.7%
of which:												
Parking	45	51	53	50	50	3.6%	11.2%	55	55	60	6.3%	10.8%
Commission insurance	55	57	60	60	60	2.9%	13.0%	60	60	65	2.7%	12.0%
Sales of scrap, waste, arms and other used current goods	—	—	2	—	—	—	0.1%	—	—	2	—	0.1%
of which:												
Sales: Wastepaper	—	—	2	—	—	—	0.1%	—	—	2	—	0.1%
Transfers received	—	—	96	—	—	—	5.4%	—	—	—	—	—
Interest, dividends and rent on land	15	8	9	25	25	18.6%	3.2%	14	14	12	-21.7%	3.2%
Interest	15	8	9	25	25	18.6%	3.2%	14	14	12	-21.7%	3.2%
Transactions in financial assets and liabilities	256	353	315	270	270	1.8%	67.1%	452	453	338	7.8%	74.0%
Total	371	469	535	405	405	3.0%	100.0%	581	582	477	5.6%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 12.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
R million											
Public Service Commission	19.1	21.8	26.0	23.8	7.6%	18.4%	26.0	28.2	31.1	9.3%	18.6%
Management	11.8	13.5	15.0	15.8	10.1%	11.4%	15.0	16.3	17.0	2.5%	10.9%
Corporate Services	20.4	19.5	20.8	67.6	49.2%	26.0%	23.1	24.6	25.7	-27.5%	24.0%
Property Management	24.8	38.2	25.2	23.9	-1.2%	22.8%	23.3	24.9	26.4	3.3%	16.8%
Chief financial officer	30.1	32.7	42.8	—	-100.0%	21.4%	55.9	58.2	60.4	—	29.7%
Total	106.2	125.7	129.8	131.2	7.3%	100.0%	143.3	152.1	160.6	7.0%	100.0%
Change to 2019				—			(3.3)	(2.7)	(0.9)		
Budget estimate											
Economic classification	103.3	124.1	117.2	127.4	7.2%	95.8%	141.6	150.3	158.7	7.6%	98.4%
Current payments											
Compensation of employees	60.6	65.2	72.5	74.8	7.3%	55.4%	79.7	85.0	90.9	6.7%	56.3%
Goods and services ¹	42.8	58.9	44.4	52.5	7.1%	40.3%	61.9	65.4	67.8	8.9%	42.2%
of which:											
Audit costs: External	2.7	3.4	3.7	3.8	12.1%	2.7%	5.4	5.7	5.9	16.5%	3.5%
Communication	2.0	2.6	2.4	3.6	21.8%	2.2%	5.2	5.5	4.7	9.2%	3.3%
Computer services	4.7	6.4	5.3	7.2	15.5%	4.8%	10.9	11.4	11.9	18.0%	7.0%
Consultants: Business and advisory services	2.9	2.5	3.1	3.7	8.9%	2.5%	5.0	5.3	5.6	14.4%	3.3%
Operating leases	20.6	30.6	18.6	20.6	-0.1%	18.3%	19.9	21.1	22.5	2.9%	14.3%
Property payments	4.2	7.7	3.9	3.6	-5.4%	3.9%	3.8	4.2	4.4	7.6%	2.7%
Interest and rent on land	—	—	0.3	—	—	0.1%	—	—	—	—	—
Transfers and subsidies¹	0.4	0.3	0.5	0.4	0.1%	0.3%	0.5	0.5	0.5	13.6%	0.3%
Foreign governments and international organisations	0.1	0.0	—	0.0	-14.5%	—	—	—	—	-100.0%	—
Households	0.3	0.3	0.5	0.3	2.3%	0.3%	0.5	0.5	0.5	17.4%	0.3%
Payments for capital assets	2.4	1.2	11.6	3.4	12.5%	3.8%	1.2	1.3	1.3	-26.9%	1.2%
Buildings and other fixed structures	—	—	4.0	—	—	0.8%	—	—	—	—	—
Machinery and equipment	1.3	0.8	7.6	3.4	38.8%	2.6%	1.2	1.3	1.3	-26.9%	1.2%
Software and other intangible assets	1.1	0.4	—	—	-100.0%	0.3%	—	—	—	—	—
Payments for financial assets	0.0	0.0	0.5	—	-100.0%	0.1%	—	—	—	—	—
Total	106.2	125.7	129.8	131.2	7.3%	100.0%	143.3	152.1	160.6	7.0%	100.0%
Proportion of total programme expenditure to vote expenditure	46.3%	50.8%	49.2%	47.1%	—	—	48.1%	48.1%	48.9%	—	—

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

Programme 2: Leadership and Management Practices

Programme purpose

Promote sound public service leadership, human resource management, labour relations and labour practices.

Objectives

- Improve labour relations in the public service by investigating grievances lodged with the commission, drafting communications on emerging grievance management trends to guide the public service, and conducting awareness campaigns on an ongoing basis.
- Promote effective and efficient leadership and human resource management in the public service by conducting research in these areas on an ongoing basis.

Subprogrammes

- *Labour Relations Improvement* promotes labour relations and practices through the timeous investigation of properly referred grievances and the provision of best practices in the public service.
- *Leadership and Human Resource Reviews* identifies and promotes sound human resource management and leadership practices in public administration.
- *Programme Management: Leadership and Management Practices* provides overall management of the programme.

Expenditure trends and estimates

Table 12.7 Leadership and Management Practices 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Labour Relations Improvement	11.9	12.3	12.8	14.3	6.4%	31.2%	14.7	15.2	15.8	3.4%	30.8%
Leadership and Human Resource Reviews	6.1	6.9	7.5	9.1	14.2%	17.9%	9.9	10.1	10.7	5.8%	20.4%
Programme Management: Leadership and Management Practices	19.5	19.7	21.9	22.7	5.2%	50.9%	22.6	24.9	24.6	2.8%	48.7%
Total	37.4	39.0	42.2	46.0	7.1%	100.0%	47.2	50.2	51.2	3.6%	100.0%
Change to 2019 Budget estimate				–			(1.8)	(2.1)	(3.1)		
Economic classification											
Current payments	37.2	38.8	42.0	45.3	6.8%	99.2%	47.1	50.1	51.1	4.1%	99.5%
Compensation of employees	35.4	37.6	40.8	43.0	6.7%	95.2%	45.8	48.7	49.7	4.9%	96.2%
Goods and services ¹	1.8	1.2	1.3	2.3	9.5%	4.0%	1.3	1.4	1.4	-14.7%	3.3%
of which:											
Communication	0.6	0.4	0.4	0.5	-5.5%	1.1%	0.4	0.5	0.5	0.1%	1.0%
Fleet services (including government motor transport)	0.3	0.1	0.1	0.1	-29.0%	0.3%	0.0	0.0	0.1	-19.0%	0.1%
Consumables: Stationery, printing and office supplies	0.2	0.1	0.2	0.4	30.6%	0.6%	0.3	0.3	0.3	-10.8%	0.6%
Operating leases	–	–	0.2	0.2	–	0.2%	0.2	0.2	0.2	1.2%	0.4%
Property payments	0.1	0.1	0.1	0.2	56.2%	0.3%	0.1	0.1	0.1	-18.0%	0.3%
Travel and subsistence	0.4	0.2	0.2	0.6	11.4%	0.8%	0.2	0.2	0.2	-23.3%	0.6%
Transfers and subsidies¹	0.2	0.2	0.1	0.6	49.8%	0.6%	–	–	–	-100.0%	0.3%
Households	0.2	0.2	0.1	0.6	49.8%	0.6%	–	–	–	-100.0%	0.3%
Payments for capital assets	0.1	0.1	0.1	0.1	16.4%	0.2%	0.1	0.1	0.1	-8.5%	0.1%
Machinery and equipment	0.1	0.1	0.1	0.1	16.4%	0.2%	0.1	0.1	0.1	-8.5%	0.1%
Total	37.4	39.0	42.2	46.0	7.1%	100.0%	47.2	50.2	51.2	3.6%	100.0%
Proportion of total programme expenditure to vote expenditure	16.3%	15.8%	16.0%	16.5%	–	–	15.8%	15.9%	15.6%	–	–

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

Programme 3: Monitoring and Evaluation

Programme purpose

Establish a high standard of service delivery, monitoring and good governance in the public service.

Objective

- Improve the functionality of the public service by conducting evaluations to assess its performance, and determine whether the values and principles of public administration are being upheld on an ongoing basis.

Subprogrammes

- *Governance Monitoring* provides institutional assessments and programme evaluations that support policy and management decisions.
- *Service Delivery and Compliance Evaluations* provides participative evaluations including evaluations of service delivery models, and processes to support policy and management decisions.

- *Programme Management: Monitoring and Evaluation* provides overall management to the programme.

Expenditure trends and estimates

Table 12.8 Monitoring and Evaluation expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/ Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/ Total (%)
R million											
Governance Monitoring	7.4	7.1	9.8	10.8	13.6%	23.2%	10.4	11.0	11.0	0.6%	22.9%
Service Delivery and Compliance Evaluations	7.5	6.7	7.9	9.2	7.2%	20.7%	11.1	11.8	11.8	8.7%	23.3%
Programme Management: Monitoring and Evaluation	19.5	20.0	21.9	23.7	6.7%	56.1%	24.6	26.2	27.1	4.7%	53.8%
Total	34.3	33.8	39.5	43.7	8.4%	100.0%	46.1	49.0	50.0	4.6%	100.0%
Change to 2019 Budget estimate				–			1.8	1.7	1.0		
Economic classification											
Current payments	34.2	33.5	39.1	43.0	7.9%	99.0%	46.0	48.9	49.9	5.1%	99.5%
Compensation of employees	31.7	31.7	36.9	40.6	8.6%	93.1%	44.4	47.2	48.2	5.9%	95.6%
Goods and services ¹	2.6	1.8	2.2	2.4	-2.7%	5.9%	1.6	1.7	1.8	-9.3%	3.9%
of which:											
Communication	0.5	0.4	0.4	0.4	-6.1%	1.1%	0.5	0.5	0.5	7.5%	1.0%
Fleet services (including government motor transport)	0.2	0.2	0.2	0.3	9.4%	0.6%	0.1	0.1	0.2	-20.9%	0.4%
Consumables: Stationery, printing and office supplies	0.2	0.2	0.2	0.2	-0.7%	0.5%	0.2	0.2	0.2	5.7%	0.5%
Operating leases	–	–	0.1	0.1	–	0.2%	0.3	0.3	0.3	32.0%	0.5%
Property payments	0.1	0.2	0.1	0.2	14.1%	0.4%	0.0	0.0	0.0	-41.4%	0.2%
Travel and subsistence	1.1	0.4	0.3	0.6	-17.0%	1.6%	0.4	0.4	0.5	-8.7%	1.0%
Interest and rent on land	–	–	0.0	–	–	–	–	–	–	–	–
Transfers and subsidies¹	0.0	0.3	0.2	0.4	124.4%	0.6%	–	–	–	-100.0%	0.2%
Households	0.0	0.3	0.2	0.4	124.4%	0.6%	–	–	–	-100.0%	0.2%
Payments for capital assets	0.1	0.1	0.3	0.3	80.2%	0.5%	0.1	0.1	0.1	-39.4%	0.3%
Machinery and equipment	0.1	0.1	0.1	0.1	19.3%	0.2%	0.1	0.1	0.1	-8.5%	0.2%
Software and other intangible assets	–	–	0.2	0.2	–	0.3%	–	–	–	-100.0%	0.1%
Total	34.3	33.8	39.5	43.7	8.4%	100.0%	46.1	49.0	50.0	4.6%	100.0%
Proportion of total programme expenditure to vote expenditure	15.0%	13.7%	15.0%	15.7%	–	–	15.5%	15.5%	15.2%	–	–

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

Programme 4: Integrity and Anti-Corruption

Programme purpose

Undertake public administration investigations, analyse and refer cases of alleged corruption to respective departments for investigation, and scrutinise the financial disclosure forms of senior managers to ensure an integrity-driven public service and administration.

Objectives

- Improve public administration practices by investigating appointment and procurement irregularities, in particular, to promote good governance in the public service on an ongoing basis.
- Promote professional ethical conduct over the medium term by scrutinising financial disclosure forms, monitoring the implementation of the commission's recommendations regarding cases of financial misconduct, conducting workshops to promote and create awareness of the code of conduct, and managing the national anti-corruption hotline by referring cases to the relevant departments for further investigation.

Subprogrammes

- *Public Administration Investigations* investigates and improves public administration practices, makes recommendations to departments on the promotion of good governance, and issues directives regarding compliance with the Public Service Act (1994).

- *Professional Ethics* promotes ethical conduct among public servants through the management of the financial disclosure framework and the national anti-corruption hotline, and provides advice on professional and ethical conduct in the public service.
- *Programme Management: Integrity and Anti-Corruption* provides overall management to the programme.

Expenditure trends and estimates

Table 12.9 Integrity and Anti-Corruption expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Public Administration Investigations	13.0	12.6	12.9	13.0	—	24.5%	13.4	14.3	14.3	3.1%	22.0%
Professional Ethics	19.8	17.7	19.0	23.0	5.1%	37.9%	23.1	24.6	24.7	2.4%	38.2%
Programme Management: Integrity and Anti-Corruption	18.4	18.7	20.5	21.3	5.2%	37.6%	24.6	26.1	27.5	8.8%	39.8%
Total	51.2	49.0	52.4	57.4	3.9%	100.0%	61.1	65.0	66.4	5.0%	100.0%
Change to 2019				—			3.2	3.1	3.1		
Budget estimate											
Economic classification											
Current payments	50.9	48.2	52.1	57.2	4.0%	99.4%	61.0	65.0	66.4	5.1%	99.9%
Compensation of employees	45.1	45.4	49.5	54.4	6.5%	92.7%	59.0	62.8	64.1	5.6%	96.2%
Goods and services ¹	5.9	2.8	2.5	2.8	-22.1%	6.7%	2.0	2.1	2.3	-6.8%	3.7%
of which:											
Communication	0.7	0.7	0.7	0.7	-1.1%	1.3%	0.7	0.8	0.8	4.9%	1.2%
Fleet services (including government motor transport)	0.3	0.2	0.1	0.0	-58.2%	0.3%	0.1	0.1	0.1	59.3%	0.1%
Consumables: Stationery, printing and office supplies	0.4	0.4	0.3	0.3	-5.1%	0.6%	0.4	0.4	0.4	6.6%	0.6%
Operating leases	—	—	0.2	0.3	—	0.2%	0.1	0.1	0.2	-15.7%	0.3%
Property payments	0.5	0.6	0.6	0.5	6.1%	1.0%	0.3	0.3	0.3	-18.8%	0.6%
Travel and subsistence	0.8	0.6	0.4	0.5	-15.0%	1.1%	0.4	0.5	0.5	-0.3%	0.7%
Transfers and subsidies ¹	0.2	0.7	0.2	0.0	-40.6%	0.5%	—	—	—	-100.0%	—
Households	0.2	0.7	0.2	0.0	-40.6%	0.5%	—	—	—	-100.0%	—
Payments for capital assets	0.1	0.1	0.1	0.1	11.5%	0.1%	0.1	0.1	0.1	-8.5%	0.1%
Machinery and equipment	0.1	0.1	0.1	0.1	11.5%	0.1%	0.1	0.1	0.1	-8.5%	0.1%
Total	51.2	49.0	52.4	57.4	3.9%	100.0%	61.1	65.0	66.4	5.0%	100.0%
Proportion of total programme expenditure to vote expenditure	22.3%	19.8%	19.8%	20.6%	—	—	20.5%	20.6%	20.2%	—	—

Vote 13

Public Works and Infrastructure

Budget summary

	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
R million						
MTEF allocation						
Administration	538.9	531.4	1.2	6.3	591.0	615.6
Intergovernmental Coordination	63.7	57.4	5.6	0.7	70.4	69.8
Expanded Public Works Programme	2 717.5	355.1	2 361.1	1.3	3 104.7	3 228.3
Property and Construction Industry Policy and Research	4 647.8	30.7	4 616.8	0.3	4 873.0	5 054.8
Prestige Policy	103.0	79.9	11.4	11.6	118.2	121.2
Total expenditure estimates	8 070.8	1 054.5	6 996.1	20.2	8 757.3	9 089.7
Executive authority	Minister of Public Works and Infrastructure					
Accounting officer	Director-General of Public Works and Infrastructure					
Website	www.publicworks.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

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

Mandate

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

Selected performance indicators

Table 13.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Number of cooperation and protocol agreements for joint service delivery signed with provinces and municipalities per year	Intergovernmental coordination	Priority 1: Economic transformation and job creation	10	12	13	15	15	15	15
Number of work opportunities reported on the expanded public works programme reporting system per year	Expanded Public Works Programme		779 251	900 234	997 286	981 497	984 490	1 009 972	1 023 569
Number of public bodies provided with technical support per year	Expanded Public Works Programme		297	297	362	290	290	290	290
Number of prestige policies approved per year	Prestige Policy		— ¹	— ¹	— ¹	2	2	2	— ²

1. No historical data available.

2. No projections available.

Expenditure analysis

Over the medium term, the Department of Public Works and Infrastructure will continue to focus on: creating work opportunities; providing better oversight, cooperation and service delivery; facilitating skills development in the construction and property sectors; reviewing and developing policy; and improving governance and mitigating risk. These areas of focus contribute towards the realisation of the National Development Plan's vision of facilitating job creation and improving public infrastructure, and priority 1 (economic transformation and job creation) and priority 6 (a capable, ethical and developmental state) of government's 2019-2024 medium-term strategic framework.

An estimated 86.7 per cent (R22.4 billion) of the department's total budget over the MTEF period is allocated to transfers and subsidies for the operations of its entities, and conditional grants to provinces and municipalities for the implementation of the expanded public works programme. An estimated 7.2 per cent (R1.9 billion) of the department's budget over the period ahead is earmarked for spending on compensation of employees. The number of personnel in the department is expected to decrease from 840 in 2019/20 to 769 in 2022/23 mainly due to contracts not being renewed for contract employees. Despite this, spending on compensation of employees is expected to increase from R557.8 million in 2019/20 to R662.5 million in 2022/23 at an average annual rate of 5.9 per cent.

Creating work opportunities

The department will continue to lead and coordinate the expanded public works programme. To date, through the programme, an estimated 4.5 million work opportunities have been created through the use of labour-intensive methods in the infrastructure, social, non-state, environmental and cultural sectors. The department will seek to generate a further 3 million work opportunities over the MTEF period through an allocation of R7.9 billion for transfers and subsidies, mainly to provinces, municipalities and non-profit organisations.

To provide and enhance the management and technical capacity of the 290 public bodies that implement the programme each year, the department has set aside R1.1 billion in the *Expanded Public Works Programme* programme. An estimated R600 million of this amount is earmarked for compensation of employees for the administration of the programme, and R535.9 million for goods and services, particularly data capturing and verification, and monitoring and evaluation. The programme has a total budget of R9.1 billion over the MTEF period, increasing at an average annual rate of 6.4 per cent, from R2.7 billion in 2019/20 to R3.2 billion in 2022/23.

Better oversight, cooperation and service delivery

Through the Property Management Trading Entity, the department is authorised to provide office

accommodation to client departments, and ensure that its buildings are well maintained and that property rates are paid to municipalities. The entity's projected expenditure over the medium term accounts for an estimated 61.0 per cent (R13.6 billion) of the department's total budget.

The department also leads and coordinates policies and legislative frameworks that guide the implementation of the public works function at the provincial and municipal levels, and oversees and manages the performance of provinces. In its continued efforts to monitor and support planning and performance management in provinces and municipalities, the department plans to increase the number of cooperation and protocol agreements for joint service delivery signed with provinces and municipalities per year from 13 in 2018/19 to 15 in 2022/23. For the department to carry out this oversight role, R87.6 million over the MTEF period is allocated to the *Intergovernmental Relations and Coordination* subprogramme in the *Intergovernmental Coordination* programme, with spending on compensation of employees accounting for an estimated 80.5 per cent (R70.5 million) of this amount.

Skills development in the construction and property sectors

To improve the delivery of infrastructure in the public works sector, the department plans to increase the throughput of built environment graduates. This imperative is facilitated by the department's skills pipeline strategy, which makes provision for technical bursary schemes, internships, learnerships, property management training and artisan development, with structured workplace training to expedite professional development and registration. The department's investment in young built environment professionals extends to ensuring the participation of an estimated 1 200 beneficiaries per year over the medium term in the department and Property Management Trading Entity's skills development programme, in which an estimated 2 780 beneficiaries had participated as at the end of 2018/19. An allocation of R99.9 million over the medium term for skills development activities is made available in the *Professional Services* subprogramme in the *Intergovernmental Coordination* programme.

Reviewing and developing policy

The department is responsible for regulating the construction and property sectors, and ensuring that they transform in line with the inclusive vision of the National Development Plan. As part of its efforts to develop a public works act to provide an overarching legislative framework for the sector, over the medium term, the department will continue to review the: the Construction Industry Development Board Act (2000); the Council for the Built Environment Act (2000); the founding acts for the 6 built environment professional councils; and the 1997 and 1999 white papers on public works. The department has engaged all relevant stakeholders, including the Construction Industry Development Board, the Council for the Built Environment and the 6 built environment professional councils, towards the finalisation of these reviews. These reviews are expected to culminate in a draft document in 2020/21 that will inform amendments to the Construction Industry Development Board Act and Council for the Built Environment Act to ensure greater transformation and the inclusion of historically disadvantaged groups in the infrastructure sector, and to avoid the duplication of functions between the department and its entities. These amendment bills will ultimately inform the development of a public works act.

Expenditure for activities related to the regulation and transformation of the construction and built environment sectors is expected to amount to R106 million over the medium term in the *Property and Construction Industry Policy and Research* programme. This programme has a total budget of R14.6 billion over the MTEF period, with expenditure set to increase at an average annual rate of 3.2 per cent, from R4.6 billion in 2019/20 to R5.1 billion in 2022/23.

Improving governance and mitigating risk

To achieve greater efficiencies in service delivery and contribute towards good governance and ethical practices, the department will continue to improve various internal policies, processes and systems, including the implementation of a holistic strategy aimed at preventing fraud. The strategy seeks to establish key controls that manage the risk of fraud by aligning internal financial and business control systems with the department's fraud risk management plan to increase awareness about the risk of fraud. Through these measures, the department

aims to curtail fraud and corruption, ensure the efficient use of state resources, and improve service delivery and stakeholder confidence. To carry out governance, risk and compliance activities, an estimated R162.6 million over the medium term is allocated in the *Management* subprogramme in the *Administration* programme.

Expenditure trends and estimates

Table 13.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Intergovernmental Coordination											
3. Expanded Public Works Programme											
4. Property and Construction Industry Policy and Research											
5. Prestige Policy											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
R million											
Programme 1	450.5	447.6	448.3	511.0	4.3%	6.5%	538.9	591.0	615.6	6.4%	6.7%
Programme 2	16.5	45.4	50.4	56.4	50.7%	0.6%	63.7	70.4	69.8	7.4%	0.8%
Programme 3	2 301.4	2 367.8	2 532.7	2 680.8	5.2%	34.3%	2 717.5	3 104.7	3 228.3	6.4%	34.6%
Programme 4	3 547.0	4 001.8	4 247.3	4 598.9	9.0%	57.0%	4 647.8	4 873.0	5 054.8	3.2%	56.6%
Programme 5	87.9	79.6	184.8	119.9	10.9%	1.6%	103.0	118.2	121.2	0.3%	1.4%
Total	6 403.4	6 942.3	7 463.5	7 967.0	7.6%	100.0%	8 070.8	8 757.3	9 089.7	4.5%	100.0%
Change to 2019				98.1			(227.8)	(253.4)	(257.8)		
Budget estimate											
Economic classification											
Current payments	804.9	816.2	966.4	1 009.8	7.9%	12.5%	1 054.5	1 153.3	1 201.9	6.0%	13.0%
Compensation of employees	438.8	445.0	496.4	557.8	8.3%	6.7%	594.7	633.3	662.5	5.9%	7.2%
Goods and services ¹	366.1	369.4	469.6	452.0	7.3%	5.8%	459.8	520.0	539.5	6.1%	5.8%
of which:											
Administrative fees	13.3	29.7	42.3	48.6	54.0%	0.5%	50.5	53.3	54.9	4.2%	0.6%
Computer services	31.6	48.5	29.3	38.3	6.6%	0.5%	36.9	42.0	42.7	3.7%	0.5%
Contractors	22.8	32.3	130.6	42.3	22.9%	0.8%	33.8	41.2	42.9	0.5%	0.5%
Agency and support/outsourced services	79.0	71.6	70.0	65.8	-5.9%	1.0%	85.1	95.2	98.7	14.5%	1.0%
Operating leases	20.5	24.0	26.1	33.6	17.9%	0.4%	39.1	44.9	46.6	11.5%	0.5%
Travel and subsistence	38.8	48.0	41.0	50.8	9.4%	0.6%	48.3	53.1	55.4	2.9%	0.6%
Interest and rent on land	—	1.8	0.4	—	0.0%	0.0%	—	—	—	0.0%	0.0%
Transfers and subsidies¹	5 571.2	6 104.0	6 485.6	6 934.0	7.6%	87.2%	6 996.1	7 579.5	7 861.9	4.3%	86.7%
Provinces and municipalities	1 425.7	1 472.6	1 516.9	1 598.2	3.9%	20.9%	1 582.4	1 661.4	1 721.9	2.5%	19.4%
Departmental agencies and accounts	3 507.3	3 845.4	4 173.8	4 486.9	8.6%	55.6%	4 538.8	4 726.6	4 903.0	3.0%	55.1%
Foreign governments and international organisations	28.2	22.3	22.7	24.6	-4.5%	0.3%	28.2	29.8	31.0	7.9%	0.3%
Public corporations and private enterprises	—	126.1	43.4	65.0	0.0%	0.8%	60.8	91.6	95.1	13.5%	0.9%
Non-profit institutions	600.4	624.0	720.2	750.4	7.7%	9.4%	778.5	1 062.5	1 103.2	13.7%	10.9%
Households	9.6	13.6	8.7	8.8	-2.8%	0.1%	7.5	7.5	7.8	-3.9%	0.1%
Payments for capital assets	25.8	16.9	9.5	23.2	-3.4%	0.3%	20.2	24.5	25.9	3.6%	0.3%
Machinery and equipment	19.7	16.8	9.0	23.2	5.6%	0.2%	20.2	24.5	25.9	3.6%	0.3%
Software and other intangible assets	6.1	0.1	0.5	—	-100.0%	0.0%	—	—	—	0.0%	0.0%
Payments for financial assets	1.4	5.2	2.1	—	-100.0%	0.0%	—	—	—	0.0%	0.0%
Total	6 403.4	6 942.3	7 463.5	7 967.0	7.6%	100.0%	8 070.8	8 757.3	9 089.7	4.5%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 13.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	3 507 343	3 845 388	4 173 787	4 486 911	8.6%	63.8%	4 538 759	4 726 600	4 902 965	3.0%	63.5%
Agreement South Africa	12 383	29 045	29 988	31 062	35.9%	0.4%	32 604	34 442	35 726	4.8%	0.5%
Construction Industry Development Board	52 059	74 984	73 323	76 160	13.5%	1.1%	78 742	83 073	86 160	4.2%	1.1%
Council for the Built Environment	43 413	48 568	50 100	52 796	6.7%	0.8%	55 224	58 258	60 431	4.6%	0.8%
Construction Education and Training Authority	468	486	518	558	6.0%	—	595	633	662	5.9%	—
Property Management Trading Entity	3 389 448	3 682 254	4 009 490	4 315 736	8.4%	61.4%	4 360 388	4 538 349	4 707 700	2.9%	61.0%
Parliamentary villages management board	9 572	10 051	10 368	10 599	3.5%	0.2%	11 206	11 845	12 286	5.0%	0.2%
Households											
Social benefits											
Current	1 928	2 427	1 600	3 515	22.2%	—	1 908	1 621	1 699	-21.5%	—
Employee social benefits	1 928	2 427	1 600	3 515	22.2%	—	1 908	1 621	1 699	-21.5%	—
Provinces and municipalities											
Municipal bank accounts											
Current	663 995	691 453	692 884	730 052	3.2%	11.1%	748 045	789 988	819 094	3.9%	10.5%
Vehicle licences	4	6	6	6	14.5%	—	6	6	6	—	—
Expanded public works programme integrated grant for municipalities	663 991	691 447	692 878	730 046	3.2%	11.1%	748 039	789 982	819 088	3.9%	10.5%
Foreign governments and international organisations											
Current	28 234	22 342	22 710	24 621	-4.5%	0.4%	28 163	29 849	30 959	7.9%	0.4%
Commonwealth War Graves Commission	28 234	22 342	22 710	24 621	-4.5%	0.4%	28 163	29 849	30 959	7.9%	0.4%
Households											
Other transfers to households											
Current	7 651	11 127	7 114	5 280	-11.6%	0.1%	5 570	5 876	6 096	4.9%	0.1%
Claims against the state	—	714	—	—	—	—	—	—	—	—	—
Gifts and donations	—	—	—	—	—	—	—	—	—	—	—
Bursaries for non-employees	7 651	10 413	6 766	5 280	-11.6%	0.1%	5 570	5 876	6 096	4.9%	0.1%
Other transfers to households	—	—	348	—	—	—	—	—	—	—	—
Non-profit institutions											
Current	600 427	624 024	720 158	750 424	7.7%	10.7%	778 484	1 062 497	1 103 212	13.7%	12.6%
Various institutions: Non-state sector programme	600 257	623 904	720 158	750 424	7.7%	10.7%	778 484	1 062 497	1 103 212	13.7%	12.6%
Non-state sector	—	—	—	—	—	—	—	—	—	—	—
Agreement South Africa	—	—	—	—	—	—	—	—	—	—	—
South African Council for the Landscape Architectural Profession	170	120	—	—	-100.0%	—	—	—	—	—	—
Provinces and municipalities											
Provincial revenue funds											
Current	761 671	781 162	823 984	868 181	4.5%	12.9%	834 345	871 446	902 798	1.3%	11.8%
Expanded public works programme integrated grant for provinces	402 009	395 579	416 036	437 388	2.9%	6.6%	420 762	439 910	455 740	1.4%	6.0%
Social sector expanded public works programme incentive grant for provinces	359 662	385 583	407 948	430 793	6.2%	6.3%	413 583	431 536	447 058	1.2%	5.9%
Public corporations and private enterprises											
Other transfers to public corporations											
Current	—	126 066	43 362	65 000	—	0.9%	60 800	91 600	95 100	13.5%	1.1%
Independent Development Trust	—	111 066	28 362	5 000	—	0.6%	—	—	—	-100.0%	—
Industrial Development Corporation	—	15 000	15 000	60 000	—	0.4%	60 800	91 600	95 100	16.6%	1.0%
Total	5 571 249	6 103 989	6 485 599	6 933 984	7.6%	100.0%	6 996 074	7 579 477	7 861 923	4.3%	100.0%

Personnel information

Table 13.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																						
1. Administration																						
2. Intergovernmental Coordination																						
3. Expanded Public Works Programme																						
4. Property and Construction Industry Policy and Research																						
5. Prestige Policy																						
Number of posts estimated for 31 March 2020			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 (%)			
			2018/19			2019/20			2020/21			2021/22			2022/23					2019/20 - 2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Public Works and Infrastructure			648	125		806	496.4	0.6	840	535.8	0.6	827	594.7	0.7	822	633.3	0.8	769	662.5	0.9	-2.9%	100.0%
Salary level	648	125	806	496.4	0.6	840	535.8	0.6	827	594.7	0.7	822	633.3	0.8	769	662.5	0.9	-2.9%	100.0%			
1 – 6	140	56	199	46.3	0.2	205	48.9	0.2	199	53.5	0.3	194	56.2	0.3	193	60.1	0.3	-2.0%	24.3%			
7 – 10	251	14	281	142.7	0.5	295	156.0	0.5	279	164.0	0.6	279	176.2	0.6	261	178.4	0.7	-4.0%	34.2%			
11 – 12	176	14	195	180.9	0.9	200	189.7	0.9	206	215.4	1.0	206	229.0	1.1	205	242.0	1.2	0.8%	25.1%			
13 – 16	79	9	93	118.9	1.3	101	133.4	1.3	104	153.0	1.5	104	162.6	1.6	106	175.7	1.7	1.6%	12.7%			
Other	2	32	38	7.7	0.2	39	7.8	0.2	39	8.8	0.2	39	9.3	0.2	4	6.2	1.6	-53.2%	3.7%			
Programme	648	125	806	496.4	0.6	840	535.8	0.6	827	594.7	0.7	822	633.3	0.8	769	662.5	0.9	-2.9%	100.0%			
Programme 1	365	103	489	262.5	0.5	512	280.1	0.5	506	316.4	0.6	506	337.5	0.7	468	352.8	0.8	-3.0%	61.1%			
Programme 2	32	14	47	33.7	0.7	47	36.1	0.8	48	42.3	0.9	45	45.1	1.0	35	43.9	1.3	-9.4%	5.4%			
Programme 3	202	–	205	153.8	0.8	215	167.9	0.8	214	187.2	0.9	212	198.5	0.9	213	214.1	1.0	-0.3%	26.2%			
Programme 4	12	1	18	16.6	0.9	19	19.0	1.0	16	16.5	1.0	16	17.5	1.1	15	18.2	1.2	-7.6%	2.0%			
Programme 5	37	7	47	29.7	0.6	47	32.9	0.7	43	32.4	0.8	43	34.8	0.8	38	33.5	0.9	-6.8%	5.2%			

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

2. Rand million.

Departmental receipts

Table 13.5 Departmental receipts by economic classification

						Average growth rate (%)	Average: Receipt item/ Total (%)				Average growth rate (%)	Average: Receipt item/ Total (%)
Audited outcome				Adjusted estimate	Revised estimate			Medium-term receipts estimate				
R thousand	2016/17	2017/18	2018/19	2019/20		2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental receipts	14 608	10 358	3 478	14 620	14 620	–	100.0%	1 520	1 520	1 520	-53.0%	100.0%
Sales of goods and services produced by department	1 222	280	287	280	280	-38.8%	4.8%	280	280	280	–	5.8%
Sales by market establishments	128	117	112	120	120	-2.1%	1.1%	120	120	120	–	2.5%
of which:												
Market establishment:	128	117	112	120	120	-2.1%	1.1%	120	120	120	–	2.5%
Rental parking: Covered and open												
Administrative fees	–	–	175	–	–	–	0.4%	–	–	–	–	–
of which:												
Servitude rights	–	–	175	–	–	–	0.4%	–	–	–	–	–
Other sales	1 094	163	–	160	160	-47.3%	3.3%	160	160	160	–	3.3%
of which:												
Tender documents	1 094	163	–	160	160	-47.3%	3.3%	160	160	160	–	3.3%
Sales of scrap, waste, arms and other used current goods	39	12	5	40	40	0.8%	0.2%	40	40	40	–	0.8%
of which:												
Sales: Scrap	–	–	5	–	–	–	–	–	–	–	–	–
Sales: Waste	39	12	–	40	40	0.8%	0.2%	40	40	40	–	0.8%
Fines, penalties and forfeits	–	3	–	–	–	–	–	–	–	–	–	–
Interest, dividends and rent on land	12 361	8 498	1 451	13 000	13 000	1.7%	82.0%	600	600	600	-64.1%	77.2%
Interest	12 361	8 498	1 451	13 000	13 000	1.7%	82.0%	600	600	600	-64.1%	77.2%
Sales of capital assets	70	–	90	200	200	41.9%	0.8%	–	–	–	-100.0%	1.0%
Transactions in financial assets and liabilities	916	1 565	1 645	1 100	1 100	6.3%	12.1%	600	600	600	-18.3%	15.1%
Total	14 608	10 358	3 478	14 620	14 620	–	100.0%	1 520	1 520	1 520	-53.0%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 13.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Ministry	25.5	38.0	33.4	44.0	19.9%	7.6%	44.7	50.1	52.7	6.2%	8.5%
Management	90.6	103.5	90.5	109.6	6.5%	21.2%	114.1	123.6	128.5	5.5%	21.1%
Corporate Services	251.9	225.5	247.1	261.8	1.3%	53.1%	271.7	295.4	308.2	5.6%	50.4%
Finance and Supply Chain Management	45.5	45.0	47.5	53.2	5.4%	10.3%	57.7	63.3	65.3	7.0%	10.6%
Office Accommodation	36.9	35.6	29.9	42.4	4.8%	7.8%	50.7	58.7	60.9	12.8%	9.4%
Total	450.5	447.6	448.3	511.0	4.3%	100.0%	538.9	591.0	615.6	6.4%	100.0%
Change to 2019 Budget estimate				3.0			(4.4)	(5.7)	(3.5)		
Economic classification											
Current payments	425.7	427.0	441.4	501.4	5.6%	96.7%	531.4	583.0	607.1	6.6%	98.5%
Compensation of employees	240.4	231.2	262.5	295.1	7.1%	55.4%	316.4	337.5	352.8	6.1%	57.7%
Goods and services ¹	185.3	194.0	178.4	206.4	3.7%	41.1%	215.0	245.4	254.4	7.2%	40.8%
of which:											
Communication	4.6	4.4	24.5	11.9	37.6%	2.4%	19.9	18.1	18.7	16.4%	3.0%
Computer services	31.6	48.5	29.3	38.2	6.6%	7.9%	36.9	41.9	42.7	3.8%	7.1%
Consultants: Business and advisory services	17.6	23.3	25.0	18.2	1.2%	4.5%	20.4	23.3	24.1	9.7%	3.8%
Operating leases	18.5	22.0	23.3	30.2	17.6%	5.1%	35.2	40.8	42.3	12.0%	6.6%
Property payments	21.2	16.9	10.3	18.5	-4.5%	3.6%	21.6	27.5	28.6	15.7%	4.3%
Travel and subsistence	18.9	24.6	18.4	20.0	1.9%	4.4%	19.6	22.0	23.7	5.9%	3.8%
Interest and rent on land	—	1.8	0.4	—	—	0.1%	—	—	—	—	—
Transfers and subsidies¹	8.1	7.4	1.4	2.4	-33.0%	1.0%	1.2	0.9	0.9	-28.0%	0.2%
Provinces and municipalities	0.0	0.0	0.0	0.0	14.5%	—	0.0	0.0	0.0	—	—
Households	8.1	7.4	1.4	2.4	-33.0%	1.0%	1.2	0.9	0.9	-28.1%	0.2%
Payments for capital assets	15.5	11.3	3.5	7.1	-22.8%	2.0%	6.3	7.2	7.6	2.2%	1.3%
Machinery and equipment	9.5	11.2	2.9	7.1	-9.0%	1.7%	6.3	7.2	7.6	2.2%	1.3%
Software and other intangible assets	6.1	0.1	0.5	—	-100.0%	0.4%	—	—	—	—	—
Payments for financial assets	1.1	1.9	2.1	—	-100.0%	0.3%	—	—	—	—	—
Total	450.5	447.6	448.3	511.0	4.3%	100.0%	538.9	591.0	615.6	6.4%	100.0%
Proportion of total programme expenditure to vote expenditure	7.0%	6.4%	6.0%	6.4%	—	—	6.7%	6.7%	6.8%	—	—

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

Programme 2: Intergovernmental Coordination

Programme purpose

Promote sound sectoral and intergovernmental relations and strategic partnerships. Coordinate with provinces on immovable asset registers, construction and property management, and the reporting of performance information within the public works sector.

Objectives

- Ensure the integrated planning and coordination of concurrent functions over the medium term by:
 - signing 45 agreements for joint service delivery with public bodies across all spheres of government
 - conducting 3 reviews on intergovernmental governance structures.
- Restore the skills pipeline in the built environment by ensuring the participation of 1 200 beneficiaries in the department and Property Management Trading Entity's skills development programme over the medium term.

Subprogrammes

- *Monitoring, Evaluation and Reporting* promotes good governance by supporting provinces in strengthening their governance and coordination capabilities.
- *Intergovernmental Relations and Coordination* improves the coordination and alignment of public works sector policies and programmes by providing oversight, intervention and support services to provinces.
- *Professional Services* provides support for learning interventions and focused experiential learning processes, and contributes towards the development of competent, skilled and motivated built environment professionals.

Expenditure trends and estimates

Table 13.7 Intergovernmental Coordination 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Monitoring, Evaluation and Reporting	2.7	3.6	5.3	5.7	28.9%	10.2%	5.4	5.8	5.2	-2.8%	8.5%
Intergovernmental Relations and Coordination	13.8	20.0	20.8	23.6	19.5%	46.4%	27.1	29.6	30.9	9.4%	42.7%
Professional Services	–	21.8	24.4	27.1	–	43.4%	31.2	35.0	33.7	7.5%	48.8%
Total	16.5	45.4	50.4	56.4	50.7%	100.0%	63.7	70.4	69.8	7.4%	100.0%
Change to 2019 Budget estimate				(4.5)			0.3	(0.4)	(3.6)		
Economic classification											
Current payments	16.2	37.0	42.9	50.2	45.7%	86.7%	57.4	63.6	62.8	7.7%	89.9%
Compensation of employees	14.0	27.9	33.7	36.1	37.1%	66.2%	42.3	45.1	43.9	6.8%	64.3%
Goods and services ¹	2.2	9.0	9.2	14.2	84.8%	20.5%	15.1	18.6	19.0	10.2%	25.7%
of which:											
Catering: Departmental activities	0.1	0.4	0.7	1.2	121.8%	1.4%	1.1	1.4	1.4	6.2%	1.9%
Consultants: Business and advisory services	–	0.3	0.0	0.5	–	0.5%	0.9	1.1	1.3	33.4%	1.5%
Consumables: Stationery, printing and office supplies	0.1	0.3	0.2	0.7	100.3%	0.8%	0.8	1.0	1.0	10.2%	1.4%
Operating leases	0.0	–	0.2	0.6	432.2%	0.5%	1.0	1.1	1.1	23.9%	1.5%
Travel and subsistence	1.3	4.4	4.8	4.8	54.6%	9.0%	5.8	6.6	6.8	12.5%	9.2%
Venues and facilities	0.3	1.8	1.7	2.2	94.5%	3.6%	2.4	2.7	2.8	7.6%	3.9%
Transfers and subsidies¹	–	5.0	7.0	5.4	–	10.3%	5.6	6.0	6.2	4.3%	8.9%
Households	–	5.0	7.0	5.4	–	10.3%	5.6	6.0	6.2	4.3%	8.9%
Payments for capital assets	0.3	0.3	0.5	0.7	41.4%	1.1%	0.7	0.8	0.8	3.9%	1.1%
Machinery and equipment	0.3	0.3	0.5	0.7	41.4%	1.1%	0.7	0.8	0.8	3.9%	1.1%
Payments for financial assets	0.0	3.2	0.0	–	-100.0%	1.9%	–	–	–	–	–
Total	16.5	45.4	50.4	56.4	50.7%	100.0%	63.7	70.4	69.8	7.4%	100.0%
Proportion of total programme expenditure to vote expenditure	0.3%	0.7%	0.7%	0.7%	–	–	0.8%	0.8%	0.8%	–	–
Details of selected transfers and subsidies											
Households											
Households											
Other transfers to households											
Current	–	4.9	6.8	5.3	–	10.0%	5.6	5.9	6.1	4.9%	8.8%
Bursaries for non-employees	–	4.9	6.8	5.3	–	10.0%	5.6	5.9	6.1	4.9%	8.8%

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

Programme 3: Expanded Public Works Programme

Programme purpose

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

Objectives

- Monitor and evaluate the implementation of public employment programmes within the expanded public works programme over the medium term by:

- monitoring and reporting on 3 million work opportunities to be created by public bodies implementing the expanded public works programme
- ensuring that public bodies report on the participation of designated groups (with targets of 55 per cent for women, 55 per cent for youth and 2 per cent for people with disabilities) through the expanded public works programme reporting system.
- Support the implementation of public employment programmes within the expanded public works programme in the infrastructure, social, non-state, and environmental and cultural sectors over the medium term by ensuring that 290 public bodies are provided with technical support.

Subprogrammes

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

Expenditure trends and estimates

Table 13.8 Expanded Public Works Programme expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Expanded Public Works Programme: Monitoring and Evaluation	68.4	49.6	52.7	59.9	-4.3%	2.3%	61.0	65.9	69.2	4.9%	2.2%
Expanded Public Works Programme: Infrastructure	1 177.1	1 184.3	1 204.1	1 273.2	2.6%	49.0%	1 275.2	1 344.4	1 395.3	3.1%	45.1%
Expanded Public Works Programme: Operations	997.4	1 067.8	1 202.7	1 265.6	8.3%	45.9%	1 284.3	1 592.1	1 655.3	9.4%	49.4%
Expanded Public Works Programme: Partnership Support	53.9	60.3	68.6	75.6	11.9%	2.6%	89.0	93.6	99.4	9.6%	3.0%
Expanded Public Works Programme: Public Employment Coordinating Commission	4.7	5.8	4.6	6.6	11.8%	0.2%	8.0	8.6	9.1	11.4%	0.3%
Total	2 301.4	2 367.8	2 532.7	2 680.8	5.2%	100.0%	2 717.5	3 104.7	3 228.3	6.4%	100.0%
Change to 2019 Budget estimate				–			(127.2)	(154.6)	(153.5)		
Economic classification											
Current payments	272.1	269.4	294.6	329.8	6.6%	11.8%	355.1	379.1	401.4	6.8%	12.5%
Compensation of employees	152.6	148.1	153.8	174.9	4.6%	6.4%	187.2	198.5	214.1	7.0%	6.6%
Goods and services ¹	119.5	121.4	140.8	154.9	9.0%	5.4%	168.0	180.6	187.3	6.5%	5.9%
of which:											
Administrative fees	11.9	28.7	42.1	45.2	56.1%	1.3%	47.2	49.8	51.6	4.5%	1.7%
Advertising	2.2	2.4	2.4	2.1	-0.5%	0.1%	2.8	3.1	3.3	15.3%	0.1%
Consultants: Business and advisory services	0.7	1.1	1.5	16.8	187.0%	0.2%	2.3	2.8	2.9	-44.5%	0.2%
Agency and support/outsourced services	46.5	65.6	68.8	59.1	8.3%	2.4%	82.4	89.0	92.3	16.0%	2.8%
Travel and subsistence	16.4	16.7	16.1	20.1	7.1%	0.7%	19.8	20.9	21.2	1.8%	0.7%
Venues and facilities	2.8	1.5	3.1	2.4	-4.8%	0.1%	3.9	4.1	4.3	21.5%	0.1%

Table 13.9 Expanded Public Works Programme expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Transfers and subsidies¹	2 027.2	2 096.6	2 237.3	2 349.1	5.0%	88.1%	2 361.1	2 724.1	2 825.3	6.3%	87.5%
Provinces and municipalities	1 425.7	1 472.6	1 516.9	1 598.2	3.9%	60.8%	1 582.4	1 661.4	1 721.9	2.5%	56.0%
Non-profit institutions	600.3	623.9	720.2	750.4	7.7%	27.3%	778.5	1 062.5	1 103.2	13.7%	31.5%
Households	1.3	0.0	0.3	0.5	-27.4%	—	0.2	0.2	0.2	-23.6%	—
Payments for capital assets	1.9	1.7	0.8	1.9	—	0.1%	1.3	1.5	1.5	-6.8%	0.1%
Machinery and equipment	1.9	1.7	0.8	1.9	—	0.1%	1.3	1.5	1.5	-6.8%	0.1%
Payments for financial assets	0.3	0.2	0.0	—	-100.0%	—	—	—	—	—	—
Total	2 301.4	2 367.8	2 532.7	2 680.8	5.2%	100.0%	2 717.5	3 104.7	3 228.3	6.4%	100.0%
Proportion of total programme expenditure to vote expenditure	35.9%	34.1%	33.9%	33.6%	—	—	33.7%	35.5%	35.5%	—	—
Details of selected transfers and subsidies											
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	664.0	691.4	692.9	730.0	3.2%	28.1%	748.0	790.0	819.1	3.9%	26.3%
Expanded public works programme integrated grant for municipalities	664.0	691.4	692.9	730.0	3.2%	28.1%	748.0	790.0	819.1	3.9%	26.3%
Non-profit institutions											
Current	600.3	623.9	720.2	750.4	7.7%	27.3%	778.5	1 062.5	1 103.2	13.7%	31.5%
Various institutions: Non-state sector programme	600.3	623.9	720.2	750.4	7.7%	27.3%	778.5	1 062.5	1 103.2	13.7%	31.5%
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	761.7	781.2	824.0	868.2	4.5%	32.7%	834.3	871.4	902.8	1.3%	29.6%
Expanded public works programme integrated grant for provinces	402.0	395.6	416.0	437.4	2.9%	16.7%	420.8	439.9	455.7	1.4%	14.9%
Social sector expanded public works programme incentive grant for provinces	359.7	385.6	407.9	430.8	6.2%	16.0%	413.6	431.5	447.1	1.2%	14.7%

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

Programme 4: Property and Construction Industry Policy and Research

Programme purpose

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

Objective

- Contribute to the transformation and regulation of the construction and property sectors over the medium term by developing and reviewing legislative prescripts for the Public Works Bill, the Construction Industry Development Board Act (2000) and the Council for the Built Environment Act (2000).

Subprogrammes

- Construction Policy Development Programme* creates an enabling environment for transforming the construction industry by developing appropriate legislation and implementing monitoring mechanisms for the sector. This subprogramme aims to facilitate the transformation and regulation of the construction industry for economic growth and development.
- Property Policy Development Programme* provides leadership and guidance on the transformation of the property industry. It also promotes standards and best practice on immovable asset management in the public sector through policy development, sets best practice standards for compiling and maintaining immovable asset registers, and provides guidelines for the administration of rights over state and private land. This subprogramme aims to ensure effective and efficient strategic leadership in immovable asset

management and the delivery of infrastructure programmes through the development of guidelines on immovable asset performance and condition assessments.

- *Construction Industry Development Board* transfers funds annually to the Construction Industry Development Board.
- *Council for the Built Environment* transfers funds annually to the Council for the Built Environment.
- *Independent Development Trust* transfers funds annually to the Independent Development Trust.
- *Construction Education and Training Authority* aims to influence training and skills development across the construction industry.
- *Property Management Trading Entity* transfers funds annually to the Property Management Trading Entity.
- *Assistance to Organisations for the Preservation of National Memorials* transfers funds annually to the Commonwealth War Graves Commission and the United Nations for maintaining national memorials.
- *Infrastructure Development Coordination* provides support to the Presidential Infrastructure Coordinating Commission in line with the Infrastructure Development Act (2014).

Expenditure trends and estimates

Table 13.10 Property and Construction Industry Policy and Research expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
R million											
Construction Policy Development Programme	21.7	39.0	39.8	50.5	32.5%	0.9%	48.7	53.3	55.0	2.9%	1.1%
Property Policy Development Programme	11.7	8.1	8.1	13.6	5.0%	0.3%	15.2	18.0	18.8	11.4%	0.3%
Construction Industry Development Board	52.1	75.0	73.3	76.2	13.5%	1.7%	78.7	83.1	86.2	4.2%	1.7%
Council for the Built Environment	43.4	48.6	50.1	52.8	6.7%	1.2%	55.2	58.3	60.4	4.6%	1.2%
Independent Development Trust	–	111.1	28.4	5.0	–	0.9%	–	–	–	-100.0%	–
Construction Education and Training Authority	0.5	0.5	0.5	0.6	6.0%	–	0.6	0.6	0.7	5.9%	–
Property Management Trading Entity	3 389.4	3 682.3	4 009.5	4 315.7	8.4%	93.9%	4 360.4	4 538.3	4 707.7	2.9%	93.5%
Assistance to Organisations for the Preservation of National Memorials	28.2	22.3	22.7	24.6	-4.5%	0.6%	28.2	29.8	31.0	7.9%	0.6%
Infrastructure Development Coordination	–	15.0	15.0	60.0	–	0.5%	60.8	91.6	95.1	16.6%	1.6%
Total	3 547.0	4 001.8	4 247.3	4 598.9	9.0%	100.0%	4 647.8	4 873.0	5 054.8	3.2%	100.0%
Change to 2019 Budget estimate				155.1			(32.4)	2.1	3.0		
Economic classification											
Current payments	20.7	16.8	17.6	32.4	16.2%	0.5%	30.7	36.2	37.4	4.9%	0.7%
Compensation of employees	10.5	10.9	16.6	19.0	21.9%	0.3%	16.5	17.5	18.2	-1.4%	0.4%
Goods and services ¹	10.2	5.9	1.0	13.5	9.7%	0.2%	14.2	18.7	19.3	12.7%	0.3%
of which:											
Advertising	0.3	0.1	–	0.4	11.1%	–	0.2	0.4	0.5	4.9%	–
Consultants: Business and advisory services	7.4	3.5	0.4	3.9	-19.0%	0.1%	8.1	11.7	12.1	45.5%	0.2%
Agency and support/outsourced services	–	–	–	4.0	–	–	0.9	0.9	1.0	-37.4%	–
Consumables: Stationery, printing and office supplies	0.0	–	0.0	0.3	116.8%	–	0.3	0.5	0.5	15.1%	–
Travel and subsistence	0.7	0.2	0.5	1.0	10.7%	–	0.9	1.1	1.1	4.0%	–
Operating payments	1.6	1.9	0.0	2.7	17.6%	–	2.7	2.7	2.7	0.2%	0.1%
Transfers and subsidies¹	3 526.2	3 985.0	4 229.5	4 566.2	9.0%	99.5%	4 616.8	4 836.5	5 017.0	3.2%	99.3%
Departmental agencies and accounts	3 497.8	3 835.3	4 163.4	4 476.3	8.6%	97.4%	4 527.6	4 714.8	4 890.7	3.0%	97.1%
Foreign governments and international organisations	28.2	22.3	22.7	24.6	-4.5%	0.6%	28.2	29.8	31.0	7.9%	0.6%
Public corporations and private enterprises	–	126.1	43.4	65.0	–	1.4%	60.8	91.6	95.1	13.5%	1.6%
Non-profit institutions	0.2	0.1	–	–	-100.0%	–	–	–	–	–	–
Households	0.0	1.1	0.0	0.2	131.3%	–	0.2	0.2	0.3	3.6%	–

Table 13.10 Property and Construction Industry Policy and Research expenditure trends and estimates by subprogramme and economic classification

Economic classification											
Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Payments for capital assets	0.2	0.1	0.2	0.3	21.6%	—	0.3	0.3	0.3	5.7%	—
Machinery and equipment	0.2	0.1	0.2	0.3	21.6%	—	0.3	0.3	0.3	5.7%	—
Payments for financial assets	0.0	—	—	—	-100.0%	—	—	—	—	—	—
Total	3 547.0	4 001.8	4 247.3	4 598.9	9.0%	100.0%	4 647.8	4 873.0	5 054.8	3.2%	100.0%
Proportion of total programme expenditure to vote expenditure	55.4%	57.6%	56.9%	57.7%	—	—	57.6%	55.6%	55.6%	—	—
Details of selected transfers and subsidies											
Foreign governments and international organisations											
Current	28.2	22.3	22.7	24.6	-4.5%	0.6%	28.2	29.8	31.0	7.9%	0.6%
Commonwealth War Graves Commission	28.2	22.3	22.7	24.6	-4.5%	0.6%	28.2	29.8	31.0	7.9%	0.6%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	3 485.4	3 806.3	4 133.4	4 445.3	8.4%	96.8%	4 494.9	4 680.3	4 855.0	3.0%	96.4%
Construction Industry Development Board	52.1	75.0	73.3	76.2	13.5%	1.7%	78.7	83.1	86.2	4.2%	1.7%
Council for the Built Environment	43.4	48.6	50.1	52.8	6.7%	1.2%	55.2	58.3	60.4	4.6%	1.2%
Construction Education and Training Authority	0.5	0.5	0.5	0.6	6.0%	—	0.6	0.6	0.7	5.9%	—
Property Management Trading Entity	3 389.4	3 682.3	4 009.5	4 315.7	8.4%	93.9%	4 360.4	4 538.3	4 707.7	2.9%	93.5%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	—	126.1	43.4	65.0	—	1.4%	60.8	91.6	95.1	13.5%	1.6%
Independent Development Trust	—	111.1	28.4	5.0	—	0.9%	—	—	—	-100.0%	—
Industrial Development Corporation	—	15.0	15.0	60.0	—	0.5%	60.8	91.6	95.1	16.6%	1.6%

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

Programme 5: Prestige Policy

Programme purpose

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

Objectives

- Improve the delivery of services to prestige clients over the medium term by:
 - developing 4 prestige policies
 - supporting 24 planned state events with movable structures
 - providing movable assets to prestige clients within 60 working days.

Subprogrammes

- *Prestige Accommodation and State Functions* funds activities relating to the residences of parliamentarians, ministers, deputy ministers, the deputy president and the president.
- *Parliamentary Villages Management Board* provides for the transportation and related costs of parliamentarians and related officials residing in parliamentary villages.

Expenditure trends and estimates

Table 13.11 Prestige Policy 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Prestige Accommodation and State Functions	78.4	69.6	174.4	109.3	11.7%	91.4%	91.8	106.3	108.9	-0.1%	90.1%
Parliamentary Villages Management Board	9.6	10.1	10.4	10.6	3.5%	8.6%	11.2	11.8	12.3	5.0%	9.9%
Total	87.9	79.6	184.8	119.9	10.9%	100.0%	103.0	118.2	121.2	0.3%	100.0%
Change to 2019 Budget estimate				4.5			(3.3)	(3.2)	(5.1)		
Economic classification											
Current payments	70.2	66.1	169.9	95.9	11.0%	85.2%	79.9	91.4	93.1	-1.0%	78.0%
Compensation of employees	21.3	26.9	29.7	32.9	15.5%	23.5%	32.4	34.8	33.5	0.7%	28.9%
Goods and services ¹	48.9	39.2	140.1	63.1	8.9%	61.7%	47.5	56.6	59.5	-1.9%	49.1%
of which:											
Minor assets	2.6	2.2	2.7	6.8	37.8%	3.0%	4.1	5.5	6.4	-1.9%	4.9%
Contractors	19.6	31.1	130.3	41.1	28.1%	47.0%	32.8	39.9	41.6	0.4%	33.6%
Consumable supplies	1.1	0.4	1.3	2.3	27.0%	1.1%	1.4	1.4	1.5	-14.0%	1.4%
Operating leases	1.3	1.3	2.1	2.1	17.9%	1.4%	2.2	2.2	2.3	2.9%	1.9%
Travel and subsistence	1.6	2.0	1.3	5.0	47.5%	2.1%	2.3	2.5	2.6	-19.8%	2.7%
Operating payments	0.9	0.6	0.6	0.9	-0.6%	0.6%	1.0	1.0	1.0	4.3%	0.9%
Transfers and subsidies¹	9.8	10.1	10.4	10.8	3.4%	8.7%	11.4	12.1	12.5	5.1%	10.1%
Departmental agencies and accounts	9.6	10.1	10.4	10.6	3.5%	8.6%	11.2	11.8	12.3	5.0%	9.9%
Households	0.2	0.0	–	0.2	0.9%	0.1%	0.2	0.2	0.2	5.3%	0.2%
Payments for capital assets	7.9	3.4	4.5	13.2	18.4%	6.2%	11.6	14.7	15.6	5.7%	11.9%
Machinery and equipment	7.9	3.4	4.5	13.2	18.4%	6.2%	11.6	14.7	15.6	5.7%	11.9%
Total	87.9	79.6	184.8	119.9	10.9%	100.0%	103.0	118.2	121.2	0.3%	100.0%
Proportion of total programme expenditure to vote expenditure	1.4%	1.1%	2.5%	1.5%	–	–	1.3%	1.3%	1.3%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	9.6	10.1	10.4	10.6	3.5%	8.6%	11.2	11.8	12.3	5.0%	9.9%
Parliamentary villages management board	9.6	10.1	10.4	10.6	3.5%	8.6%	11.2	11.8	12.3	5.0%	9.9%

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

Entities

Property Management Trading Entity

Selected performance indicators

Table 13.12 Property Management Trading Entity performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Number of sites established for precinct development per year	Real estate investment services	Priority 4: Spatial integration, human settlements and local government	3	3	1	4	4	4	4
Percentage of valuations completed within scheduled timeframes per year	Real estate investment services		83% (290/350)	134% (128/296)	92% (231/252)	90%	90%	90%	90%
Number of facilities' performance measured in identified performance areas per year	Real estate investment services		478	703	850	800	800	800	800
Number of infrastructure projects completed within agreed construction period per year	Construction management services	Priority 1: Economic transformation and job creation	139	138	30	92	115	115	115
Number of infrastructure projects completed within approved budget per year	Construction management services		129	141	89	92	115	115	115

Table 13.12 Property Management Trading Entity performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of work opportunities created through expanded public works programme construction projects per year	Construction management services	Priority 1: Economic transformation and job creation	8 959	5 732	5 607	8 200	9 020	9 020	9 020
Percentage reduction of backlogged infrastructure projects per year	Construction management services		14% (154/ 1 100)	100% (74)	13% (78/ 600)	30%	40%	40%	40%
Number of private leases reduced within the security cluster per year	Real estate management services		2	7	21	13	13	10	10
Number of provincial immovable asset registers assessed for compliance per year	Real estate registry services	Priority 4: Spatial integration, human settlements and local government	9	9	9	9	9	9	9
Number of facilities with maintenance contracts in place per year	Facilities management services	Priority 1: Economic transformation and job creation	881	742	1 072	550	600	650	650

Entity overview

The Property Management Trading Entity was established following a decision in 2006 that costs related to accommodation be devolved from the Department of Public Works and Infrastructure to client departments. The entity performs immovable asset management functions on behalf of the department, including the provision of residential and office accommodation for user departments at the national government level; and acquires, manages, operates, maintains and disposes of immovable assets in the department's custody. The entity was established to apply professional business approaches in managing and optimising the state's immovable asset portfolio for maximum return. On a cost recovery basis, the entity finances the purchase, construction, refurbishment and maintenance of nationally owned government properties; and manages the leases of privately owned properties accommodating national departments.

Over the medium term, the entity will focus on developing precincts to support efficient and integrated government planning by grouping departments that provide similar services to make service delivery more efficient; refurbishing and maintaining government buildings in its portfolio; and developing 12 small fishing harbours. To achieve these objectives, the entity plans to spend R61.2 billion over the MTEF period, increasing at an average annual rate of 9.3 per cent, based on projections that there will be an increase in services provided to client departments, from R16.7 billion in 2019/20 to R21.8 billion in 2022/23. An estimated 80.4 per cent (R49.5 billion) of the entity's total budget is allocated to goods and services, mainly for repairs and maintenance of state-owned buildings, and lease payments.

A key component of the entity's funds will be channelled towards improving access for people with disabilities. As such, the entity intends to complete 58 accessibility infrastructure projects over the medium term. These include the construction of new office buildings for 24 departments; and 77 refurbishment projects, including at correctional centres, police stations, courts, office buildings and prisons. The execution of these projects is projected to cost R7.4 billion over the MTEF period. A further R4.5 billion has been allocated over the medium term for ad hoc building maintenance.

The entity generates revenue mainly through charging management fees for the payment of municipal services and charging rental fees to user departments for accommodation. Some of the the entity's revenue consists of transfers from the department. Transfers account for an estimated 18.3 per cent (R13.6 billion) of total projected revenue of R76.9 billion over the medium term. Total revenue is expected to increase at an average annual rate of 8.6 per cent, from R21.4 billion in 2019/20 to R27.4 billion in 2022/23.

Programmes/Objectives/Activities

Table 13.13 Property Management Trading Entity 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	3 758.2	4 665.5	4 865.7	819.2	-39.8%	23.5%	812.6	833.9	861.6	1.7%	4.3%
Real estate investment services	106.8	145.7	174.4	209.8	25.2%	1.0%	218.1	229.5	240.9	4.7%	1.2%
Construction management services	494.4	611.6	398.4	464.6	-2.1%	3.2%	489.3	512.5	537.6	5.0%	2.6%
Real estate management services	5 702.7	6 239.8	6 582.7	11 407.2	26.0%	48.1%	13 388.0	14 552.9	15 808.0	11.5%	70.7%
Real estate registry services	44.2	26.1	54.3	122.8	40.6%	0.4%	116.2	69.8	73.4	-15.8%	0.5%
Facilities management services	4 482.6	3 030.6	3 284.3	3 689.0	-6.3%	23.7%	4 002.0	4 112.9	4 314.3	5.4%	20.8%
Total	14 589.0	14 719.3	15 359.8	16 712.7	4.6%	100.0%	19 026.4	20 311.6	21 835.8	9.3%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 13.14 Property Management Trading Entity statements of historical financial performance, cash flow and financial position

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Revised estimate		Average: Outcome/ Budget (%)
	Budget	2016/17	Budget	2017/18	Budget	2018/19	Budget estimate	2019/20	
Revenue									
Non-tax revenue	11 341.6	12 312.7	16 038.9	10 819.2	16 472.9	12 466.0	18 132.0	17 131.1	85.1%
Sale of goods and services other than capital assets	11 297.5	11 492.8	11 650.7	10 444.1	16 409.8	11 928.8	18 064.1	17 063.2	88.7%
<i>of which:</i>									
<i>Sales by market establishment</i>	7 147.2	4 201.3	7 181.9	6 955.3	11 629.5	6 391.5	12 971.6	11 970.7	75.8%
<i>Other sales</i>	4 150.3	7 291.5	4 468.8	3 488.8	4 780.3	5 537.3	5 092.5	5 092.5	115.8%
Other non-tax revenue	44.0	819.9	4 388.2	375.1	63.1	537.2	67.9	67.9	39.4%
Transfers received	3 389.4	3 389.4	3 682.3	3 682.3	4 009.5	4 009.5	4 215.7	4 315.7	100.7%
Total revenue	14 731.0	15 702.1	19 721.2	14 501.4	20 482.4	16 475.5	22 347.8	21 446.9	88.2%
Expenses									
Current expenses	11 920.7	13 521.5	13 912.3	13 677.1	13 770.2	14 063.6	15 331.5	15 269.2	102.9%
Compensation of employees	1 469.8	1 500.9	1 674.3	1 602.7	1 593.1	1 792.2	2 051.0	2 051.0	102.3%
Goods and services	7 677.8	9 442.3	12 237.0	9 291.2	12 177.2	9 323.5	13 280.5	13 218.2	91.0%
Depreciation	2 750.0	2 488.2	—	2 404.1	—	2 577.5	—	—	271.6%
Interest, dividends and rent on land	23.1	90.2	1.0	379.1	—	370.4	—	—	3 482.9%
Transfers and subsidies	1 141.8	1 067.5	—	1 042.2	1 386.1	1 296.2	1 408.6	1 443.5	123.2%
Total expenses	13 062.5	14 589.0	13 912.3	14 719.3	15 156.4	15 359.8	16 740.1	16 712.7	104.3%
Surplus/(Deficit)	1 668.6	1 113.1	5 808.8	(217.9)	5 326.0	1 115.7	5 607.6	4 734.2	
Cash flow statement									
Cash flow from operating activities	4 408.3	3 166.5	4 467.1	2 738.9	5 326.0	2 835.3	5 607.6	4 734.2	68.0%
Receipts									
Non-tax receipts	11 341.6	14 523.3	16 038.9	14 961.9	16 472.9	15 211.9	18 132.0	17 131.1	99.7%
Sales of goods and services other than capital assets	11 297.5	14 472.7	16 018.3	14 900.5	16 409.8	15 141.1	18 064.1	17 063.2	99.7%
<i>Sales by market establishment</i>	7 147.2	10 297.0	11 549.5	10 825.8	11 444.9	10 396.2	12 759.4	11 758.5	100.9%
<i>Other sales</i>	4 150.3	4 175.7	4 468.8	4 074.7	4 964.9	4 744.9	5 304.7	5 304.7	96.9%
Other tax receipts	44.0	50.6	20.6	61.4	63.1	70.9	67.9	67.9	128.2%
Transfers received	3 389.4	3 389.4	3 682.3	3 682.3	4 009.5	4 009.5	4 215.7	4 315.7	100.7%
Total receipts	14 731.0	17 912.8	19 721.2	18 644.2	20 482.4	19 221.4	22 347.8	21 446.9	99.9%
Payment									
Current payments	9 161.0	13 518.3	13 912.3	14 662.7	13 770.2	15 176.0	15 331.5	15 269.2	112.4%
Compensation of employees	1 469.8	1 366.3	1 674.3	1 589.7	1 593.1	1 763.9	2 051.0	2 051.0	99.7%
Goods and services	7 670.9	12 152.0	12 237.0	13 047.5	12 155.6	13 388.2	13 254.8	13 192.2	114.3%
Interest and rent on land	20.2	—	1.0	25.5	21.6	23.9	25.7	26.0	110.1%
Transfers and subsidies	1 161.8	1 227.9	1 341.8	1 242.6	1 386.1	1 210.1	1 408.6	1 443.5	96.7%
Total payments	10 322.7	14 746.2	15 254.1	15 905.3	15 156.4	16 386.1	16 740.1	16 712.7	110.9%
Net cash flow from investing activities	(4 408.3)	(3 631.6)	(4 543.7)	(3 133.9)	(5 326.0)	(3 174.5)	(5 607.6)	(4 628.3)	73.3%
Acquisition of property, plant, equipment and intangible assets	(4 408.3)	(3 617.2)	(4 543.7)	(3 130.5)	(5 314.2)	(3 154.3)	(5 595.2)	(4 607.1)	73.1%
Investment property	—	(2.5)	—	—	(8.3)	—	(8.7)	—	15.0%
Acquisition of software and other intangible assets	—	(11.9)	—	(3.4)	(3.6)	(20.2)	(3.8)	(21.2)	771.9%
Net cash flow from financing activities	—	0.4	—	(7.9)	(8.3)	(5.6)	(8.8)	(5.9)	111.3%
Repayment of finance leases	—	(12.5)	—	(17.5)	(18.5)	(9.2)	(19.5)	(9.6)	128.3%
Other flows from financing activities	—	12.8	—	9.6	10.2	3.5	10.7	3.7	142.2%
Net increase/(decrease) in cash and cash equivalents	(0.0)	(464.8)	(76.7)	(402.9)	(8.3)	(344.8)	(8.8)	100.0	

Table 13.14 Property Management Trading Entity statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Statement of financial position									
Carrying value of assets	95 016.0	125 705.1	112 862.5	127 303.6	133 784.9	127 914.7	140 875.5	135 205.8	107.0%
Acquisition of assets	(4 408.3)	(3 617.2)	(4 543.7)	(3 130.5)	(5 314.2)	(3 154.3)	(5 595.2)	(4 607.1)	73.1%
Investments	1 214.5	713.3	1 000.0	582.2	615.3	389.6	647.9	417.6	60.5%
Receivables and prepayments	2 700.0	4 712.6	3 501.5	5 000.1	5 079.7	5 702.8	5 348.9	6 638.2	132.6%
Cash and cash equivalents	7.0	2.9	4.0	6.0	6.3	6.6	6.6	7.0	94.3%
Total assets	98 937.5	131 133.9	117 368.0	132 891.8	139 486.3	134 013.7	146 879.1	142 268.7	107.5%
Accumulated surplus/(deficit)	90 598.5	116 401.0	104 581.0	115 930.9	122 874.4	117 046.6	129 386.8	124 330.2	105.9%
Borrowings	650.0	1 932.6	—	2 338.5	2 471.8	2 684.0	2 602.8	2 837.0	171.1%
Finance lease	4.0	16.0	12.0	9.9	10.5	5.3	11.1	5.6	98.0%
Deferred income	—	6 138.0	7 000.0	7 786.7	7 078.6	7 802.4	7 453.8	8 247.2	139.2%
Trade and other payables	6 000.0	4 038.5	2 700.0	4 155.9	4 229.0	4 128.4	4 453.1	4 368.1	96.0%
Provisions	150.0	2 285.9	250.0	2 267.6	2 396.9	1 939.0	2 523.9	2 049.5	160.5%
Derivatives financial instruments	1 535.0	322.0	1 325.0	402.2	425.1	408.0	447.6	431.2	41.9%
Total equity and liabilities	98 937.5	131 133.9	115 868.0	132 891.8	139 486.3	134 013.7	146 879.1	142 268.7	107.8%

Statements of estimates of financial performance, cash flow and financial position**Table 13.15 Property Management Trading Entity statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23		
Revenue									
Non-tax revenue	17 131.1	11.6%	77.1%	19 532.2	21 062.8	22 726.2	9.9%	81.7%	
Sale of goods and services other than capital assets	17 063.2	14.1%	74.3%	19 409.2	20 931.8	22 586.7	9.8%	81.2%	
Sales by market establishment	11 970.7	41.8%	42.3%	13 975.5	15 136.2	16 397.9	11.1%	58.3%	
Other sales	5 092.5	-11.3%	32.0%	5 433.7	5 795.6	6 188.7	6.7%	22.9%	
Other non-tax revenue	67.9	-56.4%	2.8%	123.0	131.0	139.5	27.1%	0.5%	
Transfers received	4 315.7	8.4%	22.9%	4 360.4	4 538.3	4 707.7	2.9%	18.3%	
Total revenue	21 446.9	11.0%	100.0%	23 892.6	25 601.1	27 433.9	8.6%	100.0%	
Current expenses									
Compensation of employees	2 051.0	11.0%	11.3%	2 142.5	2 260.3	2 380.1	5.1%	11.4%	
Goods and services	13 218.2	11.9%	66.9%	15 362.6	16 408.3	17 681.2	10.2%	80.4%	
Transfers and subsidies	1 443.5	10.6%	7.9%	1 521.3	1 643.0	1 774.5	7.1%	8.2%	
Total expenses	16 712.7	4.6%	100.0%	19 026.4	20 311.6	21 835.8	9.3%	100.0%	
Surplus/(Deficit)	4 734.2			4 866.2	5 289.5	5 598.1			
Cash flow statement									
Cash flow from operating activities	4 734.2	14.3%	239.6%	4 866.2	5 289.5	5 598.1	37.8%	244.1%	
Receipts									
Non-tax receipts	17 131.1	5.7%	80.1%	19 532.2	21 062.8	22 726.2	9.9%	81.7%	
Sales of goods and services other than capital assets	17 063.2	5.6%	79.8%	19 409.2	20 931.8	22 586.7	9.8%	81.2%	
Sales by market establishment	11 758.5	4.5%	56.1%	13 688.3	14 820.3	16 050.4	10.9%	57.1%	
Other sales	5 304.7	8.3%	23.6%	5 720.9	6 111.5	6 536.2	7.2%	24.1%	
Other tax receipts	67.9	10.3%	0.3%	123.0	131.0	139.5	27.1%	0.5%	
Transfers received	4 315.7	8.4%	19.9%	4 360.4	4 538.3	4 707.7	2.9%	18.3%	
Total receipts	21 446.9	6.2%	100.0%	23 892.6	25 601.1	27 433.9	8.6%	100.0%	
Current payments									
Compensation of employees	2 051.0	14.5%	11.0%	2 142.5	2 260.3	2 380.1	5.1%	11.4%	
Goods and services	13 192.2	2.8%	84.5%	15 335.2	16 379.6	17 651.2	10.2%	80.3%	
Interest and rent on land	26.0	—	0.1%	27.3	28.7	30.1	5.0%	0.1%	
Transfers and subsidies	1 443.5	5.5%	8.3%	1 521.3	1 643.0	1 774.5	7.1%	8.2%	
Total payment	16 712.7	4.3%	100.0%	19 026.4	20 311.6	21 835.8	9.3%	100.0%	
Net cash flow from investing activities	(4 628.3)	8.4%	100.0%	(4 860.0)	(5 283.0)	(5 591.3)	6.5%	100.0%	
Acquisition of property, plant, equipment and intangible assets	(4 607.1)	8.4%	99.6%	(4 837.7)	(5 259.6)	(5 566.7)	6.5%	99.6%	
Acquisition of software and other intangible assets	(21.2)	21.4%	0.4%	(22.3)	(23.4)	(24.5)	5.0%	0.4%	
Net cash flow from financing activities	(5.9)	-352.5%	100.0%	(6.2)	(6.5)	(6.8)	5.0%	100.0%	
Repayment of finance leases	(9.6)	-8.3%	-714.0%	(10.1)	(10.6)	(11.1)	5.0%	163.2%	
Other flows from financing activities	3.7	-33.8%	814.0%	3.9	4.1	4.3	5.0%	-63.2%	
Net increase/(decrease) in cash and cash equivalents	100.0	-159.9%	100.0%	(0.0)	0.0	(0.0)	-100.8%	100.0%	
Statement of financial position									
Carrying value of assets	135 205.8	2.5%	95.5%	142 101.3	149 206.4	156 368.3	5.0%	95.0%	
Acquisition of assets	(4 607.1)	8.4%	-2.7%	(4 837.7)	(5 259.6)	(5 566.7)	6.5%	-3.3%	
Investments	417.6	-16.3%	0.4%	438.9	460.9	483.0	5.0%	0.3%	
Receivables and prepayments	6 638.2	12.1%	4.1%	6 976.8	7 325.6	7 677.3	5.0%	4.7%	
Cash and cash equivalents	7.0	33.8%	0.0%	7.4	7.8	8.1	5.0%	0.0%	
Total assets	142 268.7	2.8%	100.0%	149 524.4	157 000.6	164 536.7	5.0%	100.0%	

Statement of financial performance

Personnel information

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number	
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/Total (%)
			2018/19			2019/20			2020/21			2021/22			2022/23				
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Property Management Trading Entity			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2019/20 - 2022/23	
Salary level	5 131	5 131	5 131	1 792.1	0.3	5 131	2 051.0	0.4	5 131	2 142.5	0.4	5 131	2 260.3	0.4	5 123	2 380.1	0.5	5.1%	100.0%
1 – 6	2 441	2 441	2 441	394.4	0.2	2 441	451.4	0.2	2 441	469.7	0.2	2 441	497.7	0.2	2 441	526.5	0.2	5.3%	47.6%
7 – 10	2 013	2 013	2 013	800.9	0.4	2 013	916.8	0.5	2 013	956.3	0.5	2 013	1 010.2	0.5	2 005	1 065.1	0.5	5.1%	39.2%
11 – 12	456	456	456	366.3	0.8	456	418.9	0.9	456	439.5	1.0	456	461.5	1.0	456	483.7	1.1	4.9%	8.9%
13 – 16	221	221	221	230.6	1.0	221	263.9	1.2	221	277.0	1.3	221	290.9	1.3	221	304.8	1.4	4.9%	4.3%

Other entities

- **Agrement South Africa** is mandated to certify non-standardised or unconventional built environment construction products, materials and systems through technical assessments that verify whether such products, materials and systems are fit for purpose. The entity's total budget for 2020/21 is R35.5 million.
- The **Construction Industry Development Board** provides leadership to stakeholders; stimulates the growth, reform and improvement of the construction sector; and enhances the industry's role in the South African economy. The board's total budget for 2020/21 is R194.3 million.
- The **Council for the Built Environment** oversees and regulates the 6 professional councils responsible for regulating built environment professionals such as architects, engineers, quantity surveyors, landscape architects, property valuers, and project and construction managers. The council's total budget for 2020/21 is R58.7 million.
- The **Independent Development Trust** has evolved from a grant-making organisation into a responsive development agency with a well-established footprint across South Africa. The trust's total budget for 2020/21 is R271.4 million.

Vote 14

Statistics South Africa

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	675.6	409.9	0.3	265.3	693.8	753.7
Economic Statistics	282.1	282.1	–	0.1	326.1	344.4
Population and Social Statistics	276.0	275.4	0.0	0.5	176.9	235.1
Methodology and Statistical Infrastructure	162.0	161.3	–	0.7	198.2	209.0
Statistical Support and Informatics	283.5	265.5	–	18.1	301.3	324.1
Statistical Operations and Provincial Coordination	1 729.5	1 699.5	0.2	29.9	3 102.0	948.5
South African National Statistics System	43.4	43.3	–	0.2	45.7	47.6
Total expenditure estimates	3 452.2	3 136.9	0.5	314.7	4 843.9	2 862.6

Executive authority	Minister in the Presidency
Accounting officer	Statistician General of Statistics South Africa
Website	www.statssa.gov.za

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Lead and partner in the production of statistics, in line with internationally recognised principles and standards, to inform users about socioeconomic dynamics for evidence-based decisions.

Mandate

Statistics South Africa is a national department accountable to the Minister in the Presidency. The department's activities are regulated by the Statistics Act (1999), which mandates the department to advance the production, dissemination, use and coordination of official and other statistics to assist organs of state, businesses, other organisations and the public in planning, monitoring, policy development and decision-making. The act also requires that the department coordinates statistical production among organs of state in line with the purpose of official statistics and statistical principles.

Selected performance indicators

Table 14.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of releases on GDP estimates per year	Economic Statistics	Priority 6: A capable, ethical and developmental state	4	4	4	4	4	4	4
Number of releases on industry and trade statistics per year	Economic Statistics		150	150	150	150	150	150	150
Number of releases on financial statistics per year	Economic Statistics		17	17	17	17	17	17	17
Number of releases on the price index per year	Economic Statistics		48	48	48	48	48	48	48
Number of releases on labour market dynamics per year	Population and Social Statistics		7	8	8	8	8	8	8
Number of releases on living circumstances, service delivery and poverty per year	Population and Social Statistics		4	3	4	4	4	4	4
Number of releases on the changing profile of the population per year	Population and Social Statistics		17	15	16	17	17	17	17

Expenditure analysis

Statistics South Africa is responsible for the production and coordination of official and other statistics on the country's economy, society and environment as South Africa moves towards the realisation of the National Development Plan's vision of a state that plays a developmental and transformative role in the lives of its citizens. In line with this vision, the department's work is informed by priority 1 (economic transformation and job creation), priority 2 (education, skills and health), priority 3 (consolidating the social wage through reliable and quality basic services), priority 4 (spatial integration, human settlements and local government) and priority 5 (social cohesion and safe communities) of government's 2019-2024 medium-term strategic framework. The department publishes more than 250 statistical releases each year that measure progress against these guiding policies.

Over the medium term, the department will focus on modernising its operating model, strengthening statistical reform, and preparing for and conducting the national population census in 2021. As the production of statistics relies on skilled personnel, expenditure on the compensation of an average of 2 812 employees over the medium term is expected to account for 48.3 per cent (R5.1 billion) of the department's total budget over this period. This expenditure is projected to increase from R1.5 billion in 2019/20 to R1.8 billion in 2022/23, at an average annual rate of 7.2 per cent, as a result of an additional allocation of R105 million and a reprioritisation of R49.4 million to address the historic shortfall in the budget for compensation of employees. Preparing for and successfully executing Census 2021 is expected to account for approximately 27.5 per cent (R3.1 billion) of the department's total budget over the MTEF period.

Modernising the operating model

To improve data collection and analysis, and turnaround times for the processing and release of data, the department plans to migrate from paper-based to digital data collection over the medium term across all programmes, but *Administration*. The department will review its business processes and systems to assess how better efficiencies can be achieved through new technologies, and to identify opportunities for automation beyond the data collection process. It will also conduct research on how to innovate statistical methods, practices and processes to improve production systems and procedures. An estimated R6.3 million over the medium term is allocated for these activities in the *Innovation and Research* subprogramme in the *Methodology and Statistical Infrastructure* programme.

Statistical reform

In 2019/20, the department drafted the Statistics Amendment Bill to improve and strengthen statistical coordination among producers of statistics and drive statistical reform in South Africa. It anticipates that Parliament will approve the bill in 2020/21 so that it can be implemented over the medium term. This reform will be bolstered by the Statistician-General's application of statistical frameworks, standards and classifications for statistical production within the national statistics system as a basis to certify statistics as official. To strengthen statistical coordination and drive statistical and legislative reform, R136.7 million has been allocated over the medium term in the *South African National Statistics System* programme. This intensified focus will require an increase in the number of personnel in the programme from 16 to an estimated 25, driving an increase in spending on compensation of employees from R18.3 million in 2019/20 to R35.4 million in 2022/23 at an average annual rate of 24.5 per cent. This accounts for an estimated 72.5 per cent (R103.4 million) of expenditure in this programme over the medium term, with R18.2 million allocated for travel and subsistence as the department visits various organs of state to conduct workshops and consultations on the application of statistical reforms brought about by the amendment bill.

Towards Census 2021

The national population census the department plans to conduct in 2021 will form the baseline of the national statistics system. The department has tested census methodologies, including the use of digital data collection methods, and will conduct a pilot census in 2020/21 as a rehearsal exercise. R855 million is allocated for the pilot census, increasing expenditure in the *Statistical Operations and Provincial Coordination* programme from R935.9 million in 2019/20 to an estimated R1.7 billion in 2020/21. Data collection for Census 2021, which will

entail visiting all households in South Africa, is scheduled for October 2021, with the results scheduled to be released in 2022/23. The department has allocated R2.2 billion in 2021/22 for all census-related activities in the *Household Survey and Censuses* subprogramme, driving an increase in the *Statistical Operations and Provincial Coordination* programme's spending to R3.1 billion in 2021/22. Expenditure in the programme is expected to decrease to a baseline of R948.5 million in 2022/23.

To measure poverty, inequality and service delivery in South Africa through a survey on income and expenditure, an additional R150 million in 2020/21 has been allocated to the *Poverty and Inequality Statistics* subprogramme in the *Population and Social Statistics* programme. As a result, expenditure in the subprogramme is set to increase from R23.2 million in 2019/20 to R173.2 million in 2020/21.

Expenditure trends and estimates

Table 14.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Economic Statistics											
3. Population and Social Statistics											
4. Methodology and Statistical Infrastructure											
5. Statistical Support and Informatics											
6. Statistical Operations and Provincial Coordination											
7. South African National Statistics System											
Programme											
R million	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Programme 1	648.3	686.0	714.9	659.5	0.6%	28.6%	675.6	693.8	753.7	4.6%	20.4%
Programme 2	233.3	240.7	248.5	276.8	5.9%	10.5%	282.1	326.1	344.4	7.6%	9.0%
Programme 3	114.5	116.9	168.9	180.1	16.3%	6.1%	276.0	176.9	235.1	9.3%	6.3%
Programme 4	123.5	126.1	130.5	149.4	6.6%	5.6%	162.0	198.2	209.0	11.8%	5.3%
Programme 5	249.3	239.8	248.3	281.7	4.2%	10.7%	283.5	301.3	324.1	4.8%	8.7%
Programme 6	1 061.0	763.4	773.1	935.9	-4.1%	37.3%	1 729.5	3 102.0	948.5	0.4%	49.1%
Programme 7	31.2	22.6	26.8	30.9	-0.3%	1.2%	43.4	45.7	47.6	15.4%	1.2%
Subtotal	2 461.2	2 195.5	2 311.1	2 514.4	0.7%	100.0%	3 452.2	4 843.9	2 862.6	4.4%	100.0%
Total	2 461.2	2 195.5	2 311.1	2 514.4	0.7%	100.0%	3 452.2	4 843.9	2 862.6	4.4%	100.0%
Change to 2019 Budget estimate				-			148.0	(68.9)	38.5		
Economic classification											
Current payments	2 229.2	1 901.2	2 024.8	2 141.1	-1.3%	87.5%	3 136.9	4 524.2	2 545.5	5.9%	90.3%
Compensation of employees	1 371.8	1 409.5	1 493.2	1 460.1	2.1%	60.5%	1 611.5	1 739.7	1 798.9	7.2%	48.3%
Goods and services ¹	857.4	491.3	531.6	681.0	-7.4%	27.0%	1 525.5	2 784.6	746.5	3.1%	42.0%
of which:											
Advertising	10.3	0.9	0.3	5.7	-17.8%	0.2%	57.9	256.1	2.3	-25.7%	2.4%
Minor assets	32.5	0.4	1.1	4.4	-48.9%	0.4%	650.6	2.0	2.0	-22.4%	4.8%
Computer services	87.3	75.0	79.5	99.4	4.4%	3.6%	127.1	130.7	128.1	8.8%	3.5%
Agency and support/outsourced services	138.4	7.9	8.4	92.1	-12.7%	2.6%	124.2	1 301.1	28.0	-32.8%	11.3%
Operating leases	183.1	165.7	219.4	174.4	-1.6%	7.8%	171.9	209.3	200.1	4.7%	5.5%
Travel and subsistence	186.4	61.6	66.0	106.5	-17.0%	4.4%	140.0	309.8	124.1	5.2%	5.0%
Transfers and subsidies¹	5.6	5.0	4.8	2.6	-22.4%	0.2%	0.5	4.6	0.5	-43.7%	0.1%
Departmental agencies and accounts	0.0	0.0	0.0	0.0	-39.4%	0.0%	0.0	0.0	0.0	-20.6%	0.0%
Public corporations and private enterprises	0.2	0.1	-	-	-100.0%	0.0%	-	-	-	0.0%	0.0%
Non-profit institutions	0.3	0.2	-	0.1	-21.6%	0.0%	0.1	0.1	0.1	-0.7%	0.0%
Households	5.1	4.7	4.8	2.5	-21.5%	0.2%	0.4	4.5	0.3	-48.9%	0.1%
Payments for capital assets	220.2	289.3	270.8	370.6	19.0%	12.1%	314.7	315.1	316.6	-5.1%	9.6%
Buildings and other fixed structures	155.9	247.5	243.8	255.8	17.9%	9.5%	264.5	284.3	294.7	4.8%	8.0%
Machinery and equipment	61.6	29.9	23.0	80.7	9.4%	2.1%	40.0	30.1	21.3	-35.9%	1.3%
Software and other intangible assets	2.7	11.8	4.0	34.1	132.8%	0.6%	10.2	0.6	0.6	-73.5%	0.3%
Payments for financial assets	6.2	-	10.7	-	-100.0%	0.2%	-	-	-	0.0%	0.0%
Total	2 461.2	2 195.5	2 311.1	2 514.4	0.7%	100.0%	3 452.2	4 843.9	2 862.6	4.4%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 14.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R thousand											
Households											
Social benefits											
Current	3 803	3 428	4 617	2 170	-17.1%	78.3%	208	4 060	130	-60.9%	79.9%
Employee social benefits	3 803	3 428	4 617	2 170	-17.1%	78.3%	208	4 060	130	-60.9%	79.9%
Households											
Other transfers to households											
Current	1 258	1 257	181	300	-38.0%	16.7%	180	418	199	-12.8%	13.4%
Employee social benefits	—	522	—	—	—	2.9%	—	—	—	—	—
Bursaries for non-employees	1 248	665	148	300	-37.8%	13.2%	180	190	199	-12.8%	10.6%
Employee ex-gratia payment	10	70	33	—	-100.0%	0.6%	—	228	—	—	2.8%
Non-profit institutions											
Current	290	244	—	140	-21.6%	3.8%	137	137	137	-0.7%	6.7%
South African Statistical Association	90	44	—	130	13.0%	1.5%	127	127	127	-0.8%	6.2%
Population Association of Southern Africa	200	200	—	10	-63.2%	2.3%	10	10	10	—	0.5%
Public corporations and private enterprises											
Other transfers to public corporations											
Current	—	85	—	—	—	0.5%	—	—	—	—	—
Public corporations and private enterprises	—	85	—	—	—	0.5%	—	—	—	—	—
Public corporations and private enterprises											
Other transfers to private enterprises											
Current	135	—	—	—	-100.0%	0.8%	—	—	—	—	—
Public corporations and private enterprises	135	—	—	—	-100.0%	0.8%	—	—	—	—	—
Total	5 486	5 014	4 798	2 610	-21.9%	100.0%	525	4 615	466	-43.7%	100.0%

Personnel information

Table 14.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																
1. Administration																
2. Economic Statistics																
3. Population and Social Statistics																
4. Methodology and Statistical Infrastructure																
5. Statistical Support and Informatics																
6. Statistical Operations and Provincial Coordination																
7. South African National Statistics System																
Number of posts estimated for 31 March 2020			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 (%)	
		2018/19			2019/20			2020/21		2021/22		2022/23				
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost
Statistics South Africa		3 314	–	–	2 889	1 493.2	0.5	2 666	1 460.6	0.5	2 824	1 611.5	0.6	2 852	1 739.7	0.6
Salary level	3 314	–	–	–	2 889	1 493.2	0.5	2 666	1 460.6	0.5	2 824	1 611.5	0.6	2 852	1 739.7	0.6
1 – 6	1 432	–	–	–	1 313	379.6	0.3	1 327	424.3	0.3	1 441	494.7	0.3	1 500	555.0	0.4
7 – 10	1 176	–	–	–	1 007	511.4	0.5	767	425.4	0.6	840	493.8	0.6	781	490.9	0.6
11 – 12	456	–	–	–	367	335.1	0.9	365	339.7	0.9	340	337.9	1.0	361	381.6	1.1
13 – 16	249	–	–	–	202	267.0	1.3	207	271.3	1.3	203	285.1	1.4	208	301.0	1.6
Other	1	–	–	–	–	–	–	–	–	–	–	–	–	1	–	–
Programme	3 314	–	–	–	2 889	1 493.2	0.5	2 666	1 460.6	0.5	2 824	1 611.5	0.6	2 852	1 739.7	0.6
Programme 1	518	–	–	–	401	231.1	0.6	310	185.7	0.6	332	189.8	0.6	294	187.7	0.6
Programme 2	563	–	–	–	509	230.3	0.5	489	243.2	0.5	483	257.9	0.5	544	300.8	0.6
Programme 3	200	–	–	–	164	134.8	0.8	154	109.8	0.7	144	106.6	0.7	150	119.6	0.8
Programme 4	230	–	–	–	196	122.7	0.6	196	133.7	0.7	183	131.3	0.7	213	167.4	0.8
Programme 5	236	–	–	–	208	137.2	0.7	198	145.2	0.7	186	144.0	0.8	198	159.2	0.8
Programme 6	1 535	–	–	–	1 390	617.3	0.4	1 303	624.2	0.5	1 470	748.9	0.5	1 427	769.9	0.5
Programme 7	32	–	–	–	21	19.8	0.9	16	18.8	1.2	26	32.9	1.3	25	35.4	1.4
														</		

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

2. Rand million.

Departmental receipts

Table 14.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
R thousand	2016/17	2017/18	2018/19	2019/20	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Departmental receipts	8 580	2 046	3 473	1 524	1 524	-43.8%	100.0%	1 472	1 483	1 494	-0.7%	100.0%
Sales of goods and services produced by department	826	1 118	799	819	819	-0.3%	22.8%	819	824	829	0.4%	55.1%
Sales by market establishments	142	43	42	40	40	-34.4%	1.7%	38	38	38	-1.7%	2.6%
of which:												
Parking	142	43	42	40	40	-34.4%	1.7%	38	38	38	-1.7%	2.6%
Other sales	684	1 075	757	779	779	4.4%	21.1%	781	786	791	0.5%	52.5%
of which:												
Replacement of security cards	1	1	2	2	2	26.0%	—	1	1	1	-20.6%	0.1%
Commission on insurance	646	707	744	776	776	6.3%	18.4%	780	785	790	0.6%	52.4%
Departmental publications	37	21	10	1	1	-70.0%	0.4%	—	—	—	-100.0%	—
Cruise conference entrance fees	—	346	—	—	—	—	2.2%	—	—	—	—	—
Sales of assets less than R5 000	—	—	1	—	—	—	—	—	—	—	—	—
Sales of scrap, waste, arms and other used current goods	737	6	8	2	2	-86.1%	4.8%	3	4	5	35.7%	0.2%
of which:												
Sale of wastepaper	737	6	8	2	2	-86.1%	4.8%	3	4	5	35.7%	0.2%
Interest, dividends and rent on land	110	100	215	76	76	-11.6%	3.2%	80	85	90	5.8%	5.5%
Interest	110	100	215	76	76	-11.6%	3.2%	80	85	90	5.8%	5.5%
Sales of capital assets	1 039	15	76	2	2	-87.6%	7.2%	—	—	—	-100.0%	—
Transactions in financial assets and liabilities	5 868	807	2 375	625	625	-52.6%	61.9%	570	570	570	-3.0%	39.1%
Total	8 580	2 046	3 473	1 524	1 524	-43.8%	100.0%	1 472	1 483	1 494	-0.7%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 14.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Departmental Management	60.0	69.5	62.5	66.5	3.5%	9.5%	62.6	68.6	74.3	3.8%	9.8%
Corporate Services	146.0	136.5	125.0	122.2	-5.8%	19.6%	135.2	119.0	130.5	2.2%	18.2%
Financial Administration	74.4	76.4	82.6	63.3	-5.2%	11.0%	63.1	70.0	76.0	6.3%	9.8%
Internal Audit	12.8	14.3	14.4	12.7	-0.4%	2.0%	12.0	13.3	14.3	4.0%	1.9%
Office Accommodation	355.1	389.3	430.5	394.9	3.6%	57.9%	402.6	422.9	458.7	5.1%	60.3%
Total	648.3	686.0	714.9	659.5	0.6%	100.0%	675.6	693.8	753.7	4.6%	100.0%
Change to 2019				—			(36.2)	(53.6)	(21.0)		
Budget estimate											
Economic classification	479.5	427.0	469.2	401.2	-5.8%	65.6%	409.9	408.3	457.8	4.5%	60.3%
Current payments	216.0	223.3	231.1	185.0	-5.0%	31.6%	189.8	187.7	199.4	2.5%	27.4%
Compensation of employees	216.0	223.3	231.1	185.0	-5.0%	31.6%	189.8	187.7	199.4	2.5%	27.4%
Goods and services ¹	263.5	203.3	238.1	216.1	-6.4%	34.0%	220.1	220.7	258.4	6.1%	32.9%
of which:											
Audit costs: External	5.6	7.0	6.2	7.6	10.6%	1.0%	8.6	8.4	9.6	8.1%	1.2%
Fleet services (including government motor transport)	2.7	2.2	3.1	5.4	25.7%	0.5%	7.6	7.7	9.3	19.8%	1.1%
Operating leases	128.0	101.3	151.5	104.8	-6.4%	17.9%	102.9	103.3	120.5	4.8%	15.5%
Property payments	58.6	36.9	41.0	39.5	-12.3%	6.5%	38.6	38.9	47.2	6.1%	5.9%
Travel and subsistence	19.1	15.1	9.0	17.3	-3.3%	2.2%	14.2	14.1	16.0	-2.6%	2.2%
Training and development	2.3	4.2	1.1	6.1	38.9%	0.5%	8.2	8.0	9.5	16.0%	1.1%
Interest and rent on land	—	0.5	—	—	—	—	—	—	—	—	—
Transfers and subsidies¹	1.8	1.6	1.2	0.8	-24.1%	0.2%	0.3	0.3	0.3	-25.4%	0.1%
Public corporations and private enterprises	0.1	0.1	—	—	-100.0%	—	—	—	—	—	—
Non-profit institutions	0.1	0.0	—	0.1	13.0%	—	0.1	0.1	0.1	-0.8%	—
Households	1.6	1.5	1.2	0.7	-25.3%	0.2%	0.2	0.2	0.2	-32.8%	—

Table 14.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Payments for capital assets	167.0	257.3	244.5	257.6	15.5%	34.2%	265.3	285.2	295.6	4.7%	39.7%
Buildings and other fixed structures	155.9	247.5	243.8	255.8	17.9%	33.3%	264.5	284.3	294.7	4.8%	39.5%
Machinery and equipment	11.1	9.4	0.7	1.8	-45.2%	0.9%	0.9	0.8	0.9	-20.7%	0.2%
Software and other intangible assets	—	0.4	—	—	—	—	—	—	—	—	—
Total	648.3	686.0	714.9	659.5	0.6%	100.0%	675.6	693.8	753.7	4.6%	100.0%
Proportion of total programme expenditure to vote expenditure	26.3%	31.2%	30.9%	26.2%	—	—	19.6%	14.3%	26.3%	—	—

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

Programme 2: Economic Statistics

Programme purpose

Produce economic statistics to inform evidence-based economic development.

Objectives

- Produce economic indicators to inform evidence-based planning, monitoring, evaluation and decision-making for use by the public and private sectors by:
 - publishing monthly, quarterly, annual and periodic statistical releases on various industries in the private and public sectors
 - publishing monthly statistical releases on a range of price indexes
 - publishing quarterly and annual GDP estimates
 - improving the measurement of economic indicators through the application of internationally recognised standards and practices on an ongoing basis.

Subprogrammes

- Programme Management for Economic Statistics* provides strategic direction and leadership to the programme.
- Business Cycle Indicators* provides information on turnover and volumes in various industries through the publication of monthly, quarterly and annual statistical releases.
- Structural Industry Statistics* publishes periodic statistical information on the income and expenditure structure of industries, and on non-financial variables.
- Price Statistics* provides information on inflation by compiling the consumer price index and various producer price indexes.
- Private Sector Finance Statistics* tracks the financial performance of private sector organisations.
- Government Finance Statistics* tracks public sector spending.
- National Accounts* produces GDP data and other integrated statistical products.

Expenditure trends and estimates

Table 14.7 Economic Statistics 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Programme Management for Economic Statistics	4.6	4.4	4.0	5.7	7.2%	1.9%	5.3	7.9	8.6	14.9%	2.2%
Business Cycle Indicators	30.9	33.3	35.1	45.0	13.4%	14.4%	39.7	45.3	47.6	1.9%	14.4%
Structural Industry Statistics	40.8	42.1	42.7	46.4	4.4%	17.2%	50.2	61.6	65.1	11.9%	18.2%
Price Statistics	73.5	77.2	81.3	86.9	5.7%	31.9%	88.2	104.9	110.3	8.3%	31.8%
Private Sector Finance Statistics	32.7	35.3	36.8	37.8	5.0%	14.3%	40.3	44.2	46.3	7.0%	13.7%
Government Finance Statistics	18.2	19.2	20.4	20.5	4.2%	7.8%	21.9	24.0	25.1	6.9%	7.4%
National Accounts	32.7	29.3	28.3	34.5	1.8%	12.5%	36.5	38.2	41.3	6.2%	12.2%
Total	233.3	240.7	248.5	276.8	5.9%	100.0%	282.1	326.1	344.4	7.6%	100.0%
Change to 2019 Budget estimate				–			(5.4)	16.2	22.6		
Economic classification											
Current payments	231.6	240.3	247.7	276.7	6.1%	99.7%	282.1	326.0	344.4	7.6%	100.0%
Compensation of employees	210.4	219.9	230.3	243.4	5.0%	90.5%	257.9	300.8	315.4	9.0%	90.9%
Goods and services ¹	21.2	20.4	17.4	33.3	16.2%	9.2%	24.2	25.2	29.0	-4.5%	9.1%
of which:											
Communication	1.7	3.2	1.9	2.7	16.9%	1.0%	2.6	2.7	3.6	9.7%	0.9%
Consultants: Business and advisory services	8.1	4.0	2.4	5.5	-11.9%	2.0%	5.5	5.1	6.3	4.7%	1.8%
Consumables: Stationery, printing and office supplies	0.3	0.9	0.7	0.9	37.5%	0.3%	1.0	0.8	1.0	2.4%	0.3%
Travel and subsistence	7.2	6.9	6.9	8.1	3.9%	2.9%	9.5	9.8	9.3	4.8%	3.0%
Training and development	0.5	0.2	0.4	0.9	25.3%	0.2%	0.6	1.6	3.1	51.1%	0.5%
Operating payments	2.5	4.1	4.3	3.9	16.8%	1.5%	3.1	2.7	2.4	-15.4%	1.0%
Transfers and subsidies ¹	0.4	0.2	0.7	0.0	-72.0%	0.1%	–	–	–	-100.0%	–
Departmental agencies and accounts	–	–	–	0.0	–	–	–	–	–	-100.0%	–
Households	0.4	0.2	0.7	0.0	-73.1%	0.1%	–	–	–	-100.0%	–
Payments for capital assets	1.3	0.1	0.1	0.1	-56.7%	0.2%	0.1	0.1	0.0	-28.7%	–
Machinery and equipment	1.3	0.1	0.1	0.1	-56.7%	0.2%	0.1	0.1	0.0	-28.7%	–
Total	233.3	240.7	248.5	276.8	5.9%	100.0%	282.1	326.1	344.4	7.6%	100.0%
Proportion of total programme expenditure to vote expenditure	9.5%	11.0%	10.8%	11.0%	–	–	8.2%	6.7%	12.0%	–	–

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

Programme 3: Population and Social Statistics

Programme purpose

Produce population and social statistics to inform evidence-based socioeconomic development.

Objectives

- Sustain national population and social indicators to inform evidence-based planning, monitoring and decision-making for use by the public and private sectors by:
 - publishing quarterly and annual statistical information on the labour market, and on employment and earnings in the formal and informal sectors
 - publishing monthly and annual statistical information on vital registrations based on administrative sources
 - publishing annual and periodic statistical information on poverty levels, living conditions and service delivery, as well as population dynamics and demographic trends
 - improving the measurement of social indicators through the application of internationally recognised standards and practices on an ongoing basis.

Subprogrammes

- *Programme Management for Population and Social Statistics* provides strategic direction and leadership to the programme.

- *Demographic and Population Statistics* publishes population statistics, demographic trends and mid-year population estimates collected through population censuses and surveys, as well as other administrative sources.
- *Health and Vital Statistics* publishes statistics on births, deaths, marriages, divorces, tourism and migration based on administrative records.
- *Social Statistics* provides information on living conditions, domestic tourism and crime collected through household surveys.
- *Labour Statistics* provides information on employment levels in the formal, non-agricultural sector, and labour market trends in South Africa.
- *Poverty and Inequality Statistics* provides information on poverty levels, and income and expenditure trends in South Africa.

Expenditure trends and estimates

Table 14.8 Population and Social Statistics 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme Management for Population and Social Statistics	3.3	1.2	0.6	2.0	-15.3%	1.2%	1.9	1.9	2.2	2.4%	0.9%
Demographic and Population Statistics	24.3	27.1	25.3	29.0	6.1%	18.2%	28.6	27.5	29.4	0.4%	13.2%
Health and Vital Statistics	10.9	10.1	9.3	13.6	7.4%	7.6%	11.7	11.3	12.0	-4.0%	5.6%
Social Statistics	17.6	16.7	18.8	18.2	1.2%	12.3%	19.2	18.5	19.6	2.6%	8.7%
Labour Statistics	37.3	39.4	89.1	94.0	36.1%	44.8%	41.4	39.4	41.9	-23.6%	25.0%
Poverty and Inequality Statistics	21.1	22.4	25.8	23.2	3.3%	15.9%	173.2	78.4	130.2	77.6%	46.7%
Total	114.5	116.9	168.9	180.1	16.3%	100.0%	276.0	176.9	235.1	9.3%	100.0%
Change to 2019				-			138.7	(74.8)	(27.2)		
Budget estimate											
Economic classification											
Current payments	113.1	116.1	161.5	179.5	16.7%	98.2%	275.4	176.4	234.7	9.3%	99.8%
Compensation of employees	101.5	100.3	134.8	109.8	2.7%	76.9%	106.6	119.6	125.2	4.5%	53.1%
Goods and services ¹	11.6	15.7	26.7	69.7	81.7%	21.3%	168.8	56.8	109.5	16.2%	46.6%
of which:											
Communication	0.8	1.3	2.4	1.5	24.6%	1.0%	5.5	4.8	6.1	58.7%	2.1%
Agency and support/outsource services	0.1	0.0	0.0	38.6	811.4%	6.7%	92.7	0.5	0.5	-76.1%	15.2%
Fleet services (including government motor transport)	0.1	0.1	0.0	0.0	-61.1%	-	20.0	18.2	34.9	1811.3%	8.4%
Consumables: Stationery, printing and office supplies	0.5	0.7	0.4	0.5	-1.0%	0.3%	3.1	2.2	6.1	134.0%	1.4%
Travel and subsistence	3.5	5.4	17.0	22.6	86.7%	8.4%	37.2	23.3	52.1	32.2%	15.6%
Operating payments	5.7	7.0	4.1	3.4	-15.6%	3.5%	3.2	3.7	3.9	4.9%	1.7%
Transfers and subsidies¹	0.5	0.5	0.5	0.0	-56.0%	0.3%	0.0	0.0	0.0	-37.5%	-
Public corporations and private enterprises	0.0	-	-	-	-100.0%	-	-	-	-	-	-
Non-profit institutions	0.2	0.2	-	0.0	-63.2%	0.1%	0.0	0.0	0.0	-	-
Households	0.3	0.3	0.5	0.0	-50.8%	0.2%	-	-	-	-100.0%	-
Payments for capital assets	0.9	0.4	0.4	0.5	-17.7%	0.4%	0.5	0.5	0.5	-3.3%	0.2%
Machinery and equipment	0.8	0.4	0.4	0.5	-14.2%	0.4%	0.5	0.5	0.5	-3.3%	0.2%
Software and other intangible assets	0.1	-	-	-	-100.0%	-	-	-	-	-	-
Payments for financial assets	-	-	6.5	-	-	1.1%	-	-	-	-	-
Total	114.5	116.9	168.9	180.1	16.3%	100.0%	276.0	176.9	235.1	9.3%	100.0%
Proportion of total programme expenditure to vote expenditure	4.7%	5.3%	7.3%	7.2%	-	-	8.0%	3.7%	8.2%	-	-

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

Programme 4: Methodology and Statistical Infrastructure

Programme purpose

Develop standards, statistical frames and methodologies, and conduct statistical research.

Objectives

- Improve the quality and methodological soundness of statistical information by researching, developing, reviewing and applying statistical methods, standards, classifications and procedures in the statistical value chain annually.
- Monitor and evaluate the methodological compliance of statistical operations by conducting independent evaluations on statistical practices annually.
- Ensure complete and accurate sampling frames to enhance the quality of economic and social statistics by maintaining and updating frames for business and geographic information annually.

Subprogrammes

- *Programme Management for Methodology and Statistical Infrastructure* provides strategic direction and leadership to the programme.
- *Statistical Methods* provides technical expertise and advice on statistical methodologies and practices for producing official statistics.
- *Statistical Standards* develops standards, classifications and definitions for surveys conducted by the department.
- *Business Register* maintains and improves the sampling frame for economic statistics.
- *Geography Frames and Services* maintains and improves the frame for geographic information in household surveys and censuses.
- *Survey Monitoring and Evaluation* monitors the quality of statistical operations for surveys and censuses, and conducts independent evaluations.
- *Innovation and Research* conducts statistical research, and innovates statistical methods, practices and processes for improved efficiency and agility.

Expenditure trends and estimates

Table 14.9 Methodology and Statistical Infrastructure 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Programme Management for Methodology and Statistical Infrastructure	4.3	4.4	4.4	5.0	5.1%	3.4%	3.9	3.8	4.0	-7.0%	2.3%
Statistical Methods	18.7	20.2	20.3	23.5	7.9%	15.6%	19.9	28.4	29.8	8.3%	14.1%
Statistical Standards	9.4	9.6	9.4	11.7	7.6%	7.6%	10.8	11.4	12.0	0.9%	6.4%
Business Register	33.7	33.1	34.0	38.6	4.6%	26.3%	56.7	63.3	67.7	20.6%	31.5%
Geography Frames and Services	40.8	41.7	44.3	49.8	6.9%	33.3%	47.9	67.4	70.5	12.3%	32.8%
Survey Monitoring and Evaluation	16.7	17.1	18.2	20.9	7.8%	13.8%	20.8	21.7	22.9	3.1%	12.0%
Innovation and Research	—	—	—	—	—	—	2.0	2.1	2.2	—	0.9%
Total	123.5	126.1	130.5	149.4	6.6%	100.0%	162.0	198.2	209.0	11.8%	100.0%
Change to 2019				—			(12.7)	12.7	4.9		
Budget estimate											

Table 14.9 Methodology and Statistical Infrastructure expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 -	2022/23
Current payments	121.6	125.5	129.0	149.1	7.0%	99.2%	161.3	197.8	208.7	11.9%	99.8%
Compensation of employees	115.0	118.5	122.7	133.9	5.2%	92.5%	131.3	167.4	174.9	9.3%	84.6%
Goods and services ¹	6.6	7.0	6.3	15.2	32.2%	6.6%	30.0	30.3	33.8	30.5%	15.2%
of which:											
Communication	0.5	1.4	1.0	1.0	27.9%	0.7%	1.5	1.5	1.5	15.9%	0.8%
Computer services	0.7	–	1.1	1.3	23.6%	0.6%	1.3	1.2	1.3	0.2%	0.7%
Agency and support/outsource services	–	–	–	2.6	–	0.5%	15.7	16.6	19.5	96.7%	7.6%
Consumables: Stationery, printing and office supplies	0.0	0.2	0.2	0.4	110.4%	0.2%	0.8	0.7	0.8	29.8%	0.4%
Travel and subsistence	3.7	3.4	2.6	7.3	25.6%	3.2%	7.5	7.4	7.7	1.6%	4.2%
Operating payments	0.7	1.4	1.0	1.1	14.8%	0.8%	1.4	1.5	1.4	8.4%	0.8%
Transfers and subsidies ¹	0.4	0.0	0.4	0.0	-56.3%	0.2%	–	0.1	–	-100.0%	–
Households	0.4	0.0	0.4	0.0	-56.3%	0.2%	–	0.1	–	-100.0%	–
Payments for capital assets	1.6	0.6	1.1	0.3	-42.8%	0.7%	0.7	0.3	0.4	6.2%	0.2%
Machinery and equipment	1.6	0.6	1.1	0.3	-42.8%	0.7%	0.7	0.3	0.4	6.2%	0.2%
Total	123.5	126.1	130.5	149.4	6.6%	100.0%	162.0	198.2	209.0	11.8%	100.0%
Proportion of total programme expenditure to vote expenditure	5.0%	5.7%	5.6%	5.9%	–	–	4.7%	4.1%	7.3%	–	–

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

Programme 5: Statistical Support and Informatics

Programme purpose

Enable statistical production through technology and promote the use of statistics.

Objectives

- Modernise business processes by building enterprise architecture and applying emerging technologies for data collection, processing and the dissemination of statistical information over the medium term.
- Enable the department's production of official statistics by providing a technology infrastructure that is reliable, sustainable and cost effective over the medium term.
- Increase awareness on and the use of official statistics by government and the public on an ongoing basis by:
 - reaching out to stakeholders and responding to user queries
 - educating users
 - improving accessibility to and the ease of use of statistical information.
- Manage external and internal communications on statistical matters by issuing daily, weekly and monthly updates through the media on an ongoing basis.

Subprogrammes

- *Programme Management for Statistical Support and Informatics* provides strategic direction and leadership to the programme.
- *Communication and Marketing* manages external and internal communication, and increases the use of statistical information through stakeholder engagement and the dissemination of official statistics through various platforms.
- *Business Modernisation* improves data and information management across the department by modernising the way in which business is conducted and supported by technology.
- *Publication Services* provides editing, publishing and distribution services to survey areas.
- *Information, Communication and Technology* provides technology infrastructure to the department and supports data management across statistical series.

Expenditure trends and estimates

Table 14.10 Statistical Support and Informatics expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/ Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/ Total (%)
R million											
Programme Management for Statistical Support and Informatics	10.3	10.2	10.1	12.0	5.4%	4.2%	14.3	15.2	16.0	9.9%	4.8%
Communication and Marketing	36.0	37.9	38.0	42.2	5.4%	15.1%	35.6	37.1	39.0	-2.6%	12.9%
Business Modernisation	47.7	49.7	47.7	55.1	4.9%	19.6%	52.3	55.9	59.2	2.5%	18.7%
Publication Services	20.2	23.2	23.6	28.9	12.8%	9.4%	34.7	36.4	38.8	10.3%	11.7%
Information, Communication and Technology	135.1	118.8	128.9	143.5	2.0%	51.6%	146.6	156.7	171.1	6.0%	51.9%
Total	249.3	239.8	248.3	281.7	4.2%	100.0%	283.5	301.3	324.1	4.8%	100.0%
Change to 2019 Budget estimate				—			(15.6)	(16.9)	(1.8)		
Economic classification											
Current payments	221.9	219.9	223.6	257.5	5.1%	90.6%	265.5	286.9	308.6	6.2%	93.9%
Compensation of employees	127.8	133.0	137.2	145.5	4.4%	53.3%	144.0	159.2	166.4	4.6%	51.7%
Goods and services ¹	94.2	86.9	86.4	112.0	5.9%	37.2%	121.5	127.7	142.1	8.3%	42.3%
of which:											
Communication	4.0	4.9	2.3	2.2	-17.7%	1.3%	0.8	1.0	1.2	-18.0%	0.4%
Computer services	80.2	70.8	73.8	90.0	3.9%	30.9%	107.1	110.1	122.6	10.8%	36.1%
Contractors	3.6	4.2	3.7	6.7	23.8%	1.8%	4.9	7.2	7.7	4.4%	2.2%
Agency and support/outsourced services	0.6	0.7	0.9	1.1	23.0%	0.3%	0.7	0.7	0.8	-11.6%	0.3%
Travel and subsistence	2.7	2.2	1.5	2.7	0.5%	0.9%	3.3	3.4	4.1	14.5%	1.1%
Operating payments	1.4	2.3	2.7	3.1	29.3%	0.9%	2.1	2.6	2.7	-4.1%	0.9%
Transfers and subsidies¹	0.1	0.3	0.1	0.1	14.9%	0.1%	—	—	—	-100.0%	—
Departmental agencies and accounts	0.0	0.0	0.0	—	-100.0%	—	—	—	—	—	—
Households	0.1	0.3	0.1	0.1	18.6%	0.1%	—	—	—	-100.0%	—
Payments for capital assets	27.3	19.6	20.4	24.1	-4.0%	9.0%	18.1	14.4	15.6	-13.6%	6.1%
Machinery and equipment	24.9	14.1	16.3	17.9	-10.4%	7.2%	16.5	13.7	14.9	-5.9%	5.3%
Software and other intangible assets	2.4	5.5	4.0	6.2	37.7%	1.8%	1.6	0.6	0.6	-53.2%	0.8%
Payments for financial assets	—	—	4.2	—	—	0.4%	—	—	—	—	—
Total	249.3	239.8	248.3	281.7	4.2%	100.0%	283.5	301.3	324.1	4.8%	100.0%
Proportion of total programme expenditure to vote expenditure	10.1%	10.9%	10.7%	11.2%	—	—	8.2%	6.2%	11.3%	—	—

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

Programme 6: Statistical Operations and Provincial Coordination

Programme purpose

Collect and process data, and interact with stakeholders and users at the provincial and local levels.

Objectives

- Provide integrated data collection services, and disseminate quality statistics to provincial and local stakeholders and the public by ensuring an average response rate of 85 per cent annually.
- Expand the statistical information base for use by government, the private sector and the public by conducting a population census every 10 years, and large-scale population surveys every 5 years between censuses.
- Ensure the efficiency and effectiveness of survey operations by coordinating household surveys to attain an average response rate of 85 per cent annually.
- Improve the quality and timeliness of the editing and processing of statistical data by administering a common data processing platform for censuses, household surveys, administrative records and ad hoc survey data over the medium term.

Subprogrammes

- *Programme Management for Statistical Operations and Provincial Coordination* provides strategic direction and leadership to the programme.
- *Provincial and District Offices* provides integrated data collection and dissemination services, and promotes the use and coordination of official statistics to provincial and local stakeholders.
- *Data Operations* manages the editing and processing of census, survey and administrative data.
- *Household Survey and Censuses* conducts periodic population censuses or large-scale population surveys, and coordinates and integrates collection activities across household surveys.

Expenditure trends and estimates

Table 14.11 Statistical Operations and Provincial Coordination 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Programme Management for Statistical Operations and Provincial Coordination	8.4	6.5	3.4	9.3	3.4%	0.8%	7.6	7.5	7.9	-5.5%	0.5%
Provincial and District Offices	578.7	591.4	614.2	639.1	3.4%	68.6%	705.2	720.0	759.0	5.9%	42.0%
Data Operations	74.9	81.0	83.0	81.9	3.0%	9.1%	97.6	102.5	107.4	9.5%	5.8%
Household Survey and Censuses	399.0	84.6	72.5	205.7	-19.8%	21.6%	919.1	2 272.0	74.2	-28.8%	51.7%
Total	1 061.0	763.4	773.1	935.9	-4.1%	100.0%	1 729.5	3 102.0	948.5	0.4%	100.0%
Change to 2019 Budget estimate				-			66.9	35.2	48.1		
Economic classification	1 037.6	750.0	767.1	846.3	-6.6%	96.2%	1 699.5	3 083.3	944.0	3.7%	97.9%
Current payments											
Compensation of employees	582.7	595.6	617.3	624.2	2.3%	68.5%	748.9	769.9	782.3	7.8%	43.6%
Goods and services ¹	454.9	154.4	149.8	222.1	-21.3%	27.8%	950.5	2 313.4	161.7	-10.0%	54.3%
of which:											
Advertising	6.1	0.2	0.1	4.5	-9.8%	0.3%	55.2	254.8	0.9	-40.7%	4.7%
Minor assets	32.0	0.1	0.1	2.2	-58.8%	1.0%	649.0	0.8	0.3	-50.3%	9.7%
Catering: Departmental activities	2.5	1.1	0.9	6.1	35.1%	0.3%	4.6	110.4	2.5	-25.8%	1.8%
Agency and support/outsourced services	130.0	0.0	0.4	33.7	-36.2%	4.6%	7.9	1 276.1	0.0	-91.9%	19.6%
Operating leases	55.2	64.4	67.9	69.6	8.1%	7.3%	69.0	106.0	79.6	4.6%	4.8%
Travel and subsistence	147.2	26.7	26.9	43.8	-33.2%	6.9%	62.6	246.3	27.9	-14.0%	5.7%
Transfers and subsidies¹	1.9	2.3	1.9	1.6	-5.8%	0.2%	0.2	4.2	0.1	-56.7%	0.1%
Departmental agencies and accounts	0.0	0.0	0.0	0.0	-	-	0.0	0.0	0.0	-	-
Public corporations and private enterprises	0.0	-	-	-	-100.0%	-	-	-	-	-	-
Households	1.9	2.3	1.9	1.6	-5.3%	0.2%	0.2	4.2	0.1	-56.8%	0.1%
Payments for capital assets	21.5	11.1	4.1	88.0	59.9%	3.5%	29.9	14.5	4.4	-63.2%	2.0%
Machinery and equipment	21.3	5.2	4.1	60.0	41.2%	2.6%	21.3	14.5	4.4	-58.2%	1.5%
Software and other intangible assets	0.2	5.9	-	28.0	394.6%	1.0%	8.6	-	-	-100.0%	0.5%
Total	1 061.0	763.4	773.1	935.9	-4.1%	100.0%	1 729.5	3 102.0	948.5	0.4%	100.0%
Proportion of total programme expenditure to vote expenditure	43.1%	34.8%	33.5%	37.2%	-	-	50.1%	64.0%	33.1%	-	-

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

Programme 7: South African National Statistics System

Programme purpose

Develop and coordinate the national statistical system in South Africa.

Objectives

- Ensure that national statistics are produced based on common statistical standards and principles by providing statistical support and advice on an ongoing basis, and certifying statistics as official annually.

- Manage the distribution of statistical information by establishing and providing mechanisms, platforms and criteria for sharing data annually.
- Drive statistical reporting by coordinating the compilation of statistical reports in line with the integrated indicator framework annually.

Subprogrammes

- *Programme Management for the South African National Statistics System* provides strategic direction and leadership to the programme.
- *Economic Subsystem* coordinates and facilitates the production of economic and environmental statistics in the national statistical system, and provides statistical support and advice to producers of official statistics.
- *Social Subsystem* coordinates and facilitates the production of population and social statistics in the national statistical system, and provides statistical support and advice to producers of official statistics.
- *Independent Quality Assessment* conducts independent statistical reviews to assess the quality of statistical information in line with the South African quality assessment framework to certify statistics as official.
- *Statistical Reporting* coordinates the reporting of statistics to fulfil South Africa's statistical reporting obligations.
- *Data and Information Management* coordinates and manages the transfer and sharing of data among entities in the national statistics system.

Expenditure trends and estimates

Table 14.12 South African National Statistics System 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Programme Management for South African National Statistics System	6.2	5.6	5.4	7.9	8.3%	22.6%	10.2	10.9	11.3	12.6%	24.0%
Economic Subsystem	3.0	2.8	3.0	3.5	5.9%	11.0%	5.5	5.7	6.0	19.5%	12.4%
Social Subsystem	6.2	5.8	6.6	4.9	-7.8%	21.0%	8.1	8.4	9.0	22.5%	18.1%
Independent Quality Assessment	4.0	2.5	3.0	3.3	-6.0%	11.5%	5.8	6.2	6.3	24.2%	12.9%
Statistical Reporting	9.7	3.6	6.3	7.7	-7.7%	24.5%	7.3	7.8	8.0	1.4%	18.3%
Data and Information Management	2.1	2.3	2.5	3.7	20.0%	9.5%	6.5	6.8	7.0	24.0%	14.3%
Total	31.2	22.6	26.8	30.9	-0.3%	100.0%	43.4	45.7	47.6	15.4%	100.0%
Change to 2019				-			12.2	12.3	12.8		
Budget estimate											
Economic classification	24.0	22.5	26.7	30.9	8.9%	93.3%	43.3	45.5	47.4	15.3%	99.7%
Current payments	18.5	18.9	19.8	18.3	-0.3%	67.7%	32.9	35.1	35.4	24.5%	72.5%
Compensation of employees	5.5	3.6	6.8	12.6	32.1%	25.6%	10.4	10.4	12.0	-1.5%	27.1%
Goods and services ¹	0.2	0.2	0.1	0.4	26.1%	0.9%	0.8	0.8	0.9	28.2%	1.8%
of which:	-	-	2.7	3.7	-	5.7%	0.6	0.7	0.7	-41.8%	3.4%
Bursaries: Employees	0.0	0.2	0.1	0.4	111.3%	0.6%	0.8	0.7	0.7	20.9%	1.5%
Consultants: Business and advisory services	3.0	1.8	2.0	4.6	15.3%	10.2%	5.7	5.6	6.9	14.4%	13.6%
Consumables: Stationery, printing and office supplies	0.3	0.5	0.1	0.9	50.5%	1.5%	0.6	0.7	0.7	-5.9%	1.7%
Travel and subsistence	0.2	0.5	0.6	0.5	30.8%	1.6%	0.9	1.0	1.0	28.8%	2.0%
Training and development	0.5	0.0	-	-	-100.0%	0.5%	-	-	-	-	-
Operating payments	0.5	0.0	-	-	-100.0%	0.5%	-	-	-	-	-
Transfers and subsidies ¹	0.6	0.0	0.1	0.0	-63.5%	0.7%	0.2	0.2	0.2	94.0%	0.3%
Households	0.6	0.0	0.1	0.0	-63.5%	0.7%	0.2	0.2	0.2	94.0%	0.3%
Machinery and equipment	6.2	-	-	-	-100.0%	5.6%	-	-	-	-	-
Payments for capital assets	6.2	-	-	-	-100.0%	5.6%	-	-	-	-	-
Machinery and equipment	6.2	-	-	-	-100.0%	5.6%	-	-	-	-	-
Payments for financial assets	31.2	22.6	26.8	30.9	-0.3%	100.0%	43.4	45.7	47.6	15.4%	100.0%
Total	31.2	22.6	26.8	30.9	-0.3%	100.0%	43.4	45.7	47.6	15.4%	100.0%
Proportion of total programme expenditure to vote expenditure	1.3%	1.0%	1.2%	1.2%	-	-	1.3%	0.9%	1.7%	-	-

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

Vote 15

Traditional Affairs

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	54.6	51.8	0.0	2.9	57.5	59.9
Research, Policy and Legislation	19.0	19.0	–	–	20.0	21.0
Institutional Support and Coordination	99.8	52.1	47.7	–	107.2	111.3
Total expenditure estimates	173.4	122.9	47.7	2.9	184.7	192.3
Executive authority	Minister of Cooperative Governance and Traditional Affairs					
Accounting officer	Director-General of Traditional Affairs					
Website	www.cogta.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Coordinate traditional affairs across government through the development of appropriate policies, norms and standards, systems, and regulatory frameworks; and promote culture, heritage and social cohesion.

Mandate

The Department of Traditional Affairs is mandated to oversee issues related to traditional affairs and support the development of stable and cohesive interfaith communities. The 2003 White Paper on Traditional Leadership and Governance sets out a national framework, and the norms and standards that define the role of the institutions of traditional leadership in South Africa. It seeks to support and transform the institutions in accordance with constitutional imperatives, and restore the integrity and legitimacy of traditional leadership in line with the African indigenous law and customs subject to the Constitution.

The department's mandate is informed by the following legislation:

- the Traditional and Khoi-San Leadership Act (2019)
- the Commission for the Protection and Promotion of the Rights of Cultural, Religious and Linguistic Communities Act (2002).

Selected performance indicators

Table 15.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of research studies on traditional affairs conducted per year	Research, Policy and Legislation	Departmental mandate	– ¹	– ¹	1	2	3	2	2
Number of provinces audited to determine compliance with the Traditional and Khoi-San Leadership Act (2019) per year	Research, Policy and Legislation		– ¹	– ¹	– ¹	– ¹	2	3	3

Table 15.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of queenships, kingships or principal traditional leaders for which capacity is created to document the roles and functions of royal family members per year	Research, Policy and Legislation	Departmental mandate	— ¹	— ¹	— ¹	— ¹	4	2	2
Number of queenships, kingships or principal traditional leaders and communities for which capacity is created to review community rules that conform to the Bill of Rights per year	Research, Policy and Legislation		— ¹	— ¹	— ¹	— ¹	3	3	3
Number of local houses of traditional leadership workshopped on how to design and implement socioeconomic development programmes in traditional communities per year	Institutional Support and Coordination		— ¹	— ¹	— ¹	— ¹	28	28	28

1. No historical data available.

Expenditure analysis

In supporting the National Development Plan's vision to create an inclusive rural economy and transform traditional communities, over the medium term the Department of Traditional Affairs intends to support and strengthen institutions of traditional leadership by focusing on ensuring legislative compliance and exercising oversight. As a result, the department's expenditure is expected to increase at an average annual rate of 5 per cent, from R168.4 million in 2019/20 to R192.3 million in 2022/23. Compensation of employees is the department's largest spending item, and is expected to increase at an average annual rate of 6 per cent, from R79.5 million in 2019/20 to R94.4 million in 2022/23.

Legislative compliance and oversight

Over the MTEF period, the department plans to ensure legislative compliance and exercise oversight specifically in terms of monitoring the implementation of the Traditional and Khoi-San Leadership Act (2019); conducting research to strengthen capacity for the successful implementation of the act; and creating capacity for queenships, kingships and principal traditional leaders.

The Traditional and Khoi-San Leadership Act (2019) was enacted to improve the administration of the broader system of traditional leadership. The act provides a standard legal mechanism for the recognition of traditional leaders. Over the period ahead, the department will monitor the implementation of the act and conduct a targeted 7 research studies on matters of traditional leadership. These activities will be carried out in the *Research, Policy and Legislation* programme, in which expenditure is expected to increase at an average annual rate of 3 per cent, from R19.4 million in 2019/20 to R21 million in 2022/23.

As part of its oversight function, in each year over the MTEF period, the department plans to facilitate compliance with the Traditional and Khoi-San Leadership Act (2019) for 1 queenship, 1 kingship and 1 principal traditional leader and their constituencies; and capacitate a targeted 8 kingships to fulfil their roles and responsibilities as traditional leaders more effectively. Spending on these activities is in the *Institutional Support and Coordination* programme which is increasing at an average annual rate of 4 per cent, from R98.6 million in 2019/20 to R111.3 million in 2022/23.

Expenditure trends and estimates

Table 15.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Research, Policy and Legislation											
3. Institutional Support and Coordination											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	36.0	39.8	41.3	50.4	12%	28%	54.6	57.5	59.9	6%	31%
Programme 2	12.8	14.0	17.1	19.4	15%	11%	19.0	20.0	21.0	3%	11%
Programme 3	81.8	85.8	95.9	98.6	6%	61%	99.8	107.2	111.3	4%	58%
Subtotal	130.7	139.6	154.3	168.4	9%	100%	173.4	184.7	192.3	5%	100%
Total	130.7	139.6	154.3	168.4	9%	100%	173.4	184.7	192.3	5%	100%
Change to 2019				5.0			(0.5)	(0.5)	–		
Budget estimate											
Economic classification											
Current payments	90.7	94.1	103.4	120.4	10%	69%	122.9	131.4	136.9	4%	71%
Compensation of employees	58.1	62.5	65.6	79.5	11%	45%	84.9	90.4	94.4	6%	49%
Goods and services ¹	32.5	31.6	37.7	41.0	8%	24%	37.9	41.0	42.6	1%	23%
of which:											
Administrative fees	0.4	1.1	1.1	1.4	60%	1%	1.3	1.4	1.5	1%	1%
Audit costs: External	2.1	1.9	1.9	2.9	12%	2%	2.6	2.6	2.6	-4%	2%
Communication	1.8	0.9	1.7	2.1	6%	1%	2.0	2.1	2.1	0%	1%
Consultants: Business and advisory services	1.4	1.7	2.3	2.0	12%	1%	4.4	4.5	4.3	30%	2%
Legal services	4.4	3.8	8.9	7.5	20%	4%	7.4	7.9	8.0	2%	4%
Travel and subsistence	18.9	16.6	18.6	17.5	-3%	12%	13.6	15.7	17.2	-1%	9%
Transfers and subsidies¹	38.6	42.6	49.0	45.2	5%	30%	47.7	50.3	52.2	5%	27%
Provinces and municipalities	0.0	0.0	0.0	0.0	36%	0%	0.0	0.0	0.0	26%	0%
Departmental agencies and accounts	38.5	42.4	48.8	45.2	6%	30%	47.7	50.3	52.2	5%	27%
Households	0.0	0.2	0.2	–	-100%	0%	–	–	–	0%	0%
Payments for capital assets	1.2	2.8	1.8	2.7	30%	1%	2.9	3.0	3.2	6%	2%
Machinery and equipment	1.2	2.6	1.8	2.7	30%	1%	2.9	3.0	3.2	6%	2%
Payments for financial assets	0.2	0.1	0.0	–	-100%	0%	–	–	–	0%	0%
Total	130.7	139.6	154.3	168.4	9%	100%	173.4	184.7	192.3	5%	100%

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

Transfers and subsidies expenditure trends and estimates

Table 15.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	38 521	42 447	48 793	45 189	5.5%	99.8%	47 676	50 298	52 167	4.9%	100.0%
Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities	38 521	42 447	48 793	45 189	5.5%	99.8%	47 676	50 298	52 167	4.9%	100.0%
Households											
Social benefits											
Current	32	143	225	–	-100.0%	0.2%	–	–	–	–	–
Social Benefits	32	114	28	–	-100.0%	0.1%	–	–	–	–	–
Leave gratuity	–	29	197	–	–	0.1%	–	–	–	–	–
Provinces and municipalities											
Municipal bank accounts											
Current	2	2	3	5	35.7%	–	10	10	10	26.0%	–
Vehicle Licences	2	2	3	5	35.7%	–	10	10	10	26.0%	–
Households											
Other transfers to households											
Current	–	10	–	–	–	–	–	–	–	–	–
Ex-Gratia Payment	–	10	–	–	–	–	–	–	–	–	–
Total	38 555	42 602	49 021	45 194	5.4%	100.0%	47 686	50 308	52 177	4.9%	100.0%

Personnel information

Table 15.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Research, Policy and Legislation																			
3. Institutional Support and Coordination																			
Number of posts estimated for 31 March 2020			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 (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Traditional Affairs			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	97	8	95	65.6	0.7	103	77.3	0.8	106	84.9	0.8	105	90.4	0.9	101	94.4	0.9	-0.7%	100.0%
1 – 6	27	3	24	6.7	0.3	27	7.1	0.3	29	9.4	0.3	28	9.7	0.3	26	9.7	0.4	-1.3%	26.5%
7 – 10	18	2	18	8.1	0.4	19	6.7	0.4	20	7.8	0.4	20	8.7	0.4	18	8.1	0.5	-1.8%	18.6%
11 – 12	21	2	22	15.7	0.7	24	19.4	0.8	25	21.4	0.9	25	22.7	0.9	25	24.2	1.0	1.4%	23.9%
13 – 16	31	1	31	35.2	1.1	33	44.2	1.3	32	46.3	1.4	32	49.3	1.5	32	52.3	1.6	-1.0%	31.1%
Programme	97	8	95	65.6	0.7	103	77.3	0.8	106	84.9	0.8	105	90.4	0.9	101	94.4	0.9	-0.7%	100.0%
Programme 1	43	4	43	28.5	0.7	46	33.6	0.7	51	38.4	0.8	50	40.4	0.8	48	42.3	0.9	1.4%	47.0%
Programme 2	17	–	18	13.0	0.7	19	15.3	0.8	18	15.0	0.8	17	15.8	0.9	17	16.6	1.0	-3.6%	17.1%
Programme 3	37	4	34	24.1	0.7	38	28.4	0.7	37	31.4	0.8	38	34.2	0.9	36	35.5	1.0	-1.8%	35.9%

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

2. Rand million.

Departmental receipts

Table 15.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
Departmental receipts	984	98	140	49	49	-63.2%	100.0%	48	48	48	-0.7%	100.0%
Sales of goods and services produced by department	36	40	44	48	48	10.1%	13.2%	48	48	48	–	99.5%
Sales by market establishments	36	40	44	48	48	10.1%	13.2%	48	48	48	–	99.5%
of which:												
Rental parking: Covered and open	16	17	20	24	24	14.5%	6.1%	24	24	24	–	49.7%
Commission: Insurance and garnishee	20	23	24	24	24	6.3%	7.2%	24	24	24	–	49.7%
Sales of capital assets	915	–	–	–	–	-100.0%	72.0%	–	–	–	–	–
Transactions in financial assets and liabilities	33	58	96	1	1	-68.8%	14.8%	–	–	–	-100.0%	0.5%
Total	984	98	140	49	49	-63.2%	100.0%	48	48	48	-0.7%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 15.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million				2019/20	2016/17 - 2019/20					2019/20 - 2022/23	
Ministry	7.3	7.5	8.5	9.0	7.2%	19.3%	11.8	12.6	13.1	13.4%	20.9%
Management of Traditional Affairs	13.1	12.0	12.0	15.5	5.6%	31.4%	15.1	15.9	16.8	2.7%	28.4%
Corporate Services	12.5	15.6	17.2	21.1	19.0%	39.7%	23.2	24.2	25.1	6.0%	42.1%
Internal Audit	3.1	4.7	3.6	4.9	16.8%	9.6%	4.6	4.8	5.0	0.7%	8.6%
Total	36.0	39.8	41.3	50.4	11.9%	100.0%	54.6	57.5	59.9	5.9%	100.0%
Change to 2019				1.2			–	–	–		
Budget estimate											
Economic classification											
Current payments	34.6	36.8	39.4	47.7	11.3%	94.6%	51.8	54.5	56.7	6.0%	94.7%
Compensation of employees	23.0	26.3	28.5	33.6	13.6%	66.5%	38.4	40.4	42.3	7.9%	69.6%
Goods and services ¹	11.6	10.5	10.9	14.1	6.6%	28.1%	13.3	14.1	14.5	1.0%	25.1%
of which:											
Administrative fees	0.2	0.3	0.4	0.6	50.1%	0.9%	0.6	0.6	0.7	6.3%	1.1%
Audit costs: External	2.1	1.9	1.9	2.9	11.6%	5.3%	2.6	2.6	2.6	-4.0%	4.7%
Communication	1.0	0.4	0.9	1.0	1.3%	2.0%	1.0	1.1	1.1	3.2%	1.9%
Consultants: Business and advisory services	0.4	0.5	0.5	0.9	30.5%	1.4%	0.9	1.0	0.9	-0.5%	1.7%
Travel and subsistence	5.9	5.0	5.3	4.7	-7.3%	12.4%	4.2	4.8	5.1	2.9%	8.5%
Operating payments	0.4	0.5	0.3	0.6	11.5%	1.1%	0.7	0.7	0.7	5.6%	1.2%
Transfers and subsidies¹	0.0	0.1	0.0	0.0	-4.4%	0.1%	0.0	0.0	0.0	19.7%	–
Provinces and municipalities	0.0	0.0	0.0	0.0	35.7%	–	0.0	0.0	0.0	26.0%	–
Departmental agencies and accounts	0.0	0.0	0.0	0.0	26.0%	–	0.0	0.0	0.0	–	–
Households	0.0	0.1	0.0	–	-100.0%	0.1%	–	–	–	–	–
Payments for capital assets	1.2	2.8	1.8	2.7	30.2%	5.1%	2.9	3.0	3.2	5.5%	5.3%
Machinery and equipment	1.2	2.6	1.8	2.7	30.2%	5.0%	2.9	3.0	3.2	5.5%	5.3%
Software and other intangible assets	–	0.2	–	–	–	0.1%	–	–	–	–	–
Payments for financial assets	0.2	0.1	0.0	–	-100.0%	0.2%	–	–	–	–	–
Total	36.0	39.8	41.3	50.4	11.9%	100.0%	54.6	57.5	59.9	5.9%	100.0%
Proportion of total programme expenditure to vote expenditure	27.5%	28.5%	26.8%	29.9%	–	–	31.5%	31.1%	31.2%	–	–

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

Programme 2: Research, Policy and Legislation

Programme purpose

Develop, review, coordinate and monitor the implementation of traditional affairs policies and norms and standards, and support traditional affairs entities to restore the integrity and dignity of traditional leadership.

Objectives

- Support the transformation of institutions of traditional leadership by implementing and monitoring relevant policies and legislation on an ongoing basis.
- Implement national initiatives to promote the culture and heritage of traditional leadership and communities on an ongoing basis.
- Enhance information management for faith structures, traditional leadership institutions and communities through research, and develop and maintain a traditional leadership database on an ongoing basis.
- Create capacity for institutions of traditional leadership to ensure compliance with the Traditional and Khoi-San Leadership Act (2019), and policies and regulation governing the sector on an ongoing basis.

Subprogrammes

- *Management* provides strategic oversight to the programme.
- *Policy and Legislation* develops, reviews and monitors the implementation of traditional policies, legislation, frameworks, and norms and standards. This subprogramme also ensures the alignment of provincial traditional leadership legislation and policies within national legislation and policies.
- *Research and Information Management* provides anthropological research and support for the department's entities, develops and maintains traditional affairs information systems, implements national frameworks and strategies for the coordination of social cohesion with the sector to promote interfaith affairs, and promotes the progressive cultural and heritage practices of traditional and Khoi-San communities.

Expenditure trends and estimates

Table 15.7 Research, Policy and Legislation 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Management	0.1	–	1.8	2.2	215.1%	6.4%	3.1	3.5	3.6	17.0%	15.5%
Policy and Legislation	3.1	3.6	3.8	4.5	13.1%	23.7%	6.0	5.8	6.1	10.7%	28.2%
Research and Information Management	9.7	10.4	11.5	12.6	9.4%	69.9%	9.9	10.7	11.4	-3.4%	56.2%
Total	12.8	14.0	17.1	19.4	14.7%	100.0%	19.0	20.0	21.0	2.8%	100.0%
Change to 2019				0.2			–	–	–		
Budget estimate											
Economic classification											
Current payments	12.8	14.0	16.9	19.4	14.7%	99.6%	19.0	20.0	21.0	2.8%	100.0%
Compensation of employees	10.3	11.0	13.0	15.3	14.3%	78.4%	15.0	15.8	16.6	2.6%	79.0%
Goods and services ¹	2.6	3.0	3.9	4.0	16.1%	21.3%	4.0	4.2	4.5	3.4%	21.0%
of which:											
Administrative fees	0.0	0.1	0.2	0.1	55.7%	0.6%	0.1	0.1	0.1	-5.6%	0.5%
Catering: Departmental activities	0.0	0.0	0.0	0.1	47.4%	0.3%	0.1	0.2	0.2	5.4%	0.7%
Communication	0.1	0.2	0.2	0.3	25.1%	1.2%	0.2	0.2	0.2	-11.1%	1.1%
Consultants: Business and advisory services	–	0.1	0.2	0.0	–	0.5%	2.2	2.2	2.0	370.7%	8.0%
Travel and subsistence	2.2	2.3	3.1	2.7	7.3%	16.1%	1.1	1.4	1.8	-13.1%	8.6%
Venues and facilities	0.1	–	0.0	0.2	13.6%	0.5%	0.2	0.2	0.2	1.2%	0.9%
Transfers and subsidies¹	–	0.0	0.2	–	–	0.4%	–	–	–	–	–
Households	–	0.0	0.2	–	–	0.4%	–	–	–	–	–
Total	12.8	14.0	17.1	19.4	14.7%	100.0%	19.0	20.0	21.0	2.8%	100.0%
Proportion of total programme expenditure to vote expenditure	9.8%	10.0%	11.1%	11.5%	–	–	11.0%	10.8%	10.9%	–	–

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

Programme 3: Institutional Support and Coordination

Programme purpose

Provide comprehensive support to the institutions of traditional leadership, including Khoi-San leadership structures, to coordinate traditional affairs across all three spheres of government.

Objectives

- Facilitate partnerships and collaborative relations by increasing the number of functional structures of traditional leadership by March 2023.
- Implement the Traditional and Khoi-San Leadership Act (2019) and associated regulations aimed at transforming the sector on an ongoing basis.
- Promote social cohesion by training 84 local houses of traditional leadership on how to implement socioeconomic development programmes by March 2023.
- Promote socioeconomic development within traditional communities by ensuring their participation in the municipal integrated development planning process on an ongoing basis.

Subprogrammes

- *Management* provides strategic oversight to the programme.
- *Institutional Development and Capacity Building* ensures that traditional communities are empowered by reviewing and developing national support programmes for these communities and their governance structures.
- *Intergovernmental Relations and Partnerships* promotes and integrates the role of traditional leaders and the institutions of traditional leadership in the South African governing system by establishing relationships with other governance structures across the three spheres of government.
- *National House of Traditional Leaders* enhances cooperation between government and institutions of traditional leadership, and advises government on programmes, policies and legislation that affect traditional communities.
- *Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities* promotes and protects the cultural, religious and linguistic rights of communities.
- *Disputes and Claims Resolutions* processes and finalises traditional leadership disputes and claims.

Expenditure trends and estimates

Table 15.8 Institutional Support and Coordination 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Management	—	—	2.3	4.1	—	1.8%	6.0	7.6	7.6	22.5%	6.1%
Institutional Development and Capacity Building	5.4	6.4	6.6	8.1	14.5%	7.3%	7.7	8.2	8.5	1.9%	7.8%
Intergovernmental Relations and Partnerships	6.8	6.0	6.9	8.9	9.5%	7.9%	8.5	9.0	9.4	1.9%	8.6%
National House of Traditional Leaders	18.9	20.8	22.3	20.4	2.5%	22.8%	22.5	24.2	25.6	7.9%	22.2%
Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities	38.5	42.4	48.8	45.2	5.5%	48.3%	47.7	50.3	52.2	4.9%	46.9%
Disputes and Claims Resolution	12.2	10.2	8.9	11.9	-1.0%	11.9%	7.4	7.9	8.0	-12.5%	8.4%
Total	81.8	85.8	95.9	98.6	6.4%	100.0%	99.8	107.2	111.3	4.1%	100.0%
Change to 2019				3.6			(0.5)	(0.5)	—		
Budget estimate											
Economic classification											
Current payments	43.3	43.3	47.1	53.4	7.2%	51.7%	52.1	56.9	59.2	3.5%	53.1%
Compensation of employees	24.9	25.2	24.1	30.5	7.0%	28.9%	31.4	34.2	35.5	5.2%	31.6%
Goods and services ¹	18.4	18.1	23.0	22.9	7.6%	22.7%	20.6	22.7	23.6	1.1%	21.6%
of which:											
Administrative fees	0.2	0.7	0.6	0.8	70.6%	0.6%	0.6	0.7	0.7	-1.6%	0.7%
Catering: Departmental activities	0.6	0.5	0.7	0.7	8.6%	0.7%	0.7	0.7	0.8	2.4%	0.7%
Communication	0.7	0.4	0.6	0.9	6.5%	0.7%	0.8	0.8	0.8	-1.5%	0.8%
Consultants: Business and advisory services	1.0	1.1	1.5	1.0	1.2%	1.3%	1.3	1.4	1.4	11.9%	1.2%
Legal services	4.4	3.8	8.9	7.5	19.5%	6.8%	7.4	7.9	8.0	2.2%	7.4%
Travel and subsistence	10.9	9.3	10.2	10.1	-2.4%	11.2%	8.3	9.6	10.3	0.7%	9.2%
Transfers and subsidies¹	38.5	42.5	48.8	45.2	5.4%	48.3%	47.7	50.3	52.2	4.9%	46.9%
Departmental agencies and accounts	38.5	42.4	48.8	45.2	5.5%	48.3%	47.7	50.3	52.2	4.9%	46.9%
Households	0.0	0.0	—	—	-100.0%	—	—	—	—	—	—
Total	81.8	85.8	95.9	98.6	6.4%	100.0%	99.8	107.2	111.3	4.1%	100.0%
Proportion of total programme expenditure to vote expenditure	62.6%	61.5%	62.2%	58.6%	—	—	57.5%	58.0%	57.9%	—	—
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	38.5	42.4	48.8	45.2	5.5%	48.3%	47.7	50.3	52.2	4.9%	46.9%
Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities	38.5	42.4	48.8	45.2	5.5%	48.3%	47.7	50.3	52.2	4.9%	46.9%

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

Entity

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

- The **Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities** promotes and protects cultural, religious and linguistic rights. The commission focuses on conflict resolution, research, advocacy and community engagement. The commission's total budget for 2020/21 is R47.9 million.

Vote 16

Basic Education

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	519.4	502.9	0.5	16.1	551.6	574.5
Curriculum Policy, Support and Monitoring	2 025.6	1 381.0	643.9	0.8	2 123.7	2 182.1
Teachers, Education Human Resources and Institutional Development	1 437.7	110.7	1 326.6	0.4	1 516.9	1 589.3
Planning, Information and Assessment	13 356.0	597.8	11 266.5	1 491.6	14 674.5	15 381.0
Educational Enrichment Services	7 989.5	76.4	7 912.7	0.4	8 466.2	8 865.5
Total expenditure estimates	25 328.2	2 668.8	21 150.2	1 509.2	27 333.0	28 592.4
Executive authority	Minister of Basic Education					
Accounting officer	Director-General of Basic Education					
Website	www.education.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Provide quality basic education for all, and lead the establishment and development of a South African schooling system for the 21st century.

Mandate

The Department of Basic Education is mandated to monitor the standards of education provision, delivery and performance across South Africa, annually or at other specified intervals, to assess compliance with provisions of the Constitution and national education policy.

The Department of Basic Education derives its mandate from the following legislation:

- the National Education Policy Act (1996), which inscribed into law the policies, legislative and monitoring responsibilities of the Minister of Basic Education, and the formal relations between national and provincial authorities
- the South African Schools Act (1996), which promotes access to quality education and democratic governance in the schooling system, and makes schooling compulsory for children aged 7 to 15 to ensure that all learners have access to quality education without discrimination
- the Employment of Educators Act (1998), which regulates the professional, moral and ethical responsibilities of educators, as well as the competency requirements for teachers.

Selected performance indicators

Table 14.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of learners obtaining subject passes towards a national senior certificate through the Second Chance programme per year	Curriculum Policy, Support and Monitoring	Priority 2: Education, skills and health	5 635	73 780	64 062	40 000	60 000	60 000	65 000

Table 14.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of underperforming schools monitored on the implementation of the early grade reading assessment toolkit per year	Curriculum Policy, Support and Monitoring	Priority 2: Education, skills and health	20	50	92	100	125	130	135
Percentage of public schools with home language workbooks for learners in grades 1 to 6 per year	Curriculum Policy, Support and Monitoring		100% (17 778)	100% (17 237)	100% (17 341)	100%	100%	100%	100%
Percentage of public schools with mathematics workbooks for learners in grades 1 to 9 per year	Curriculum Policy, Support and Monitoring		100% (23 542)	100% (23 178)	100% (23 201)	100%	100%	100%	100%
Number of Funza Lushaka bursaries awarded to students enrolled for initial teacher education per year	Teachers, Education Human Resources and Institutional Development		14 343	15 134	13 070	13 000	12 500	12 500	12 500
Number of new schools built and completed through the accelerated school infrastructure delivery initiative per year	Planning, Information and Assessment		16	12	21	59	31	29	30
Number of schools provided with sanitation facilities through the accelerated school infrastructure delivery initiative per year	Planning, Information and Assessment		9	29	200	717	691	1 200	800
Number of schools provided with water through the accelerated school infrastructure delivery initiative per year	Planning, Information and Assessment		10	43	199	227	125	— ¹	— ¹
Number of schools provided with nutritious meals on each school day per year	Educational Enrichment Services		20 300	20 131	20 134	20 302	19 950	19 950	19 950

1. Project concluded in 2020/21.

Expenditure analysis

Schooling 2025, the overarching plan for the basic education sector, encapsulates the long-term vision of education priorities, targets and programmes articulated for the sector in the National Development Plan (NDP). Over the medium term, the department will continue to focus on: improving school infrastructure; providing high-quality learner and teacher support materials; developing skills for a changing world; planning for the migration of the early childhood development (ECD) function from the social development sector to the basic education sector; providing support to improve matric completion rates; facilitating the increase in supply of quality teachers; and providing nutritious meals for learners through the national school nutrition programme.

Allocations to the department increase at an average annual rate of 5.3 per cent, from R24.5 billion in 2019/20 to R28.6 billion in 2022/23. Transfers and subsidies account for the bulk of the department's expenditure, increasing at an average annual rate of 5.4 per cent, from R20.1 billion in 2019/20 to R23.5 billion in 2022/23.

Improving school infrastructure

The department is committed to improving the physical infrastructure and environment at every public school in the basic education sector. To this end, spending on the *education infrastructure grant* and the *school infrastructure backlogs grant* in the *Planning, Information and Assessment* programme accounts for 51 per cent (R41.4 billion) of the department's total budget over the MTEF period.

The *education infrastructure grant* is allocated R35 billion over the MTEF period, which is transferred to provinces as a supplementary conditional grant for the provision of school infrastructure. Funds from this grant are intended to assist in accelerating the construction, maintenance, upgrading and rehabilitation of new and existing infrastructure in the basic education sector, including district and circuit accommodation. Cabinet has approved reductions on the grant amounting to R1.9 billion over the medium term. Although the reductions are not expected to affect existing projects, provinces will be required to revise their infrastructure plans going forward.

Funds from the *school infrastructure backlogs grant* are intended to provide water, sanitation and electricity to schools that do not have these basic services; and replace schools that are constructed with inappropriate materials such as mud, wood and tin. Of the grant's R6.5 billion allocation over the MTEF period, R2.8 billion is

allocated for the provision of appropriate sanitation facilities. In 2020/21, the department plans to spend R1.7 billion of the grant's allocation to build 31 new schools, provide sanitation to 691 schools and water to 125 schools, thereby ensuring that all schools have access to water by the end of 2020/21. Cabinet has approved reductions on the grant amounting to R122.8 million over the medium term. These reductions could result in delays in the completion of projects.

Providing high-quality learner and teacher support materials

Over the period ahead, the department will continue ensuring that learners have access to quality learner and teacher support materials by providing workbooks to learners in grades R to 9. The department expects to print and deliver an estimated 58 million workbooks for learners in grades R to 9 in each year over the medium term in life skills, languages and mathematics. These workbooks are expected to be distributed to more than 24 000 public schools across South Africa. To this end, R3.7 billion over the MTEF period is allocated in the *Curriculum and Quality Enhancement Programmes*, a subprogramme in the *Curriculum Policy, Support and Monitoring* programme. The department has set aside R6.9 million over the MTEF period in the same programme to introduce a planning and monitoring system to ensure that the correct number and type of workbooks and learner-teacher support materials are delivered to the correct schools. Life skills workbooks for grades 1 to 3 will not be provided to quintiles 4 and 5 schools due to Cabinet having approved reductions amounting to R93 million over the MTEF period on allocations for workbooks.

Developing skills for a changing world

To prepare learners for jobs in a changing and increasingly digitised world, over the medium term the department plans to enhance the curriculum by introducing new technical subjects. These new subject choices include coding, robotics and data analytics at the primary school level. Several public ordinary secondary schools will be transformed into focus schools over the MTEF period. In addition to prioritising mathematics, science and aviation, new technology subjects and specialisations will be introduced at these focus schools. This initiative will be funded through the *maths, science and technology grant*, which will also provide resources for workshops and laboratories, ICT equipment and support to 1 000 schools, including 200 technical high schools and 300 primary or feeder schools over the same period. The grant has a total allocation of R1.3 billion over the medium term in the *Curriculum and Quality Enhancement Programmes* subprogramme.

Planning for the migration of the ECD function

The NDP envisions quality ECD as a priority for South Africa to improve the overall quality of education and the long-term prospects of its future generations. In line with this vision, the President announced in the 2019 State of the Nation Address that South Africa will proceed towards implementing 2 years of compulsory preschool for all children before they enter grade 1. Accordingly, over the medium term, the department will work closely with the Department of Social Development and other partners to oversee the migration of the responsibility for ECD from the social development sector to the basic education sector, and the process of introducing two years of compulsory preschool for all children before they enter grade 1. In 2020/21, the department plans to conduct an ECD audit to determine the need across all affected age groups, as well as the quality of provision of these services.

Providing support to improve matric completion rates

In response to the NDP's call to reduce the learner drop-out rate, the Second Chance programme provides support to matric learners who do not meet the pass requirements of the national senior certificate examinations. Over the MTEF period, the programme's new policy priority will be to include learners with disabilities. Accordingly, the department will use the existing 23 special schools for the blind and 43 schools for the deaf as sites of support for learners with disabilities in the Second Chance programme. In addition, as a measure to support the performance of all learners, the department will develop a web-based system that will allow multiple users to upload subject support for learners to access. The programme will provide support in subjects such as mathematics, science, accounting and languages; and will facilitate the establishment of 80 face-to-face centres, and appoint more than 800 teachers and 80 centre managers to teach after school hours and over weekends. The programme is allocated R183.2 million over the medium term in the *Curriculum*

Implementation and Monitoring subprogramme in the *Curriculum Policy, Support and Monitoring* programme. However, Cabinet-approved reductions on the Second Chance programme amounting to R67 million over the MTEF period are likely to affect its expansion.

Facilitating an increase in the number of quality teachers

Over the period ahead, the department plans to continue facilitating an increase in the number of newly qualified teachers in mathematics, science and technology in various phases. This is expected to be achieved by providing 37 500 Funza Lushaka bursaries to prospective teachers over the medium term. The number of bursary awards is expected to be maintained at 12 500 per year over the MTEF period. This is on condition that general increases in university costs do not exceed average annual increases in allocations to the bursary scheme of approximately 5 per cent over the same period. While prospective Funza Lushaka bursary recipients may qualify for fee-free funding at universities, the department expects the demand for Funza Lushaka bursaries to remain unchanged as the guarantee of employment provided by the bursary's work-back provision remains a strong incentive. The bursary scheme is allocated R4.1 billion over the MTEF period in the *Education Human Resources Development* subprogramme in the *Teachers, Education Human Resources and Institutional Development* programme.

Providing meals for learners

The national school nutrition programme is directly aligned with the NDP's priority of eliminating poverty and supporting food security. Accordingly, in each year over the medium term, 9 million learners in 19 950 quintile 1 to quintile 3 schools, as well as identified special schools, will be provided with meals through the programme. The programme is funded through the *national school nutrition programme* grant, which is allocated R24.3 billion over the MTEF period in the *Educational Enrichment Services* programme. The decrease in schools covered by the national school nutrition programme over the medium term is mainly due to the closing and merging of small schools. Reductions approved by Cabinet on the grant amounting to R123.1 million over the medium term will not affect the current provision of meals to learners in quintile 1 to quintile 3 schools. However, the programme's extension to include breakfast and provide meals to selected learners in quintile 4 and quintile 5 schools will be slower.

Expenditure trends and estimates

Table 16.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Curriculum Policy, Support and Monitoring											
3. Teachers, Education Human Resources and Institutional Development											
4. Planning, Information and Assessment											
5. Educational Enrichment Services											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Programme 1	418.3	435.1	471.9	518.3	7.4%	2.0%	519.4	551.6	574.5	3.5%	2.0%
Programme 2	1 826.7	1 731.1	1 802.2	1 996.2	3.0%	8.0%	2 025.6	2 123.7	2 182.1	3.0%	7.9%
Programme 3	1 177.4	1 243.8	1 297.6	1 368.9	5.2%	5.5%	1 437.7	1 516.9	1 589.3	5.1%	5.6%
Programme 4	11 720.0	12 785.8	12 734.6	13 070.1	3.7%	54.5%	13 356.0	14 674.5	15 381.0	5.6%	53.4%
Programme 5	6 333.7	6 736.2	7 108.4	7 511.1	5.8%	30.0%	7 989.5	8 466.2	8 865.5	5.7%	31.1%
Total	21 476.1	22 932.0	23 414.8	24 464.5	4.4%	100.0%	25 328.2	27 333.0	28 592.4	5.3%	100.0%
Change to 2019				(40.0)			(659.4)	(856.4)	(1 050.8)		
Budget estimate											

Table 16.2 Vote expenditure trends and estimates by programme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	2 561.4	2 303.9	2 319.3	2 635.2	1.0%	10.6%	2 668.8	2 829.5	3 044.4	4.9%	10.6%
Compensation of employees	454.4	472.5	491.2	546.8	6.4%	2.1%	584.3	622.2	649.2	5.9%	2.3%
Goods and services ¹	2 060.7	1 785.9	1 782.7	2 044.9	-0.3%	8.3%	2 042.1	2 166.1	2 352.5	4.8%	8.1%
of which:											
Computer services	74.8	69.4	91.3	78.0	1.4%	0.3%	89.1	89.1	96.2	7.2%	0.3%
Consultants: Business and advisory services	171.7	167.3	143.0	234.9	11.0%	0.8%	190.1	213.3	334.3	12.5%	0.9%
Inventory: Learner and teacher support material	981.8	1 018.5	1 056.3	1 159.9	5.7%	4.6%	1 172.8	1 229.3	1 263.1	2.9%	4.6%
Consumables: Stationery, printing and office supplies	58.8	11.1	5.7	50.6	-4.9%	0.1%	41.4	43.5	46.2	-3.0%	0.2%
Property payments	119.0	129.8	140.3	151.8	8.4%	0.6%	162.6	175.0	181.5	6.1%	0.6%
Travel and subsistence	117.6	124.3	154.9	155.2	9.7%	0.6%	195.9	188.5	197.1	8.3%	0.7%
Interest and rent on land	46.3	45.5	45.4	43.6	-2.0%	0.2%	42.4	41.1	42.7	-0.7%	0.2%
Transfers and subsidies ¹	17 845.8	18 930.4	19 123.4	20 083.0	4.0%	82.3%	21 150.2	22 446.6	23 488.9	5.4%	82.5%
Provinces and municipalities	16 579.6	17 570.1	17 690.2	18 569.2	3.9%	76.3%	19 564.3	20 773.3	21 737.9	5.4%	76.3%
Departmental agencies and accounts	123.8	134.8	145.0	155.1	7.8%	0.6%	157.4	166.2	174.3	4.0%	0.6%
Foreign governments and international organisations	19.2	18.2	14.4	20.1	1.6%	0.1%	21.1	22.3	23.1	4.7%	0.1%
Non-profit institutions	76.2	106.0	112.1	112.0	13.7%	0.4%	115.8	122.2	126.7	4.2%	0.5%
Households	1 047.0	1 101.3	1 161.8	1 226.6	5.4%	4.9%	1 291.6	1 362.6	1 426.8	5.2%	5.0%
Payments for capital assets	1 063.5	1 635.4	1 971.6	1 746.2	18.0%	7.0%	1 509.2	2 056.9	2 059.1	5.6%	7.0%
Buildings and other fixed structures	1 056.8	1 625.8	1 955.6	1 739.5	18.1%	6.9%	1 502.1	2 049.0	2 050.8	5.6%	6.9%
Machinery and equipment	6.7	5.2	6.9	6.4	-1.5%	—	6.8	7.5	7.9	7.2%	—
Software and other intangible assets	—	4.4	9.0	0.3	—	—	0.3	0.4	0.4	4.5%	—
Payments for financial assets	5.4	62.3	0.4	0.1	-77.2%	0.1%	—	—	—	-100.0%	—
Total	21 476.1	22 932.0	23 414.8	24 464.5	4.4%	100.0%	25 328.2	27 333.0	28 592.4	5.3%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 16.3 Vote transfers and subsidies trends and estimates

				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	123 848	134 760	144 960	155 063	7.8%	0.7%	157 363	166 180	174 342	4.0%	0.7%
Claims against the state	—	—	—	—	—	—	—	—	—	—	—
Education, Training and Development Practices Sector	170	405	417	429	36.1%	—	453	478	497	5.0%	—
Education and Training Authority											
South African Council for Educators	5 000	9 743	16 000	20 000	58.7%	0.1%	17 738	18 876	19 687	-0.5%	0.1%
Umalusi Council for Quality Assurance in General and Further Education and Training	118 678	124 612	128 543	134 634	4.3%	0.7%	139 172	146 826	154 158	4.6%	0.7%
Households											
Social benefits											
Current	3 362	5 495	2 448	2 317	-11.7%	—	—	—	—	-100.0%	—
Claims against the state	1 873	1 533	—	—	-100.0%	—	—	—	—	—	—
Employee social benefits	1 489	3 962	2 448	2 317	15.9%	—	—	—	—	-100.0%	—
Foreign governments and international organisations											
Current	19 196	18 212	14 374	20 111	1.6%	0.1%	21 116	22 278	23 106	4.7%	0.1%
Guidance, Counselling and Youth Development Centre for Africa	131	120	136	186	12.4%	—	196	207	215	4.9%	—
United Nations Educational, Scientific and Cultural Organisation	15 587	14 638	11 429	16 295	1.5%	0.1%	17 091	18 031	18 702	4.7%	0.1%
Association for the Development of Education in Africa	130	119	141	150	4.9%	—	158	167	173	4.9%	—
Southern and Eastern Africa Consortium for Monitoring Educational Quality	3 348	3 335	2 668	3 480	1.3%	—	3 671	3 873	4 016	4.9%	—

Table 16.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Households											
Other transfers to households											
Current	1 043 611	1 095 832	1 159 352	1 224 271	5.5%	6.0%	1 291 606	1 362 644	1 426 791	5.2%	6.1%
Claims against the state	—	40	—	—	—	—	—	—	—	—	—
National Student Financial Aid Scheme	1 043 611	1 095 792	1 159 348	1 224 271	5.5%	6.0%	1 291 606	1 362 644	1 426 791	5.2%	6.1%
Claims against the State	—	—	4	—	—	—	—	—	—	—	—
Non-profit institutions											
Current	76 178	106 020	112 129	112 014	13.7%	0.5%	115 811	122 182	126 726	4.2%	0.5%
National Education Collaboration Trust	76 120	99 959	112 064	111 945	13.7%	0.5%	115 738	122 104	126 644	4.2%	0.5%
Childline South Africa	58	61	65	69	6.0%	—	73	78	82	5.9%	—
Historic school restoration	—	6 000	—	—	—	—	—	—	—	—	—
Provinces and municipalities											
Provincial revenue funds											
Current	6 283 842	6 737 644	7 226 112	7 663 451	6.8%	36.7%	8 155 450	8 640 105	9 044 414	5.7%	38.4%
Learners with profound intellectual disabilities grant	—	66 023	180 798	220 785	—	0.6%	242 864	256 222	265 746	6.4%	1.1%
National school nutrition programme grant	6 059 655	6 426 313	6 802 079	7 185 715	5.8%	34.8%	7 665 887	8 125 341	8 516 464	5.8%	36.1%
HIV and AIDS (life skills education) grant	224 187	245 308	243 235	256 951	4.7%	1.3%	246 699	258 542	262 204	0.7%	1.2%
Capital	10 295 726	10 832 421	10 464 046	10 905 780	1.9%	55.9%	11 408 829	12 133 207	12 693 514	5.2%	54.1%
Maths, science and technology grant	362 444	365 145	370 483	391 302	2.6%	2.0%	400 862	422 909	438 488	3.9%	1.9%
Education infrastructure grant	9 933 282	10 467 276	10 093 563	10 514 478	1.9%	54.0%	11 007 967	11 710 298	12 255 026	5.2%	52.2%
Total	17 845 763	18 930 384	19 123 421	20 083 007	4.0%	100.0%	21 150 175	22 446 596	23 488 893	5.4%	100.0%

Personnel information

Table 16.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																		
1. Administration																		
2. Curriculum Policy, Support and Monitoring																		
3. Teachers, Education Human Resources and Institutional Development																		
4. Planning, Information and Assessment																		
5. Educational Enrichment Services																		
Number of posts estimated for 31 March 2020			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 (%)		
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23	
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost		Unit cost
Basic Education																		
Salary level	856	24	712	491.2	0.7	791	546.9	0.7	791	584.1	0.7	790	621.9	0.8	776	649.1	0.8	-0.6% 100.0%
1 – 6	229	6	209	63.9	0.3	234	74.8	0.3	234	80.3	0.3	234	86.1	0.4	233	91.9	0.4	-0.1% 29.7%
7 – 10	291	1	226	126.0	0.6	247	152.9	0.6	245	162.1	0.7	246	174.3	0.7	245	185.3	0.8	-0.3% 31.2%
11 – 12	221	–	198	168.3	0.9	219	200.6	0.9	219	213.3	1.0	217	224.9	1.0	206	228.0	1.1	-2.0% 27.4%
13 – 16	100	4	77	92.2	1.2	89	113.4	1.3	91	123.0	1.4	91	130.8	1.4	90	137.8	1.5	0.4% 11.5%
Other	15	13	2	40.7	20.4	2	5.1	2.6	2	5.5	2.7	2	5.8	2.9	2	6.2	3.1	– 0.3%
Programme	856	24	712	491.2	0.7	791	546.9	0.7	791	584.1	0.7	790	621.9	0.8	776	649.1	0.8	-0.6% 100.0%
Programme 1	337	19	301	175.2	0.6	320	192.8	0.6	320	205.8	0.6	320	219.6	0.7	316	230.6	0.7	-0.4% 40.5%
Programme 2	117	3	95	81.6	0.9	114	98.9	0.9	114	105.3	0.9	111	109.1	1.0	101	106.4	1.1	-4.0% 14.0%
Programme 3	152	–	99	63.8	0.6	105	75.4	0.7	103	79.1	0.8	102	83.5	0.8	102	88.9	0.9	-1.0% 13.1%
Programme 4	180	–	158	130.7	0.8	186	133.7	0.7	185	141.9	0.8	187	153.3	0.8	187	163.3	0.9	0.2% 23.7%
Programme 5	70	2	59	40.0	0.7	66	46.0	0.7	69	51.9	0.8	70	56.4	0.8	70	60.0	0.9	2.0% 8.7%

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

2. Rand million.

Departmental receipts

Table 16.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)		Average: Receipt item/ Total (%)			Average growth rate (%)		
	2016/17	2017/18	2018/19			2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23	2022/23
Departmental receipts	15 521	25 653	10 301	14 882	14 882	-1.4%	100.0%	9 997	9 212	8 437	-17.2%	100.0%	
Sales of goods and services produced by department	2 339	2 480	2 825	2 667	2 667	4.5%	15.5%	2 782	2 997	3 222	6.5%	27.4%	
Sales by market establishments	105	100	226	135	135	8.7%	0.9%	140	150	170	8.0%	1.4%	
of which:													
Market establishment:	105	100	100	135	135	8.7%	0.7%	140	150	170	8.0%	1.4%	
Rental parking: Covered and open													
List item	—	—	126	—	—	—	0.2%	—	—	—	—	—	
Administrative fees	2 120	2 380	2 320	2 400	2 400	4.2%	13.9%	2 500	2 700	2 900	6.5%	24.7%	
of which:													
Services rendered: Exam certificates	2 119	2 380	2 320	2 400	2 400	4.2%	13.9%	2 500	2 700	2 900	6.5%	24.7%	
Sales: Entrance fees	1	—	—	—	—	-100.0%	—	—	—	—	—	—	
Other sales	114	—	279	132	132	5.0%	0.8%	142	147	152	4.8%	1.3%	
of which:													
Services rendered:	112	—	—	130	130	5.1%	0.4%	140	145	150	4.9%	1.3%	
Commission on insurance and garnishees													
Replacement of security cards	2	—	—	2	2	—	—	2	2	2	—	—	
Sale of assets less than R5000	—	—	142	—	—	—	0.2%	—	—	—	—	—	
Sales: Tender documents	—	—	136	—	—	—	0.2%	—	—	—	—	—	
Replacement of lost office property	—	—	1	—	—	—	—	—	—	—	—	—	
Sales of scrap, waste, arms and other used current goods	150	—	60	200	200	10.1%	0.6%	200	200	200	—	1.9%	
of which:													
Wastepaper	150	—	60	200	200	10.1%	0.6%	200	200	200	—	1.9%	
Interest, dividends and rent on land	10 397	20 020	5 093	11 000	11 000	1.9%	70.1%	7 000	6 000	5 000	-23.1%	68.2%	
Interest	10 397	20 020	5 093	11 000	11 000	1.9%	70.1%	7 000	6 000	5 000	-23.1%	68.2%	
Sales of capital assets	—	—	8	15	15	—	—	15	15	15	—	0.1%	
Transactions in financial assets and liabilities	2 635	3 153	2 315	1 000	1 000	-27.6%	13.7%	—	—	—	-100.0%	2.4%	
Total	15 521	25 653	10 301	14 882	14 882	-1.4%	100.0%	9 997	9 212	8 437	-17.2%	100.0%	

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 16.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Average: Expenditure/ Total (%)			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Ministry	31.4	32.7	34.7	38.1	6.6%	7.4%	33.2	35.1	36.5	-1.4%	6.6%
Department Management	79.9	81.7	99.2	92.7	5.1%	19.2%	90.6	98.4	101.9	3.2%	17.7%
Corporate Services	63.9	64.9	67.2	82.3	8.8%	15.1%	75.6	77.6	80.3	-0.8%	14.6%
Office of the Chief Financial Officer	62.7	63.4	68.3	88.3	12.1%	15.3%	91.3	97.7	103.7	5.5%	17.6%
Internal Audit	5.8	6.7	6.6	7.8	10.8%	1.5%	8.6	9.1	9.5	6.5%	1.6%
Office Accommodation	174.6	185.7	195.8	209.2	6.2%	41.5%	220.2	233.8	242.8	5.1%	41.9%
Total	418.3	435.1	471.9	518.3	7.4%	100.0%	519.4	551.6	574.5	3.5%	100.0%
Change to 2019 Budget estimate				22.1			(7.8)	(6.8)	(5.1)		

Table 16.6 Administration expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Current payments	404.3	422.1	457.9	501.4	7.4%	96.9%	502.9	533.3	555.2	3.5%	96.7%
Compensation of employees	151.2	165.1	175.2	193.0	8.5%	37.1%	205.9	219.9	230.7	6.1%	39.3%
Goods and services ¹	206.7	211.5	238.1	264.9	8.6%	50.0%	254.5	272.2	281.8	2.1%	49.6%
of which:											
Audit costs: External	16.0	14.6	14.3	25.2	16.4%	3.8%	22.9	24.2	24.8	-0.6%	4.5%
Communication	3.0	2.9	3.4	2.9	-1.7%	0.7%	2.7	2.7	2.9	0.4%	0.5%
Computer services	21.6	20.5	26.2	24.9	4.8%	5.1%	24.0	25.0	25.7	1.1%	4.6%
Consumables: Stationery, printing and office supplies	2.5	3.6	2.9	3.4	10.4%	0.7%	3.4	3.7	3.8	4.1%	0.7%
Property payments	119.0	129.8	140.3	151.8	8.4%	29.3%	162.6	175.0	181.5	6.1%	31.0%
Travel and subsistence	15.1	15.9	21.4	23.6	16.0%	4.1%	21.1	22.0	22.7	-1.4%	4.1%
Interest and rent on land	46.3	45.5	44.6	43.6	-2.0%	9.8%	42.4	41.1	42.7	-0.7%	7.8%
Transfers and subsidies ¹	2.4	2.2	0.9	2.5	2.5%	0.4%	0.5	0.5	0.5	-42.0%	0.2%
Departmental agencies and accounts	0.2	0.4	0.4	0.4	36.1%	0.1%	0.5	0.5	0.5	5.0%	0.1%
Households	2.2	1.8	0.5	2.1	-1.2%	0.4%	—	—	—	-100.0%	0.1%
Payments for capital assets	11.6	10.6	12.9	14.4	7.4%	2.7%	16.1	17.9	18.9	9.6%	3.1%
Buildings and other fixed structures	7.2	8.0	9.0	10.0	11.4%	1.9%	11.1	12.4	13.1	9.5%	2.2%
Machinery and equipment	4.4	2.6	4.0	4.0	-2.5%	0.8%	4.6	5.1	5.4	10.3%	0.9%
Software and other intangible assets	—	—	—	0.3	—	—	0.3	0.4	0.4	4.5%	0.1%
Payments for financial assets	0.1	0.2	0.2	0.0	-68.0%	—	—	—	—	-100.0%	—
Total	418.3	435.1	471.9	518.3	7.4%	100.0%	519.4	551.6	574.5	3.5%	100.0%
Proportion of total programme expenditure to vote expenditure	1.9%	1.9%	2.0%	2.1%	—	—	2.1%	2.0%	2.0%	—	—

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

Programme 2: Curriculum Policy, Support and Monitoring

Programme purpose

Develop curriculum and assessment policies, and monitor and support their implementation.

Objectives

- Increase the number of learners who complete grade 12 by providing the Second Chance programme to learners who failed to meet the national senior certificate requirements annually.
- Improve the learning and teaching of critical foundational skills by developing, printing and distributing 2 volumes of grade 1 to grade 6 literacy/languages, grade 1 to grade 3 life skills (quintile 1 to quintile 3), grade 1 to grade 9 numeracy/mathematics, grade 1 to grade 6 English first additional language, and grade R workbooks to all learners in public schools annually.
- Improve learners' reading proficiency levels in the foundation phase in all underperforming rural and township schools by using the early grade reading assessment toolkit to assess learners' reading levels annually. This includes learners' phonic knowledge, word recognition, and fluency and comprehension skills in the early grades.
- Fast-track the rollout and implementation of ICT in schools by providing teacher training, ICT devices, digital content, software, connectivity, IT support to schools, and online learner and teacher support material annually.
- Increase learner participation and success rates in mathematics, science and technology by providing ICT equipment, machinery, subject-specific resources and teacher development to schools each year over the medium term by:
 - supporting 300 teachers in ICT integration training
 - supplying 300 schools with subject-specific computer hardware
 - supplying 300 schools with subject-related software in accordance with minimum specifications

- repairing, maintaining or replacing workshop equipment and machinery for technology subjects at 200 technical schools
- providing 200 schools with funds for the maintenance of equipment and machinery
- providing 1 000 schools with laboratory equipment, apparatus and consumables, including manipulatives for mathematics
- supporting 50 000 learners in co-curricular services related to mathematics, science and technology
- supporting 1 500 teachers and subject advisers in curriculum assessment policy statement training
- supporting 1 000 teachers in structured teacher development programmes specific to mathematics, science and technology.

Subprogrammes

- *Programme Management: Curriculum Policy, Support and Monitoring* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions in the programme.
- *Curriculum Implementation and Monitoring* supports and monitors the implementation of the national strategy for learner attainment framework to monitor the quality of teaching and improve the quality of mathematics, science, technology and languages in all public schools from grade R to grade 12.
- *Curriculum and Quality Enhancement Programmes* supports programmes that enhance curriculum outcomes in the basic education system, and increases participation and success in mathematics, science and technology through structured programmes.

Expenditure trends and estimates

Table 16.7 Curriculum Policy, Support and Monitoring 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme Management: Curriculum Policy, Support and Monitoring	3.4	2.5	3.2	2.8	-6.3%	0.2%	3.7	2.9	3.0	1.9%	0.1%
Curriculum Implementation and Monitoring	440.3	269.4	318.0	382.0	-4.6%	19.2%	388.4	405.3	421.1	3.3%	19.2%
Curriculum and Quality Enhancement Programmes	1 383.0	1 459.2	1 481.0	1 611.3	5.2%	80.7%	1 633.5	1 715.5	1 758.0	2.9%	80.7%
Total	1 826.7	1 731.1	1 802.2	1 996.2	3.0%	100.0%	2 025.6	2 123.7	2 182.1	3.0%	100.0%
Change to 2019				7.2			(77.7)	(94.0)	(118.1)		
Budget estimate											
Economic classification											
Current payments	1 463.4	1 298.0	1 249.1	1 382.8	-1.9%	73.3%	1 381.0	1 443.5	1 476.7	2.2%	68.3%
Compensation of employees	72.0	89.1	81.6	98.9	11.2%	4.6%	105.3	109.1	106.4	2.4%	5.0%
Goods and services ¹	1 391.4	1 208.9	1 167.5	1 283.9	-2.6%	68.7%	1 275.6	1 334.4	1 370.3	2.2%	63.2%
of which:											
Advertising	10.6	13.1	5.3	23.2	29.9%	0.7%	23.2	30.2	29.7	8.6%	1.3%
Agency and support/outsourced services	8.5	11.2	12.9	10.4	6.8%	0.6%	8.4	6.8	6.8	-13.2%	0.4%
Inventory: Learner and teacher support material	981.5	1 018.5	1 056.3	1 156.6	5.6%	57.3%	1 171.3	1 227.8	1 261.5	2.9%	57.8%
Consumables: Stationery, printing and office supplies	52.5	3.2	0.7	21.2	-26.1%	1.1%	17.8	18.6	20.1	-1.8%	0.9%
Travel and subsistence	10.6	30.1	33.2	23.0	29.5%	1.3%	20.7	18.7	18.9	-6.3%	1.0%
Venues and facilities	1.2	8.9	8.0	15.0	135.2%	0.4%	12.1	10.8	10.3	-11.8%	0.6%
Transfers and subsidies¹	362.8	431.8	552.4	612.3	19.1%	26.6%	643.9	679.3	704.4	4.8%	31.7%
Provinces and municipalities	362.4	431.2	551.3	612.1	19.1%	26.6%	643.7	679.1	704.2	4.8%	31.7%
Foreign governments and international organisations	0.1	0.1	0.1	0.2	12.4%	–	0.2	0.2	0.2	4.9%	–
Households	0.2	0.5	1.0	0.1	-32.4%	–	–	–	–	-100.0%	–
Payments for capital assets	0.4	1.2	0.7	1.0	32.3%	–	0.8	0.9	0.9	-2.5%	–
Machinery and equipment	0.4	0.7	0.7	1.0	32.3%	–	0.8	0.9	0.9	-2.5%	–
Software and other intangible assets	–	0.5	–	–	–	–	–	–	–	–	–
Payments for financial assets	0.0	0.1	0.0	–	-100.0%	–	–	–	–	–	–
Total	1 826.7	1 731.1	1 802.2	1 996.2	3.0%	100.0%	2 025.6	2 123.7	2 182.1	3.0%	100.0%
Proportion of total programme expenditure to vote expenditure	8.5%	7.5%	7.7%	8.2%	–	–	8.0%	7.8%	7.6%	–	–

Table 16.7 Curriculum Policy, Support and Monitoring expenditure trends and estimates by subprogramme and economic classification

Classification											
Details of selected transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	–	66.0	180.8	220.8	–	6.4%	242.9	256.2	265.7	6.4%	11.8%
Learners with profound intellectual disabilities grant	–	66.0	180.8	220.8	–	6.4%	242.9	256.2	265.7	6.4%	11.8%
Capital	362.4	365.1	370.5	391.3	2.6%	20.2%	400.9	422.9	438.5	3.9%	19.9%
Maths, science and technology grant	362.4	365.1	370.5	391.3	2.6%	20.2%	400.9	422.9	438.5	3.9%	19.9%

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

Programme 3: Teachers, Education Human Resources and Institutional Development

Programme purpose

Promote quality teaching and institutional performance through the effective supply, development and use of human resources.

Objectives

- Ensure the adequate supply of qualified teachers in the system by securing posts for Funza Lushaka bursary holders, by June of the year after qualifying, in each year over the medium term.
- Improve the quality of teaching and learning by ensuring an adequate supply of young and qualified teachers through awarding 12 500 Funza Lushaka bursaries to prospective teachers per year over the medium term.
- Improve the quality of teaching and learning by monitoring and supporting the implementation of the policy on educator post provisioning in all provincial education departments annually.
- Strengthen accountability by monitoring and supporting the implementation of educator performance management systems and school evaluations annually.

Subprogrammes

- *Programme Management: Teachers, Education Human Resources and Institutional Development* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions in the programme.
- *Education Human Resources Management* is responsible for the planning, provisioning and monitoring of education human resources; the oversight and strengthening of educator performance management systems and school evaluations; and education labour relations and conditions of service.
- *Education Human Resources Development* oversees and translates the integrated strategic planning framework for teacher education and development into a wide range of teacher training programmes, collaborative professional development activities, and agreements with partners and relevant service providers. This subprogramme also coordinates activities with the National Institute for Curriculum and Professional Development to promote best practice in classroom teaching and teacher development.
- *Curriculum and Professional Development Unit* manages and develops an innovative and effective system for teacher development and curriculum implementation. This entails the creation of teacher development platforms, and the evaluation and impact assessment of teacher knowledge testing tools for determining teacher needs in content and pedagogical knowledge.

Expenditure trends and estimates

Table 16.8 Teachers, Education Human Resources and Institutional Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
R million											
Programme Management: Teachers, Education Human Resources and Institutional Development	2.4	1.6	2.0	2.0	-6.7%	0.2%	2.1	2.2	2.3	5.8%	0.1%
Education Human Resources Management	75.8	61.1	54.5	62.9	-6.0%	5.0%	68.8	73.5	75.8	6.4%	4.8%
Education Human Resources Development	1 089.9	1 170.2	1 226.2	1 286.7	5.7%	93.8%	1 350.6	1 424.3	1 493.2	5.1%	93.9%
Curriculum and Professional Development Unit	9.2	11.0	14.9	17.2	23.1%	1.0%	16.2	16.8	18.0	1.4%	1.2%
Total	1 177.4	1 243.8	1 297.6	1 368.9	5.2%	100.0%	1 437.7	1 516.9	1 589.3	5.1%	100.0%
Change to 2019				2.7			(4.8)	(6.2)	(4.1)		
Budget estimate											
Economic classification											
Current payments	112.3	121.2	109.7	107.7	-1.4%	8.9%	110.7	116.8	123.4	4.7%	7.8%
Compensation of employees	71.4	65.2	63.8	75.2	1.8%	5.4%	79.1	83.5	88.9	5.7%	5.5%
Goods and services ¹	40.9	56.0	45.9	32.4	-7.4%	3.4%	31.6	33.3	34.6	2.2%	2.2%
of which:											
Catering: Departmental activities	1.0	1.7	2.9	1.8	22.9%	0.1%	2.3	2.4	2.5	12.3%	0.2%
Computer services	0.3	3.3	2.3	1.3	55.9%	0.1%	1.7	1.8	1.8	12.5%	0.1%
Agency and support/outsourced services	3.9	28.4	0.4	1.3	-29.9%	0.7%	1.4	1.5	1.5	4.7%	0.1%
Consumables: Stationery, printing and office supplies	0.6	0.9	0.5	1.2	28.0%	0.1%	1.1	1.2	1.2	-0.1%	0.1%
Travel and subsistence	19.8	14.8	17.1	17.9	-3.3%	1.4%	18.4	19.5	20.4	4.5%	1.3%
Venues and facilities	3.5	1.7	6.6	6.5	23.2%	0.4%	4.3	4.5	4.5	-11.3%	0.3%
Transfers and subsidies¹	1 064.7	1 122.1	1 187.5	1 260.8	5.8%	91.1%	1 326.6	1 399.7	1 465.4	5.1%	92.2%
Departmental agencies and accounts	5.0	9.7	16.0	20.0	58.7%	1.0%	17.7	18.9	19.7	-0.5%	1.3%
Foreign governments and international organisations	15.7	14.8	11.6	16.4	1.5%	1.1%	17.2	18.2	18.9	4.7%	1.2%
Households	1 044.0	1 097.6	1 160.0	1 224.3	5.5%	89.0%	1 291.6	1 362.6	1 426.8	5.2%	89.7%
Payments for capital assets	0.2	0.4	0.4	0.4	21.6%	-	0.4	0.4	0.5	5.4%	-
Machinery and equipment	0.2	0.4	0.4	0.4	21.6%	-	0.4	0.4	0.5	5.4%	-
Payments for financial assets	0.2	0.1	0.0	0.1	-32.0%	-	-	-	-	-100.0%	-
Total	1 177.4	1 243.8	1 297.6	1 368.9	5.2%	100.0%	1 437.7	1 516.9	1 589.3	5.1%	100.0%
Proportion of total programme expenditure to vote expenditure	5.5%	5.4%	5.5%	5.6%	-	-	5.7%	5.5%	5.6%	-	-
Details of selected transfers and subsidies											
Households											
Other transfers to households											
Current	1 043.6	1 095.8	1 159.3	1 224.3	5.5%	88.9%	1 291.6	1 362.6	1 426.8	5.2%	89.7%
National Student Financial Aid Scheme	1 043.6	1 095.8	1 159.3	1 224.3	5.5%	88.9%	1 291.6	1 362.6	1 426.8	5.2%	89.7%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	5.0	9.7	16.0	20.0	58.7%	1.0%	17.7	18.9	19.7	-0.5%	1.3%
South African Council for Educators	5.0	9.7	16.0	20.0	58.7%	1.0%	17.7	18.9	19.7	-0.5%	1.3%
Foreign governments and international organisations											
Current	15.6	14.6	11.4	16.3	1.5%	1.1%	17.1	18.0	18.7	4.7%	1.2%
United Nations Educational, Scientific and Cultural Organisation	15.6	14.6	11.4	16.3	1.5%	1.1%	17.1	18.0	18.7	4.7%	1.2%

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

Programme 4: Planning, Information and Assessment

Programme purpose

Promote quality and effective service delivery in the basic education system through planning, implementation and assessment.

Objectives

- Improve the delivery of school infrastructure over the medium term by providing oversight and support to provinces through quarterly reporting on schools' furniture needs and deliveries, the national education infrastructure management system, and the *education infrastructure grant*.
- Contribute to enhanced teaching and learning through improving and upgrading infrastructure by March 2021, by:
 - building 31 schools to replace unsafe structures
 - providing water to 125 schools
 - providing sanitation to 691 schools.
- Track improvements in the quality of teaching and learning by providing standardised national assessments for grade 3, grade 6 and grade 9 learners, and the administration of a credible public examination in grade 12 in each year over the medium term.
- Strengthen the capacity of district offices on an ongoing basis to support schools through quarterly provincial visits that monitor, evaluate and make recommendations on curriculum oversight, institutional management and governance support provided and human resources management operations.

Subprogrammes

- *Programme Management: Planning, Information and Assessment* delegates administrative and financial responsibilities, and coordinates all monitoring and evaluation functions in the programme.
- *Financial Planning, Information and Management Systems* develops systems and procedures to support and maintain integrated education management systems based on learner record information. This is done to monitor and report on the implementation of education information policy in the basic education sector. This subprogramme also focuses on cross-cutting aspects such as resource planning, financial support, and the development and monitoring of national funding norms and standards with provincial education departments. In addition, this subprogramme monitors, supports and evaluates the implementation of conditional grants and donor grant funding in coordination with line function units while overseeing the implementation of other transversal duties assigned to the national transferring officer by the Division of Revenue Act.
- *School Infrastructure* uses funding from the *school infrastructure backlogs grant* to eradicate infrastructure backlogs. This includes replacing school buildings constructed from inappropriate materials such as mud, and providing water and sanitation to schools that do not have these facilities. The *education infrastructure grant* provides co-funding for the ongoing infrastructure programme in provinces to allow for the provision of infrastructure requirements. This includes the maintenance of existing infrastructure and the construction of new infrastructure, where required, to progressively meet the minimum norms and standards for school infrastructure.
- *National Assessments and Public Examinations* provides standardised national assessments for grade 3, grade 6 and grade 9 learners, and the regulation and standardisation of assessments through the implementation of an integrated assessment framework for grades 4 to 11; and administers credible public examinations in grade 12. This provides reliable data on learner performance to support the improvement of the quality of basic education.
- *National Education Evaluation and Development Unit* facilitates school improvement through systematic evaluation. The unit evaluates how district offices, provincial departments and the national department monitor and support schools, school governing bodies and teachers. This entails identifying critical factors that inhibit or advance the attainment of sector goals and school improvement, and making focused recommendations for addressing problem areas that undermine school improvement and the attainment of sector goals.
- *Planning and Delivery Oversight Unit* monitors the planning and delivery of selected priorities, and assists provinces with this. The unit works with provinces to ensure that provincial initiatives are aligned with national priorities, and provides institutional support for their effective delivery.

Expenditure trends and estimates

Table 16.9 Planning, Information and Assessment expenditure trends and estimates by subprogramme and economic classification

Subprogramme						Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome				Adjusted appropriation				Medium-term expenditure estimate				
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20			2020/21	2021/22	2022/23	2019/20	2022/23
Programme Management: Planning, Information and Assessment	3.0	3.5	3.4	3.4	4.2%	–		3.8	4.0	4.1	7.3%	–
Financial Planning, Information and Management Systems	47.1	96.2	49.3	50.1	2.1%	0.5%		56.7	55.0	56.6	4.1%	0.4%
School Infrastructure	11 258.0	12 262.3	12 193.3	12 505.9	3.6%	95.8%		12 751.8	14 013.1	14 687.1	5.5%	95.5%
National Assessments and Public Examinations	289.2	282.4	331.0	349.9	6.6%	2.5%		382.0	432.8	457.3	9.3%	2.9%
National Education Evaluation and Development Unit	26.2	20.7	20.1	19.3	-9.7%	0.2%		20.0	18.8	19.5	0.4%	0.1%
Planning and Delivery Oversight Unit	96.6	120.8	137.4	141.5	13.6%	1.0%		141.6	150.7	156.3	3.4%	1.0%
Total	11 720.0	12 785.8	12 734.6	13 070.1	3.7%	100.0%		13 356.0	14 674.5	15 381.0	5.6%	100.0%
Change to 2019 Budget estimate				(74.3)				(520.7)	(689.8)	(845.6)		
Economic classification												
Current payments	531.9	410.7	440.1	575.4	2.7%	3.9%		597.8	654.1	802.8	11.7%	4.7%
Compensation of employees	126.1	116.8	130.7	133.6	1.9%	1.0%		141.9	153.3	163.3	6.9%	1.0%
Goods and services ¹	405.8	293.9	308.5	441.8	2.9%	2.9%		455.9	500.8	639.5	13.1%	3.6%
of which:												
Catering: Departmental activities	12.8	6.6	5.8	12.7	-0.3%	0.1%		15.4	16.0	16.6	9.5%	0.1%
Computer services	50.7	44.4	59.2	44.9	-4.0%	0.4%		58.5	59.3	64.5	12.8%	0.4%
Consultants: Business and advisory services	167.7	162.1	133.2	231.9	11.4%	1.4%		189.0	212.2	333.1	12.8%	1.7%
Agency and support/outsourced services	16.9	4.1	3.0	12.2	-10.4%	0.1%		16.4	39.9	41.6	50.6%	0.2%
Consumables: Stationery, printing and office supplies	2.5	2.9	1.1	23.9	113.4%	0.1%		17.9	18.8	19.8	-6.1%	0.1%
Travel and subsistence	64.4	56.4	73.5	78.7	6.9%	0.5%		122.2	114.2	120.7	15.3%	0.8%
Interest and rent on land	–	–	0.8	–	–	–		–	–	–	–	–
Transfers and subsidies ¹	10 131.9	10 696.5	10 337.2	10 764.6	2.0%	83.3%		11 266.5	11 983.1	12 539.8	5.2%	82.4%
Provinces and municipalities	9 933.3	10 467.3	10 093.6	10 514.5	1.9%	81.5%		11 008.0	11 710.3	12 255.0	5.2%	80.5%
Departmental agencies and accounts	118.7	124.6	128.5	134.6	4.3%	1.0%		139.2	146.8	154.2	4.6%	1.0%
Foreign governments and international organisations	3.3	3.3	2.7	3.5	1.3%	–		3.7	3.9	4.0	4.9%	–
Non-profit institutions	76.1	100.0	112.1	111.9	13.7%	0.8%		115.7	122.1	126.6	4.2%	0.8%
Households	0.5	1.3	0.4	0.1	-44.9%	–		–	–	–	-100.0%	–
Payments for capital assets	1 051.1	1 622.7	1 957.3	1 730.1	18.1%	12.6%		1 491.6	2 037.3	2 038.4	5.6%	12.9%
Buildings and other fixed structures	1 049.5	1 617.7	1 946.7	1 729.5	18.1%	12.6%		1 491.0	2 036.6	2 037.7	5.6%	12.9%
Machinery and equipment	1.5	1.1	1.6	0.6	-27.8%	–		0.6	0.6	0.7	6.0%	–
Software and other intangible assets	–	3.9	9.0	–	–	–		–	–	–	–	–
Payments for financial assets	5.1	55.9	0.1	–	-100.0%	0.1%		–	–	–	–	–
Total	11 720.0	12 785.8	12 734.6	13 070.1	3.7%	100.0%		13 356.0	14 674.5	15 381.0	5.6%	100.0%
Proportion of total programme expenditure to vote expenditure	54.6%	55.8%	54.4%	53.4%	–	–		52.7%	53.7%	53.8%	–	–
Details of selected transfers and subsidies												
Non-profit institutions												
Current	76.1	100.0	112.1	111.9	13.7%	0.8%		115.7	122.1	126.6	4.2%	0.8%
National Education Collaboration Trust	76.1	100.0	112.1	111.9	13.7%	0.8%		115.7	122.1	126.6	4.2%	0.8%
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	118.7	124.6	128.5	134.6	4.3%	1.0%		139.2	146.8	154.2	4.6%	1.0%
Umalusi Council for Quality Assurance in General and Further Education and Training	118.7	124.6	128.5	134.6	4.3%	1.0%		139.2	146.8	154.2	4.6%	1.0%
Foreign governments and international organisations												
Current	3.3	3.3	2.7	3.5	1.3%	–		3.7	3.9	4.0	4.9%	–
Southern and Eastern Africa Consortium for Monitoring Educational Quality	3.3	3.3	2.7	3.5	1.3%	–		3.7	3.9	4.0	4.9%	–
Provinces and municipalities												
Provinces												
Provincial revenue funds												
Capital	9 933.3	10 467.3	10 093.6	10 514.5	1.9%	81.5%		11 008.0	11 710.3	12 255.0	5.2%	80.5%
Education infrastructure grant	9 933.3	10 467.3	10 093.6	10 514.5	1.9%	81.5%		11 008.0	11 710.3	12 255.0	5.2%	80.5%

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

Programme 5: Educational Enrichment Services

Programme purpose

Monitor and support provinces to implement care and support programmes for learning and teaching.

Objectives

- Ensure the holistic development of learners, enhance their learning experience, and maximise their school performance by implementing sport, safety and social cohesion programmes to reduce barriers to learning in each year over the medium term.
- Improve learner health and wellness by implementing school health programmes, including the provision of nutritious meals, to all learners in quintiles 1 to 3 primary, secondary and identified special schools annually.
- Mitigate the impact of HIV and TB by providing a caring, supportive and enabling environment for learners and educators on an annual basis.

Subprogrammes

- *Programme Management: Educational Enrichment Services* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions in the programme.
- *Partnerships in Education* partners with stakeholders in support of education in an attempt to make education a societal issue; and manages policy, programmes and systems aimed at creating a safe and cohesive learning environment. The goal is to promote holistic learner development through facilitating sports and enrichment programmes in schools; and promote social cohesion, an understanding of human rights, gender equity, non-racism, non-sexism, and democratic and constitutional values in education in public schools and school communities.
- *Care and Support in Schools* manages policies, the provision of meals and the promotion of learner access to public services. This includes interventions aimed at encouraging healthy habits and alleviating poverty.

Expenditure trends and estimates

Table 16.10 Educational Enrichment Services 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Programme Management: Educational Enrichment Services	3.1	15.3	3.3	3.9	8.2%	0.1%	4.8	4.8	5.1	9.5%	0.1%
Partnerships in Education	22.0	24.1	31.7	33.3	14.8%	0.4%	39.1	41.3	43.6	9.4%	0.5%
Care and Support in Schools	6 308.6	6 696.8	7 073.3	7 473.9	5.8%	99.5%	7 945.6	8 420.1	8 816.8	5.7%	99.5%
Total	6 333.7	6 736.2	7 108.4	7 511.1	5.8%	100.0%	7 989.5	8 466.2	8 865.5	5.7%	100.0%
Change to 2019				2.3			(48.4)	(59.6)	(77.9)		
Budget estimate											
Economic classification											
Current payments	49.5	51.9	62.6	67.9	11.1%	0.8%	76.4	81.8	86.3	8.3%	1.0%
Compensation of employees	33.6	36.3	40.0	46.0	11.0%	0.6%	51.9	56.4	60.0	9.3%	0.7%
Goods and services ¹	15.9	15.6	22.6	21.9	11.3%	0.3%	24.5	25.5	26.3	6.2%	0.3%
of which:											
Catering: Departmental activities	2.5	2.4	3.6	1.5	-15.0%	—	1.4	1.6	1.6	2.4%	—
Contractors	0.1	0.1	—	0.9	83.8%	—	1.2	1.3	1.3	14.2%	—
Inventory: Learner and teacher support material	0.3	—	—	1.3	75.0%	—	1.5	1.6	1.6	6.5%	—
Travel and subsistence	7.7	7.1	9.7	12.0	15.8%	0.1%	13.6	14.0	14.4	6.3%	0.2%
Operating payments	0.8	0.6	2.7	2.0	38.7%	—	2.3	2.5	2.6	7.6%	—
Venues and facilities	0.2	0.7	1.9	1.4	96.3%	—	1.5	1.5	1.6	4.3%	—
Transfers and subsidies¹	6 284.0	6 677.8	7 045.4	7 442.7	5.8%	99.1%	7 912.7	8 384.0	8 778.8	5.7%	99.0%
Provinces and municipalities	6 283.8	6 671.6	7 045.3	7 442.7	5.8%	99.1%	7 912.6	8 383.9	8 778.7	5.7%	99.0%
Non-profit institutions	0.1	6.1	0.1	0.1	6.0%	—	0.1	0.1	0.1	5.9%	—
Households	0.1	0.1	0.0	—	-100.0%	—	—	—	—	—	—
Payments for capital assets	0.2	0.4	0.4	0.4	29.8%	—	0.4	0.4	0.4	0.3%	—
Machinery and equipment	0.2	0.4	0.4	0.4	29.8%	—	0.4	0.4	0.4	0.3%	—
Software and other intangible assets	—	0.0	—	—	—	—	—	—	—	—	—
Payments for financial assets	0.0	6.1	0.0	0.0	-30.7%	—	—	—	—	-100.0%	—
Total	6 333.7	6 736.2	7 108.4	7 511.1	5.8%	100.0%	7 989.5	8 466.2	8 865.5	5.7%	100.0%
Proportion of total programme expenditure to vote expenditure	29.5%	29.4%	30.4%	30.7%	—	—	31.5%	31.0%	31.0%	—	—

Table 16.10 Educational Enrichment Services expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23		
Details of selected transfers and subsidies											
Non-profit institutions											
Current	–	6.0	–	–	–	–	–	–	–	–	–
Historic school restoration	–	6.0	–	–	–	–	–	–	–	–	–
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	6 283.8	6 671.6	7 045.3	7 442.7	5.8%	99.1%	7 912.6	8 383.9	8 778.7	5.7%	99.0%
National school nutrition programme grant	6 059.7	6 426.3	6 802.1	7 185.7	5.8%	95.6%	7 665.9	8 125.3	8 516.5	5.8%	95.9%
HIV and AIDS (life skills education) grant	224.2	245.3	243.2	257.0	4.7%	3.5%	246.7	258.5	262.2	0.7%	3.1%

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

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 **South African Council for Educators** aims to enhance the status of the teaching profession through registering educators appropriately, managing professional development and promoting a code of ethics for all educators. The council's total budget for 2020/21 is R107.3 million.
- The **Umalusi Council for Quality Assurance in General and Further Education and Training** sets and maintains standards in general and further education and training through the development and management of the general and further education and training qualifications sub-framework. The council's total budget for 2020/21 is R190.3 million.

Vote 17

Higher Education and Training

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	491.2	487.6	–	3.7	525.7	552.2
Planning, Policy and Strategy	214.5	116.1	97.7	0.7	227.5	239.2
University Education	80 083.4	101.3	79 981.4	0.6	84 332.6	88 167.9
Technical and Vocational Education and Training	13 813.6	7 751.5	6 053.4	8.7	14 644.0	15 278.7
Skills Development	318.5	170.6	146.0	2.0	336.6	354.8
Community Education and Training	2 522.9	2 362.4	159.9	0.6	2 686.7	2 780.5
Subtotal	97 444.0	10 989.4	86 438.3	16.3	102 753.0	107 373.4
Direct charge against the National Revenue Fund						
Sector education and training authorities	15 530.3	–	15 530.3	–	16 468.0	17 575.9
National Skills Fund	3 882.6	–	3 882.6	–	4 117.0	4 394.0
Total expenditure estimates	116 856.9	10 989.4	105 851.2	16.3	123 338.0	129 343.2
Executive authority	Minister of Higher Education, Science and Technology					
Accounting officer	Director-General of Higher Education and Training					
Website	http://www.dhet.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Develop and support a quality higher and vocational education sector. Promote access to higher education, vocational education and skills development training opportunities.

Mandate

The Department of Higher Education and Training derives its mandate from:

- the Continuing Education and Training Act (2006), which provides for the regulation of continuing education and training, the establishment of governance structures for and the funding of public technical and vocational education and training (TVET) colleges and community education and training colleges, the registration of private colleges, and the promotion of quality in continuing education and training
- the Higher Education Act (1997), which provides for a unified national system of higher education
- the National Qualifications Framework Act (2008), which provides for the national qualifications framework, the South African Qualifications Authority and quality councils for the issuing and quality assurance of qualifications required by the sub-frameworks of the national qualifications framework
- the National Student Financial Aid Scheme Act (1999), which provides for the granting of loans and bursaries to eligible students attending public higher education and training institutions, and the subsequent administration of such loans and bursaries
- the Skills Development Act (2008), which enables the creation of the National Skills Authority, sector education and training authorities, the establishment of the Quality Council for Trades and Occupations, and the regulation of apprenticeships, learnerships and other matters relating to skills development
- the Skills Development Levies Act (1999), which provides for the imposition of skills development levies.

Selected performance indicators

Table 17.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of students enrolled in higher education institutions per year	University Education	Priority 2: Education, skills and health	985 212	975 837	1 036 984	1 070 000	1 080 000	1 090 000	1 098 000
Number of first-year students in foundation programmes per year	University Education		17 977	20 685	21 289	35 000	25 000	22 200	24 100
Number of graduates in initial teacher education from universities per year	University Education		20 698	22 123	25 113	25 900	26 600	28 400	29 200
Number of doctoral graduates from universities per year	University Education		2 530	2 797	3 057	3 200	3 400	3 268	3 357
Number of postgraduate graduates per year	University Education		51 050	53 663	56 384	57 000	58 600	60 000	63 000
Number of enrolments in TVET colleges per year	Technical and Vocational Education and Training		741 542	703 705	687 955	710 535	710 535	710 535	710 535
Number of monitoring and evaluation reports on TVET colleges approved per year	Technical and Vocational Education and Training		2	16	16	6	6	6	6
Percentage of public TVET college examination centres conducting national examinations and assessments evaluated per year	Technical and Vocational Education and Training		100% (240)	100% (240)	100% (251)	100%	100%	100%	100%
Number of qualifying students in TVET colleges receiving financial assistance per year	Technical and Vocational Education and Training		225 557	225 257	200 339	290 467	290 467	290 467	290 467
Percentage of TVET colleges evaluated and compliant with governance standards per year	Technical and Vocational Education and Training		56% (28/50)	56% (28/50)	66% (33/50)	65%	75%	80%	80%
Number of new artisans registered for training per year	Skills Development		30 814	32 330	29 982	30 000	30 500	31 000	31 500
Number of artisan learners qualifying per year	Skills Development		21 188	21 151	19 627	24 000	24 500	25 000	25 500
Number of work-based learning opportunities created per year	Skills Development		148 517	162 659	182 852	165 000	170 000	175 000	180 000
Number of enrolments in community education and training colleges per year	Community Education and Training		273 431	273 431	193 185	340 000	375 035	413 681	456 307
Certification rate in general education and training per year	Community Education and Training		35.9% (28 024/ 78 061)	35.9% (22 256/ 61 994)	41.7% (22 972/ 55 089)	45%	45%	47%	52%
Number of lecturers trained per year	Community Education and Training		— ¹	744	3 350	1 841	2 440	3 370	3 370
Number of qualifications offered in community education and training colleges per year	Community Education and Training		— ¹	2	2	2	2	2	2

1. No historical data available.

Expenditure analysis

The National Development Plan envisages that, by 2030, South Africans should have greater access to post-

school education and training opportunities through a system that is responsive to their needs. This is supported by priority 2 (education, skills and health) of government's 2019-2024 medium-term strategic framework. Over the medium term, the Department of Higher Education and Training will aim to give expression to these guiding policies by focusing on transforming universities and increasing student financial aid; expanding access to TVET colleges and improving their performance; developing artisans; and strengthening the governance of the community education and training sector.

The department has a total budget of R369.5 billion over the medium term, of which 90.6 per cent is earmarked for transfers and subsidies mainly to departmental agencies and accounts, and higher education institutions. Cabinet has approved budget reductions amounting to R4.5 billion over the MTEF period to be effected mainly on transfers and subsidies in the *University Education* programme and the *Technical and Vocational Education and Training* programme; a technical inflation adjustment amounting to R62.2 million in 2020/21 and R66.2 million in 2021/22 on compensation of employees across programmes; and R60.1 million on compensation of employees and goods and services as a result of the consolidation of the offices of the ministers and deputy ministers of the Department of Higher Education and Training and the Department of Science and Innovation through the 2019 national macro organisation of government.

Transforming universities and increasing student financial aid

Over the medium term, the department will focus on transforming the higher education sector into a high-quality, demographically representative system that provides students and staff with opportunities for access and success. To support transformation in the sector, the department will implement the university capacity development programme at a projected cost of R1.1 billion in 2020/21, the historically disadvantaged institutions development programme at a projected cost of R536.3 million in 2020/21, and the infrastructure and efficiency programme at a projected cost of R2.8 billion in 2020/21. These programmes are intended to increase student access; enhance staff development, particularly in teaching, research and leadership; and enhance management and curriculum development in priority areas in the university system by increasing allocations to universities with a high proportion of students and staff from historically disadvantaged population groups.

Ensuring that universities have adequate infrastructure for learning and student accommodation is pivotal for the sector over the medium term. However, spending in this regard has been slow due to delays in procurement, and poor performance by contractors and implementing agents. The department will prioritise the resolution of these issues over the medium term through the implementation of the macro infrastructure framework to improve the delivery of infrastructure within the sector. Despite Cabinet approving reductions of an estimated R621.3 million over the MTEF period on allocations for university infrastructure in the *University Education* programme, R8.8 billion is allocated in the *University Subsidies* subprogramme for spending on university infrastructure. This allocation is expected to contribute to the department's aim of developing 200 000 new university beds by 2026.

The *University Education* programme constitutes 68.3 per cent (R252.6 billion) of the department's budget over the medium term. Transfers of government subsidies to 26 universities through grants constitute the bulk of spending in this programme, and are projected to increase at an average annual rate of 5.3 per cent, from R42.4 billion in 2019/20 to R49.4 billion in 2022/23. These transfers are intended for operational costs such as compensation of employees and the maintenance of assets related to university teaching, and learning and research activities. Transfer payments to the National Student Financial Aid Scheme for bursaries to support undergraduate students from poor and working-class backgrounds in universities and TVET colleges are expected to amount to R109.6 billion over the medium term. These are set to increase at an average annual rate of 7.7 per cent, from R30.5 billion in 2019/20 to R38.2 billion in 2022/23, despite R899.2 million of Cabinet's approved reductions to the programme being on the scheme's allocation for TVET colleges.

Expanding access to TVET colleges and improving their performance

Expanding access to skills programmes that address the labour market's need for intermediate skills that include practical components is one of the department's key mandates. Over the medium term, the department will

work towards improving the quality of the post-school education and training system by establishing more entrepreneurship hubs to enable TVET college students to realise their potential and become actively engaged in the economy, either through employment in the labour market or self-employment. To facilitate this, teaching and learning support plans will be implemented in TVET colleges. Transfer payments to 50 colleges, in the *Technical and Vocational Education and Training System Planning and Institutional Support* subprogramme in the *Technical and Vocational Education and Training* programme, are projected to increase at an average annual rate of 6.5 per cent, from R11.6 billion in 2019/20 to R14 billion in 2022/23. This increase is despite Cabinet's approved reduction on allocations to the *Technical and Vocational Education and Training* programme of R2.6 billion over the MTEF period. The transfers include R1.2 billion for the operationalisation of 3 new TVET college campuses and R2.9 billion for the TVET infrastructure efficiency grant.

Spending on compensation of employees accounts for an estimated 52.8 per cent (R23.1 billion) of the *Technical and Vocational Education and Training* programme's budget of R43.7 billion over the medium term, increasing at an average annual rate of 5 per cent. The TVET component accounts for an estimated 57.4 per cent (more than 19 000) of the total number of personnel in the department.

Developing artisans

Over the medium term, the department aims to improve the public skills development system by managing the performance of service-level agreements with sector education and training authorities (SETAs) more effectively, and by providing funding to trade and quality assurance institutions for occupational qualifications. These institutions play a pivotal role in increasing the number of qualified artisans by rolling out skills programmes, learnerships, internships and apprenticeships, and by establishing partnerships with TVET colleges, universities and the labour market to provide opportunities for workplace experience. Through the SETAs, over the medium term, 93 000 new artisans are expected to be registered for training and 75 000 artisan learners are expected to qualify. For this purpose, R347.8 million over the medium term is allocated in the *National Artisan Development* subprogramme in the *Skills Development* programme.

Income generated through the skills development levy, which is collected from employers by the South African Revenue Service and transferred to SETAs and the National Skills Fund as a direct charge against the National Revenue Fund, contributes significantly to key performance areas of the public skills development system, including artisan development. This transfer is in the *Skills Development* programme, and is projected to increase at an average annual rate of 5.8 per cent, from R18.6 billion in 2019/20 to R22 billion in 2022/23.

Strengthening the governance of the community education and training sector

The department recognises that improving the community education and training sector is key for development as it has the potential to provide students with access to a comprehensive range of programmes that lead to part and full qualifications and employment opportunities, including entrepreneurial opportunities. To ensure that the sector rises to its potential, the department will continue to prioritise the development and training of lecturers in community education and training colleges and learning centres by enabling them to upgrade their qualifications, with a particular focus on mathematics and science. The department has also strengthened its recruitment policies so that only qualified lecturers are employed in the sector.

Expenditure in the *Community Education and Training* programme is expected to increase at an average annual rate of 9.1 per cent, from R2.1 billion in 2019/20 to R2.8 billion in 2022/23, with 93.4 per cent of this spending earmarked for compensation of employees. About 39.2 per cent of the department's personnel, mainly community education and training educators, are in this programme, in 3 276 community learning centres throughout the country.

Expenditure trends and estimates

Table 17.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Planning, Policy and Strategy											
3. University Education											
4. Technical and Vocational Education and Training											
5. Skills Development											
6. Community Education and Training											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Programme 1	333.2	354.1	372.3	412.2	7.4%	0.4%	491.2	525.7	552.2	10.2%	0.4%
Programme 2	131.7	151.3	169.7	180.7	11.1%	0.2%	214.5	227.5	239.2	9.8%	0.2%
Programme 3	39 446.4	41 850.6	59 139.3	73 365.0	23.0%	64.6%	80 083.4	84 332.6	88 167.9	6.3%	68.3%
Programme 4	7 231.5	7 724.9	10 946.4	12 630.9	20.4%	11.6%	13 813.6	14 644.0	15 278.7	6.5%	11.8%
Programme 5	180.6	242.5	259.7	280.9	15.9%	0.3%	318.5	336.6	354.8	8.1%	0.3%
Programme 6	1 774.7	1 933.4	1 978.9	2 143.8	6.5%	2.4%	2 522.9	2 686.7	2 780.5	9.1%	2.1%
Subtotal	49 098.0	52 256.8	72 866.3	89 013.6	21.9%	79.6%	97 444.0	102 753.0	107 373.4	6.5%	83.1%
Direct charge against the National Revenue Fund	15 233.0	16 293.6	17 479.9	18 576.3	13.8%	20.4%	19 412.9	20 585.0	21 969.8	5.8%	16.9%
Sector education and training authorities	12 199.9	13 094.6	13 983.9	14 861.0	6.8%	16.4%	15 530.3	16 468.0	17 575.9	5.8%	13.5%
National Skills Fund	3 033.1	3 199.0	3 496.0	3 715.3	7.0%	4.1%	3 882.6	4 117.0	4 394.0	5.8%	3.4%
Total	64 331.0	68 550.4	90 346.2	107 589.9	18.7%	100.0%	116 856.9	123 338.0	129 343.2	6.3%	100.0%
Change to 2019 Budget estimate				(623.1)			(2 296.9)	(3 324.1)	(1 606.9)		
Economic classification											
Current payments	7 843.8	8 613.9	9 124.4	10 113.5	8.8%	10.8%	10 989.4	11 700.3	12 204.5	6.5%	9.4%
Compensation of employees	7 495.3	8 246.7	8 725.0	9 466.9	8.1%	10.3%	10 281.1	10 949.2	11 425.1	6.5%	8.8%
Goods and services ¹	348.5	367.2	399.4	646.6	22.9%	0.5%	708.4	751.1	779.4	6.4%	0.6%
of which:											
Computer services	85.1	54.4	78.2	122.0	12.7%	0.1%	199.5	207.5	215.2	20.8%	0.2%
Consumables: Stationery, printing and office supplies	30.0	45.6	33.3	83.5	40.6%	0.1%	95.4	105.3	110.2	9.7%	0.1%
Operating leases	52.8	55.1	67.2	60.0	4.4%	0.1%	69.0	72.6	76.1	8.3%	0.1%
Travel and subsistence	74.2	73.6	109.6	145.3	25.1%	0.1%	126.7	137.5	140.5	-1.1%	0.1%
Training and development	2.5	2.7	4.9	43.0	157.1%	0.0%	45.4	47.5	49.9	5.1%	0.0%
Venues and facilities	9.7	33.9	10.9	43.9	65.4%	0.0%	49.0	52.9	54.3	7.3%	0.0%
Transfers and subsidies¹	56 477.2	59 929.7	81 209.6	97 462.3	19.9%	89.2%	105 851.2	111 624.2	117 125.5	6.3%	90.6%
Departmental agencies and accounts	26 818.6	26 695.4	39 845.1	49 679.2	22.8%	43.2%	54 799.7	57 834.2	60 809.1	7.0%	46.8%
Higher education institutions	27 964.6	31 580.3	36 896.9	42 359.0	14.8%	42.0%	44 796.1	47 189.2	49 437.5	5.3%	38.5%
Foreign governments and international organisations	2.6	3.3	2.8	3.9	13.8%	0.0%	4.1	4.3	4.5	4.9%	0.0%
Non-profit institutions	1 673.0	1 634.6	4 454.2	5 408.7	47.9%	4.0%	6 251.3	6 596.5	6 874.5	8.3%	5.3%
Households	18.5	16.2	10.6	11.4	-14.8%	0.0%	—	—	—	-100.0%	0.0%
Payments for capital assets	9.9	6.6	10.8	14.2	12.7%	0.0%	16.3	13.5	13.2	-2.2%	0.0%
Buildings and other fixed structures	—	—	2.2	—	0.0%	0.0%	—	—	—	0.0%	0.0%
Machinery and equipment	9.8	6.6	7.6	13.0	9.9%	0.0%	15.9	12.9	12.7	-1.0%	0.0%
Software and other intangible assets	0.1	0.0	1.0	1.1	167.7%	0.0%	0.4	0.6	0.6	-20.2%	0.0%
Payments for financial assets	0.1	0.1	1.4	—	-100.0%	0.0%	—	—	—	0.0%	0.0%
Total	64 331.0	68 550.4	90 346.2	107 589.9	18.7%	100.0%	116 856.9	123 338.0	129 343.2	6.3%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 17.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R thousand											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	26 818 561	26 695 384	39 845 127	49 679 191	22.8%	48.5%	54 799 705	57 834 245	60 809 082	7.0%	51.6%
South African Qualifications Authority	56 895	64 940	66 719	69 893	7.1%	0.1%	73 737	77 793	81 164	5.1%	0.1%
National Student Financial Aid Scheme	11 215 556	9 957 117	21 826 911	30 541 878	39.6%	24.9%	34 791 768	36 621 690	38 184 500	7.7%	32.4%
Council on Higher Education	40 928	47 946	50 727	53 210	9.1%	0.1%	56 194	59 285	61 855	5.1%	0.1%
National Student Financial Aid Scheme: Administration	177 118	185 974	269 120	280 588	16.6%	0.3%	299 168	315 425	329 094	5.5%	0.3%
Education, Training and Development Practices Sector	16 186	15 158	17 949	18 957	5.4%	—	19 991	21 091	22 003	5.1%	—
Education and Training Authority											
Quality Council for Trades and Occupations	23 138	26 920	27 380	26 056	4.0%	—	27 435	28 943	30 198	5.0%	—
Public Service Sector Education and Training Authority	55 731	103 768	106 425	112 304	26.3%	0.1%	118 516	125 034	130 453	5.1%	0.1%
Sector Education and Training Authorities	12 199 864	13 094 581	13 983 917	14 861 044	6.8%	18.3%	15 530 318	16 467 988	17 575 851	5.8%	14.9%
National Skills Fund	3 033 145	3 198 980	3 495 979	3 715 261	7.0%	4.6%	3 882 578	4 116 996	4 393 964	5.8%	3.7%
Households											
Social benefits											
Current	17 959	16 037	9 782	9 006	-20.6%	—	—	—	—	-100.0%	—
Employee social benefits	17 959	16 037	9 782	9 006	-20.6%	—	—	—	—	-100.0%	—
Households											
Other transfers to households											
Current	529	144	850	2 424	66.1%	—	—	—	—	-100.0%	—
Employee social benefits	529	144	850	2 424	66.1%	—	—	—	—	-100.0%	—
Foreign governments and international organisations											
Current	2 648	3 306	2 770	3 898	13.8%	—	4 112	4 338	4 499	4.9%	—
India-Brazil-South Africa Trilateral Commission	—	553	—	618	—	—	652	688	714	4.9%	—
Commonwealth of Learning	2 648	2 753	2 770	3 280	7.4%	—	3 460	3 650	3 785	4.9%	—
Non-profit institutions											
Current	1 672 972	1 634 550	3 154 217	4 288 434	36.9%	3.6%	5 292 043	5 677 707	5 898 339	11.2%	4.9%
National Institute for the Humanities and Social Sciences	—	26 323	38 837	36 196	—	—	38 187	40 287	41 785	4.9%	—
Technical and vocational education and training colleges	1 566 747	1 495 749	2 987 538	3 884 665	35.3%	3.4%	4 768 111	5 030 357	5 217 730	10.3%	4.4%
Operationalisation of new campuses	—	—	—	200 000	—	0.1%	309 120	420 723	445 556	30.6%	0.3%
Community education and training colleges	98 053	103 897	109 923	148 792	14.9%	0.2%	156 812	165 437	171 587	4.9%	0.1%
Universities South Africa	8 172	8 581	17 919	18 781	32.0%	—	19 813	20 903	21 681	4.9%	—
Capital	—	—	1 300 000	1 120 300	—	0.8%	959 218	918 797	976 132	-4.5%	0.9%
Infrastructure efficiency grant	—	—	1 300 000	1 084 000	—	0.8%	959 218	918 797	976 132	-3.4%	0.9%
King Hintsa TVET college	—	—	—	36 300	—	—	—	—	—	-100.0%	—
Higher education institutions											
Current	24 563 055	28 092 221	33 100 267	38 323 044	16.0%	42.0%	40 938 380	43 204 799	45 283 399	5.7%	38.8%
University subsidies	23 820 220	27 256 459	31 970 340	36 992 197	15.8%	40.7%	39 460 838	41 649 413	43 647 411	5.7%	37.4%
Clinical training grant	452 406	475 026	574 334	650 722	12.9%	0.7%	683 909	718 104	758 540	5.2%	0.7%
University of Mpumalanga	186 585	212 611	324 398	375 841	26.3%	0.4%	440 515	464 724	487 037	9.0%	0.4%
Sol Plaatjie University	103 844	148 125	231 195	304 284	43.1%	0.3%	353 118	372 558	390 411	8.7%	0.3%
Capital	3 401 505	3 488 081	3 796 611	4 035 978	5.9%	5.0%	3 857 726	3 984 360	4 154 075	1.0%	3.7%
University government and interest/redemption	4 756	4 746	4 576	4 519	-1.7%	—	3 533	3 450	3 615	-7.2%	—
Universities Infrastructure and efficiency grant	2 343 749	2 504 853	2 688 063	2 488 594	2.0%	3.4%	2 840 532	2 921 030	3 045 476	7.0%	2.6%
University of Mpumalanga	673 920	624 552	638 508	665 948	-0.4%	0.9%	608 197	635 928	662 990	-0.1%	0.6%
Sol Plaatjie University	379 080	353 930	362 034	378 417	-0.1%	0.5%	405 464	423 952	441 994	5.3%	0.4%
Sefako Makgatho Health Sciences University	—	—	31 250	31 200	—	—	—	—	—	-100.0%	—
Nelson Mandela University	—	—	33 500	33 500	—	—	—	—	—	-100.0%	—
Vaal University of Technology	—	—	38 680	40 300	—	—	—	—	—	-100.0%	—
University of Limpopo	—	—	—	274 190	—	0.1%	—	—	—	-100.0%	0.1%
North-West University	—	—	—	119 310	—	—	—	—	—	-100.0%	—
Total	56 477 229	59 929 723	81 209 624	97 462 275	19.9%	100.0%	105 851 184	111 624 246	117 125 526	6.3%	100.0%

Personnel information

Table 17.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																						
1. Administration																						
2. Planning, Policy and Strategy																						
3. University Education																						
4. Technical and Vocational Education and Training																						
5. Skills Development																						
6. Community Education and Training																						
Number of posts estimated for 31 March 2020			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 (%)						
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23					
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost			
Higher Education and Training			35 316	205		31 730	8 725.0	0.3	32 766	9 372.6	0.3	35 019	10 281.1	0.3	34 782	10 949.2	0.3	33 660	11 425.1	0.3	0.9%	100.0%
Salary level			35 316	205		31 730	8 725.0	0.3	32 766	9 372.6	0.3	35 019	10 281.1	0.3	34 782	10 949.2	0.3	33 660	11 425.1	0.3	0.9%	100.0%
1 – 6	11 080	205				8 855	2 144.5	0.2	11 051	2 571.5	0.2	10 811	2 712.3	0.3	10 546	2 858.3	0.3	9 976	2 923.2	0.3	-3.4%	31.1%
7 – 10	9 975	–				9 315	4 116.1	0.4	9 893	4 335.1	0.4	9 975	4 685.5	0.5	9 975	5 017.8	0.5	9 897	5 316.2	0.5	0.0%	29.2%
11 – 12	663	–				549	494.5	0.9	596	525.4	0.9	663	623.8	0.9	663	663.3	1.0	663	704.6	1.1	3.6%	1.9%
13 – 16	201	–				148	174.6	1.2	184	222.5	1.2	202	260.9	1.3	201	276.0	1.4	201	293.2	1.5	3.0%	0.6%
Other	13 397	–				12 863	1 795.4	0.1	11 042	1 718.1	0.2	13 368	1 998.6	0.1	13 397	2 133.9	0.2	12 923	2 187.9	0.2	5.4%	37.2%
Programme	35 316	205				31 730	8 725.0	0.3	32 766	9 372.6	0.3	35 019	10 281.1	0.3	34 782	10 949.2	0.3	33 660	11 425.1	0.3	0.9%	100.0%
Programme 1	665	64				635	208.9	0.3	560	222.4	0.4	690	298.9	0.4	690	319.4	0.5	665	338.8	0.5	5.9%	1.9%
Programme 2	160	20				133	71.3	0.5	129	74.6	0.6	164	101.9	0.6	164	108.7	0.7	160	115.5	0.7	7.4%	0.5%
Programme 3	112	–				88	52.0	0.6	94	61.5	0.7	123	92.0	0.7	114	97.3	0.9	112	103.4	0.9	6.0%	0.3%
Programme 4	19 192	90				16 288	6 421.2	0.4	19 200	6 986.7	0.4	18 879	7 276.0	0.4	18 623	7 745.7	0.4	18 010	8 091.3	0.4	-2.1%	54.8%
Programme 5	330	18				290	110.8	0.4	295	122.1	0.4	335	154.7	0.5	334	163.8	0.5	330	174.5	0.5	3.8%	0.9%
Programme 6	14 857	13				14 296	1 860.9	0.1	12 488	1 905.3	0.2	14 828	2 357.6	0.2	14 857	2 514.3	0.2	14 383	2 601.6	0.2	4.8%	41.5%

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

2. Rand million.

Departmental receipts

Table 17.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
Departmental receipts	25 549	29 663	27 674	30 943	30 682	6.3%	100.0%	31 317	35 957	37 683	7.1%	100.0%
Sales of goods and services produced by department	10 218	11 707	10 391	12 117	12 117	5.8%	39.1%	12 138	12 806	13 421	3.5%	37.2%
Sales by market establishments of which:	4 459	5 182	5 916	4 882	4 882	3.1%	18.0%	5 270	5 560	5 827	6.1%	15.9%
Academic services: Temporary accommodation	212	202	170	200	200	-1.9%	0.7%	338	357	374	23.2%	0.9%
Sale of assets less than R5 000	–	–	–	–	–	–	–	16	17	18	–	–
Commission	4 247	4 980	5 746	4 682	4 682	3.3%	17.3%	4 916	5 186	5 435	5.1%	14.9%
Administrative fees of which:	4 989	5 728	3 701	5 986	5 986	6.3%	18.0%	5 838	6 159	6 455	2.5%	18.0%
Exams	2 438	2 383	1 701	2 688	2 688	3.3%	8.1%	2 522	2 661	2 789	1.2%	7.9%
Trade test fee	2 119	2 262	1 629	3 016	3 016	12.5%	7.9%	3 025	3 191	3 344	3.5%	9.3%
Universities	48	434	334	58	58	6.5%	0.8%	56	59	62	2.2%	0.2%
Further education and training	12	649	37	224	224	165.3%	0.8%	235	248	260	5.1%	0.7%
Sports and club facilities/ Sale of tender documents	372	–	–	–	–	-100.0%	0.3%	–	–	–	–	–
Other sales of which:	770	797	774	1 249	1 249	17.5%	3.2%	1 030	1 087	1 139	-3.0%	3.3%
Boarding fees	67	128	57	640	640	112.2%	0.8%	167	176	184	-34.0%	0.9%
Parking	100	103	130	144	144	12.9%	0.4%	100	106	111	-8.3%	0.3%
Sale of meals and refreshments	183	195	201	101	101	-18.0%	0.6%	212	224	235	32.5%	0.6%
Rental	420	371	386	364	364	-4.7%	1.4%	551	581	609	18.7%	1.6%
Sales of scrap, waste, arms and other used current goods of which:	44	3	62	39	39	-3.9%	0.1%	41	43	45	4.9%	0.1%
Wastepaper	–	–	–	–	–	–	–	–	–	–	–	–
Scrap	–	–	–	–	–	–	–	–	–	–	–	–
Transfers received	–	–	–	46	–	–	–	–	–	–	–	–
Interest, dividends and rent on land	3 433	3 706	2 020	2 843	2 843	-6.1%	10.6%	2 587	5 729	6 004	28.3%	12.7%
Interest	3 433	3 706	2 020	2 843	2 843	-6.1%	10.6%	2 587	5 729	6 004	28.3%	12.7%
Sales of capital assets	–	500	–	215	–	–	0.4%	–	–	–	–	–
Transactions in financial assets and liabilities	11 854	13 747	15 201	15 683	15 683	9.8%	49.7%	16 551	17 379	18 213	5.1%	50.0%
Total	25 549	29 663	27 674	30 943	30 682	6.3%	100.0%	31 317	35 957	37 683	7.1%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 17.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Department Management	34.6	23.7	24.1	27.7	-7.2%	7.5%	33.3	35.4	37.4	10.5%	6.8%
Corporate Management Services	164.8	174.5	188.7	208.8	8.2%	50.1%	246.7	263.2	277.5	9.9%	50.3%
Office of the Chief Financial Officer	66.4	75.4	81.0	92.5	11.7%	21.4%	124.3	135.4	141.0	15.1%	24.9%
Internal Audit	9.0	9.1	7.5	11.4	8.1%	2.5%	11.7	12.4	13.1	4.7%	2.5%
Office Accommodation	58.3	71.4	70.9	71.7	7.1%	18.5%	75.3	79.4	83.2	5.1%	15.6%
Total	333.2	354.1	372.3	412.2	7.4%	100.0%	491.2	525.7	552.2	10.2%	100.0%
Change to 2019				(48.3)			(0.4)	5.8	12.8		
Budget estimate											
Economic classification											
Current payments	327.4	352.0	368.8	406.8	7.5%	98.9%	487.6	522.3	549.1	10.5%	99.2%
Compensation of employees	175.5	191.6	208.9	224.4	8.5%	54.4%	298.9	319.4	338.8	14.7%	59.6%
Goods and services ¹	151.9	160.4	160.0	182.4	6.3%	44.5%	188.6	202.8	210.3	4.9%	39.6%
of which:											
Audit costs: External	11.2	12.4	10.0	12.9	4.9%	3.2%	11.1	11.7	12.3	-1.6%	2.4%
Computer services	25.4	31.3	31.1	33.9	10.1%	8.3%	43.8	49.4	49.3	13.3%	8.9%
Consultants: Business and advisory services	0.7	7.2	7.2	22.5	219.9%	2.6%	11.8	12.8	13.4	-15.8%	3.1%
Operating leases	49.4	51.7	57.3	52.1	1.8%	14.3%	61.3	64.5	67.6	9.0%	12.4%
Property payments	11.1	22.1	15.5	22.7	26.9%	4.9%	16.7	17.9	18.3	-6.9%	3.8%
Travel and subsistence	10.5	11.0	11.4	11.7	3.7%	3.0%	12.1	13.6	14.2	6.6%	2.6%
Transfers and subsidies¹	0.8	0.4	0.4	0.9	5.4%	0.2%	—	—	—	-100.0%	—
Households	0.8	0.4	0.4	0.9	5.4%	0.2%	—	—	—	-100.0%	—
Payments for capital assets	5.0	1.5	3.0	4.5	-3.6%	1.0%	3.7	3.4	3.1	-11.3%	0.7%
Machinery and equipment	4.9	1.5	2.1	3.4	-11.8%	0.8%	3.3	2.9	2.6	-8.6%	0.6%
Software and other intangible assets	0.1	—	0.9	1.1	165.8%	0.1%	0.4	0.5	0.5	-20.8%	0.1%
Payments for financial assets	—	0.1	0.1	—	—	—	—	—	—	—	—
Total	333.2	354.1	372.3	412.2	7.4%	100.0%	491.2	525.7	552.2	10.2%	100.0%
Proportion of total programme expenditure to vote expenditure	0.7%	0.7%	0.5%	0.5%	—	—	0.5%	0.5%	0.5%	—	—

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

Programme 2: Planning, Policy and Strategy

Programme purpose

Provide strategic direction in the development, implementation and monitoring of departmental policies and in the human resource development strategy for South Africa.

Objectives

- Expand access to post-school education and training opportunities to include those outside the schooling system by developing and gazetting policies related to the national qualifications framework by March 2023.
- Provide strategic direction in the development, implementation and monitoring of departmental policies by monitoring and evaluating the policy outputs of the department and coordinating research in the fields of higher education and training over the medium term.
- Improve success and efficiency by producing and publishing 5 reports aimed at supporting decision-making, enrolment planning, funding and policy-making over the medium term.
- Promote international relations by entering into at least 2 new international scholarship agreements each year with foreign countries by March 2023.

- Improve the responsiveness of the post-school education and training system by producing 8 research reports aimed at supporting decision-making in respect of enrolment planning, funding and policy-making on critical skills, occupations in high demand, priority skills, and skills supply and demand over the medium term.

Subprogrammes

- *Programme Management: Planning, Policy and Strategy* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions in the programme.
- *Human Resource Development Council of South Africa* provides strategic, technical and administrative support to the Human Resource Development Council of South Africa by developing the council's strategy and plan, and ensuring they are implemented effectively.
- *Policy, Planning, Monitoring and Evaluation* monitors and evaluates the policy outputs of the department; coordinates research in the fields of higher education and training; and ensures that education policies, plans and legislation are developed into systems.
- *International Relations* develops and promotes international relations; supports UNESCO (the United Nations Educational, Scientific and Cultural Organisation) in the higher education subsystem; and manages, monitors and reports on international donor grant funding.
- *Legal and Legislative Services* manages the legal and legislative services of the department, universities, colleges, SETAs and the National Skills Fund.
- *Social Inclusion and Quality* promotes access to higher education and participation by all learners in training programmes; manages the development, evaluation and maintenance of policy, programmes and systems for learners with special needs; and monitors the implementation of these policies.

Expenditure trends and estimates

Table 17.7 Planning, Policy and Strategy 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20
Programme Management: Planning, Policy and Strategy	2.2	2.7	1.4	2.2	-0.1%	1.3%	3.7	4.1	4.3	25.7%	1.7%
Human Resource Development Council of South Africa	9.2	8.8	9.0	9.4	0.9%	5.7%	11.2	11.8	12.7	10.5%	5.2%
Policy, Planning, Monitoring and Evaluation	13.1	16.7	20.9	25.0	24.0%	12.0%	25.8	27.3	28.9	5.0%	12.4%
International Relations	12.0	13.3	14.4	12.0	0.2%	8.2%	19.2	20.4	21.4	21.1%	8.5%
Legal and Legislative Services	11.9	15.2	15.5	17.1	12.6%	9.4%	21.6	23.2	24.4	12.6%	10.0%
Social Inclusion and Quality	83.3	94.7	108.4	115.0	11.3%	63.4%	132.9	140.7	147.6	8.7%	62.2%
Total	131.7	151.3	169.7	180.7	11.1%	100.0%	214.5	227.5	239.2	9.8%	100.0%
Change to 2019 Budget estimate				(13.0)			6.8	8.5	11.6		
Economic classification											
Current payments	63.4	74.1	81.7	87.3	11.2%	48.4%	116.1	123.8	131.2	14.5%	53.2%
Compensation of employees	53.6	62.2	71.3	75.0	11.9%	41.4%	101.9	108.7	115.5	15.5%	46.5%
Goods and services ¹	9.9	11.8	10.4	12.3	7.6%	7.0%	14.1	15.1	15.8	8.7%	6.6%
of which:											
Communication	0.8	0.6	0.5	0.7	-4.3%	0.4%	0.9	1.0	1.0	10.6%	0.4%
Computer services	0.0	0.3	0.4	0.4	142.7%	0.2%	0.5	0.6	0.7	16.3%	0.3%
Legal services	3.7	5.7	3.9	4.7	8.3%	2.8%	5.1	5.4	5.5	5.8%	2.4%
Consumables: Stationery, printing and office supplies	0.9	0.7	0.6	1.0	6.5%	0.5%	1.1	1.2	1.3	8.0%	0.5%
Travel and subsistence	3.2	3.3	4.2	3.8	5.7%	2.3%	5.1	5.5	5.7	14.9%	2.3%
Operating payments	0.4	0.4	0.1	0.4	0.6%	0.2%	0.5	0.6	0.6	15.7%	0.2%
Transfers and subsidies¹	67.8	76.9	87.4	92.7	11.0%	51.3%	97.7	103.0	107.3	5.0%	46.5%
Departmental agencies and accounts	56.9	64.9	66.7	69.9	7.1%	40.8%	73.7	77.8	81.2	5.1%	35.1%
Foreign governments and international organisations	2.6	3.3	2.8	3.9	13.8%	2.0%	4.1	4.3	4.5	4.9%	2.0%
Non-profit institutions	8.2	8.6	17.9	18.8	32.0%	8.4%	19.8	20.9	21.7	4.9%	9.4%
Households	0.1	0.1	0.0	0.1	11.4%	0.1%	—	—	—	-100.0%	—
Payments for capital assets	0.4	0.3	0.5	0.7	19.0%	0.3%	0.7	0.7	0.7	-2.2%	0.3%
Machinery and equipment	0.4	0.3	0.5	0.7	19.0%	0.3%	0.7	0.7	0.7	-2.2%	0.3%
Total	131.7	151.3	169.7	180.7	11.1%	100.0%	214.5	227.5	239.2	9.8%	100.0%
Proportion of total programme expenditure to vote expenditure	0.3%	0.3%	0.2%	0.2%	—	—	0.2%	0.2%	0.2%	—	—

Table 17.7 Planning, Policy and Strategy 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Non-profit institutions											
Current	8.2	8.6	17.9	18.8	32.0%	8.4%	19.8	20.9	21.7	4.9%	9.4%
Universities South Africa	8.2	8.6	17.9	18.8	32.0%	8.4%	19.8	20.9	21.7	4.9%	9.4%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	56.9	64.9	66.7	69.9	7.1%	40.8%	73.7	77.8	81.2	5.1%	35.1%
South African Qualifications Authority	56.9	64.9	66.7	69.9	7.1%	40.8%	73.7	77.8	81.2	5.1%	35.1%
Foreign governments and international organisations											
Current	2.6	3.3	2.8	3.9	13.8%	2.0%	4.1	4.3	4.5	4.9%	2.0%
India-Brazil-South Africa Trilateral Commission	–	0.6	–	0.6	–	0.2%	0.7	0.7	0.7	4.9%	0.3%
Commonwealth of Learning	2.6	2.8	2.8	3.3	7.4%	1.8%	3.5	3.7	3.8	4.9%	1.6%

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

Programme 3: University Education

Programme purpose

Develop and coordinate policy and regulatory frameworks for an effective and efficient university education system. Provide financial and other support to universities, the National Student Financial Aid Scheme and national institutes for higher education.

Objectives

- Ensure an effective and efficient university education system by developing and coordinating policies, plans, guidelines and regulatory frameworks, and ensuring their implementation by March 2023.
- Ensure the success of students from poor and working-class backgrounds by providing financial support, through the National Student Financial Aid Scheme, for them to access universities and national institutes for higher education over the medium term.
- Improve student success and efficiency within the public university system, and provide management information and statistical reports by implementing the university capacity development programme over the medium term.
- Recruit new permanent university academics and improve staff demographic profiles by implementing the new generation of academics programme over the medium term.
- Improve the responsiveness of the post-school education and training system and ensure the implementation of entrepreneurship development in higher education and international scholarship programmes by revising public university academic planning guidelines to ensure a diverse mix of programmes and qualifications by March 2023.

Subprogrammes

- *Programme Management: University Education* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions for the programme.
- *University Planning and Institutional Funding* manages planning and funding for the public higher education sector.
- *Institutional Governance and Management Support* monitors and supports institutional governance management, and provides sector liaison services.
- *Higher Education Policy Development and Research* develops higher education policy, supports research, and regulates the private higher education system.
- *Teaching, Learning and Research Development* promotes, develops, monitors and evaluates the implementation of qualification policies, programmes and systems for the development of high-quality

teaching across all education sectors, including pre-schooling, schooling and post-schooling; and ensures effective teaching and learning development in universities.

- *University Subsidies* transfers payments to universities.

Expenditure trends and estimates

Table 17.8 University Education 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Programme Management:	4.3	4.9	4.2	4.6	2.1%	–	4.9	5.1	5.4	5.2%	–
University Education											
University Planning and Institutional Funding	14.3	13.9	13.2	35.8	35.7%	–	27.9	29.7	31.5	-4.2%	–
Institutional Governance and Management Support	11 446.6	10 204.2	22 199.7	30 933.2	39.3%	35.0%	35 210.2	37 062.1	38 644.1	7.7%	43.5%
Higher Education Policy Development and Research	6.5	7.4	6.8	9.8	14.5%	–	13.7	14.2	15.1	15.5%	–
Teaching, Learning and Research Development	10.0	13.7	18.7	22.7	31.3%	–	30.6	32.3	34.3	14.8%	–
University Subsidies	27 964.6	31 606.6	36 896.9	42 359.0	14.8%	64.9%	44 796.1	47 189.2	49 437.5	5.3%	56.4%
Total	39 446.4	41 850.6	59 139.3	73 365.0	23.0%	100.0%	80 083.4	84 332.6	88 167.9	6.3%	100.0%
Change to 2019 Budget estimate				50.6			(475.8)	(657.9)	(727.6)		
Economic classification											
Current payments	47.9	52.7	56.2	93.4	25.0%	0.1%	101.3	106.1	112.5	6.4%	0.1%
Compensation of employees	42.0	47.6	52.0	68.4	17.7%	0.1%	92.0	97.3	103.4	14.8%	0.1%
Goods and services ¹	5.9	5.1	4.3	25.0	62.2%	–	9.3	8.8	9.1	-28.6%	–
of which:											
Communication	0.5	0.4	0.3	0.3	-11.7%	–	0.6	0.6	0.6	21.3%	–
Computer services	0.1	0.1	0.3	0.8	79.8%	–	0.9	0.9	1.0	5.0%	–
Consultants: Business and advisory services	–	0.0	–	17.5	–	–	1.6	1.1	1.1	-60.1%	–
Consumables: Stationery, printing and office supplies	0.3	0.3	0.2	0.4	9.6%	–	0.6	0.6	0.7	20.1%	–
Travel and subsistence	3.9	3.1	2.7	4.0	1.2%	–	4.2	4.3	4.4	3.1%	–
Venues and facilities	0.3	0.3	0.1	0.4	6.3%	–	0.5	0.3	0.3	-6.1%	–
Transfers and subsidies¹	39 398.2	41 797.7	59 082.7	73 270.9	23.0%	99.9%	79 981.4	84 225.8	88 054.7	6.3%	99.9%
Departmental agencies and accounts	11 433.6	10 191.0	22 146.8	30 875.7	39.3%	34.9%	35 147.1	36 996.4	38 575.4	7.7%	43.4%
Higher education institutions	27 964.6	31 580.3	36 896.9	42 359.0	14.8%	64.9%	44 796.1	47 189.2	49 437.5	5.3%	56.4%
Non-profit institutions	–	26.3	38.8	36.2	–	–	38.2	40.3	41.8	4.9%	–
Households	0.1	0.0	0.3	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	0.3	0.2	0.4	0.8	41.6%	–	0.6	0.6	0.7	-3.3%	–
Machinery and equipment	0.3	0.2	0.4	0.8	41.6%	–	0.6	0.6	0.7	-3.3%	–
Total	39 446.4	41 850.6	59 139.3	73 365.0	23.0%	100.0%	80 083.4	84 332.6	88 167.9	6.3%	100.0%
Proportion of total programme expenditure to vote expenditure	80.3%	80.1%	81.2%	82.4%	–	–	82.2%	82.1%	82.1%	–	–
Details of selected transfers and subsidies											
Non-profit institutions											
Current	–	26.3	38.8	36.2	–	–	38.2	40.3	41.8	4.9%	–
National Institute for the Humanities and Social Sciences	–	26.3	38.8	36.2	–	–	38.2	40.3	41.8	4.9%	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	11 433.6	10 191.0	22 146.8	30 875.7	39.3%	34.9%	35 147.1	36 996.4	38 575.4	7.7%	43.4%
National Student Financial Aid Scheme	11 215.6	9 957.1	21 826.9	30 541.9	39.6%	34.4%	34 791.8	36 621.7	38 184.5	7.7%	43.0%
Council on Higher Education	40.9	47.9	50.7	53.2	9.1%	0.1%	56.2	59.3	61.9	5.1%	0.1%
National Student Financial Aid Scheme: Administration	177.1	186.0	269.1	280.6	16.6%	0.4%	299.2	315.4	329.1	5.5%	0.4%

Table 17.8 University Education expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Higher education institutions											
Current	24 563.1	28 092.2	33 100.3	38 323.0	16.0%	58.0%	40 938.4	43 204.8	45 283.4	5.7%	51.5%
University subsidies	23 820.2	27 256.5	31 970.3	36 992.2	15.8%	56.1%	39 460.8	41 649.4	43 647.4	5.7%	49.6%
Clinical training grant	452.4	475.0	574.3	650.7	12.9%	1.0%	683.9	718.1	758.5	5.2%	0.9%
University of Mpumalanga	186.6	212.6	324.4	375.8	26.3%	0.5%	440.5	464.7	487.0	9.0%	0.5%
Sol Plaatjie University	103.8	148.1	231.2	304.3	43.1%	0.4%	353.1	372.6	390.4	8.7%	0.4%
Capital	3 401.5	3 488.1	3 796.6	4 036.0	5.9%	6.9%	3 857.7	3 984.4	4 154.1	1.0%	4.9%
University government and interest/redemption	4.8	4.7	4.6	4.5	-1.7%	–	3.5	3.5	3.6	-7.2%	–
Universities Infrastructure and efficiency grant	2 343.7	2 504.9	2 688.1	2 488.6	2.0%	4.7%	2 840.5	2 921.0	3 045.5	7.0%	3.5%
University of Mpumalanga	673.9	624.6	638.5	665.9	-0.4%	1.2%	608.2	635.9	663.0	-0.1%	0.8%
Sol Plaatjie University	379.1	353.9	362.0	378.4	-0.1%	0.7%	405.5	424.0	442.0	5.3%	0.5%
Sefako Makgatho Health Sciences University	–	–	31.3	31.2	–	–	–	–	–	-100.0%	–
Nelson Mandela University	–	–	33.5	33.5	–	–	–	–	–	-100.0%	–
Vaal University of Technology	–	–	38.7	40.3	–	–	–	–	–	-100.0%	–
University of Limpopo	–	–	–	274.2	–	0.1%	–	–	–	-100.0%	0.1%
North-West University	–	–	–	119.3	–	0.1%	–	–	–	-100.0%	–

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

Programme 4: Technical and Vocational Education and Training

Programme purpose

Plan, develop, implement, monitor, maintain and evaluate national policy, programme assessment practices and systems for technical and vocational education and training. Provide financial and other support to technical and vocational education and training colleges and regional offices.

Objectives

- Expand access to post-school education and training opportunities by planning, developing and implementing policies, plans, frameworks, guidelines, programme assessment practices and systems for TVET colleges by March 2023.
- Improve the success and efficiency of enrolled students in the post-school education and training system over the medium term by:
 - improving the maintenance of infrastructure in TVET colleges through the infrastructure efficiency grant, with particular focus on improving the teaching and learning environment
 - operationalising the new examination system, aimed at significantly transforming the conduct of national examinations across the value chain, from the setting of question papers to the certification of successful candidates
 - reducing the certification backlog
 - steering colleges towards greater responsiveness in the provision of skills for the labour market
 - enrolling students in pre-vocational learning programmes
 - improving the competency of lecturers to deliver vocational education
 - reviewing college programmes and qualifications to make them more responsive and aligned with government priorities
 - improving the management and governance capacity of TVET colleges, and intensifying the oversight function of college councils.
- Improve service delivery for students with disabilities by establishing centres of specialisation in 4 colleges over the medium term.

- Improve the quality of the post-school education and training system provisioning by establishing 14 entrepreneurship hubs for TVET college students to be actively engaged in the economy, either through employment in the labour market or self-employment, by March 2023.
- Improve opportunities for work placement by developing entrepreneurial and digital skills at 25 TVET colleges by March 2023.

Subprogrammes

- *Programme Management: Technical and Vocational Education and Training* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions.
- *Technical and Vocational Education and Training System Planning and Institutional Support* provides support to management and councils, monitors and evaluates the performance of the TVET system against set indicators, develops regulatory frameworks for the system, manages and monitors the procurement and distribution of learning and teaching support materials, provides leadership for TVET colleges to enter into partnerships for the use of infrastructure and funding resources, and maps out the institutional landscape for the rollout of the TVET college system.
- *Programmes and Qualifications* manages and coordinates curriculum development processes, ensures the development of quality learning and teaching materials, monitors and supports the implementation of curriculum statements and assessment regulations, monitors and supports the development of lecturers, and provides leadership for TVET colleges to diversify their programmes, qualifications and curriculums.
- *National Examinations and Assessment* administers and manages the conduct of national assessments in TVET and community education and training colleges.
- *Technical and Vocational Education and Training Financial Planning* sets up financial management systems; develops the financial management capacity of TVET colleges; manages and determines the fair distribution of funding to TVET colleges in accordance with norms and standards; monitors compliance with supply chain management policies; and ensures the timely submission of audited performance information, annual financial statements, and quarterly and annual reports.
- *Regional Offices* manages, supports, coordinates and monitors the implementation of the department's programmes in regional offices.

Expenditure trends and estimates

Table 17.9 Technical and Vocational Education and Training 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme Management: Technical and Vocational Education and Training	4.6	5.0	3.9	3.9	-5.5%	–	6.6	7.2	7.6	25.4%	–
Technical and Vocational Education and Training System Planning and Institutional Support	6 516.4	7 032.2	10 170.4	11 582.8	21.1%	91.6%	12 857.0	13 439.8	13 973.2	6.5%	92.0%
Programmes and Qualifications	10.9	11.3	16.0	16.9	15.9%	0.1%	26.9	29.3	31.0	22.4%	0.2%
National Examinations and Assessment	437.5	413.8	475.3	694.3	16.6%	5.2%	633.6	683.0	710.7	0.8%	4.8%
Technical and Vocational Education and Training Financial Planning	4.9	7.4	11.6	12.6	36.7%	0.1%	19.1	20.6	21.9	20.2%	0.1%
Regional Offices	257.2	255.2	269.2	320.5	7.6%	2.9%	270.4	464.0	534.3	18.6%	2.8%
Total	7 231.5	7 724.9	10 946.4	12 630.9	20.4%	100.0%	13 813.6	14 644.0	15 278.7	6.5%	100.0%
Change to 2019 Budget estimate				(257.9)			(837.7)	(995.5)	(941.5)		

Table 17.9 Technical and Vocational Education and Training expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	5 631.5	6 198.9	6 629.4	7 394.6	9.5%	67.1%	7 751.5	8 249.6	8 614.1	5.2%	56.8%
Compensation of employees	5 463.6	6 023.1	6 421.2	6 986.7	8.5%	64.6%	7 276.0	7 745.7	8 091.3	5.0%	53.4%
Goods and services ¹	168.0	175.8	208.1	407.8	34.4%	2.5%	475.5	503.9	522.8	8.6%	3.4%
of which:											
Computer services	59.6	22.6	46.5	86.8	13.4%	0.6%	154.3	156.5	164.2	23.7%	1.0%
Consumables: Stationery, printing and office supplies	22.7	38.6	26.8	76.1	49.6%	0.4%	86.3	95.4	99.8	9.5%	0.6%
Travel and subsistence	53.6	53.2	87.4	121.7	31.4%	0.8%	100.0	108.3	110.3	-3.2%	0.8%
Training and development	—	0.0	0.1	38.7	—	0.1%	40.9	42.8	45.0	5.2%	0.3%
Operating payments	11.8	9.7	10.4	16.1	10.9%	0.1%	15.3	16.4	17.1	2.1%	0.1%
Venues and facilities	8.6	32.1	9.4	42.6	70.5%	0.2%	47.7	51.7	52.9	7.5%	0.3%
Transfers and subsidies ¹	1 596.8	1 522.1	4 310.6	5 230.5	48.5%	32.9%	6 053.4	6 387.7	6 658.0	8.4%	43.2%
Departmental agencies and accounts	13.7	14.4	15.2	16.0	5.5%	0.2%	16.9	17.9	18.6	5.1%	0.1%
Non-profit institutions	1 566.7	1 495.7	4 287.5	5 205.0	49.2%	32.6%	6 036.4	6 369.9	6 639.4	8.5%	43.0%
Households	16.4	12.0	7.8	9.5	-16.7%	0.1%	—	—	—	-100.0%	—
Payments for capital assets	3.0	3.9	5.6	5.9	24.9%	—	8.7	6.6	6.6	3.7%	—
Buildings and other fixed structures	—	—	2.2	—	—	—	—	—	—	—	—
Machinery and equipment	3.0	3.9	3.3	5.9	24.8%	—	8.6	6.5	6.6	3.7%	—
Software and other intangible assets	—	0.0	0.1	0.0	—	—	0.0	0.1	0.0	1.4%	—
Payments for financial assets	0.1	0.0	1.0	—	-100.0%	—	—	—	—	—	—
Total	7 231.5	7 724.9	10 946.4	12 630.9	20.4%	100.0%	13 813.6	14 644.0	15 278.7	6.5%	100.0%
Proportion of total programme expenditure to vote expenditure	14.7%	14.8%	15.0%	14.2%	—	—	14.2%	14.3%	14.2%	—	—
Details of selected transfers and subsidies											
Households											
Social benefits											
Current	16.3	11.9	7.3	7.1	-24.1%	0.1%	—	—	—	-100.0%	—
Employee social benefits	16.3	11.9	7.3	7.1	-24.1%	0.1%	—	—	—	-100.0%	—
Non-profit institutions											
Current	1 566.7	1 495.7	2 987.5	4 084.7	37.6%	26.3%	5 077.2	5 451.1	5 663.3	11.5%	36.0%
Technical and vocational education and training colleges	1 566.7	1 495.7	2 987.5	3 884.7	35.3%	25.8%	4 768.1	5 030.4	5 217.7	10.3%	33.5%
Operationalisation of new campuses	—	—	—	200.0	—	0.5%	309.1	420.7	445.6	30.6%	2.4%
Capital	—	—	1 300.0	1 120.3	—	6.3%	959.2	918.8	976.1	-4.5%	7.1%
Infrastructure efficiency grant	—	—	1 300.0	1 084.0	—	6.2%	959.2	918.8	976.1	-3.4%	7.0%
King Hintsa TVET college	—	—	—	36.3	—	0.1%	—	—	—	-100.0%	0.1%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	13.7	14.4	15.2	16.0	5.5%	0.2%	16.9	17.9	18.6	5.1%	0.1%
Education, Training and Development Practices Sector	13.7	14.4	15.2	16.0	5.5%	0.2%	16.9	17.9	18.6	5.1%	0.1%
Education and Training Authority	—	—	—	—	—	—	—	—	—	—	—

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

Programme 5: Skills Development

Programme purpose

Promote and monitor the national skills development strategy. Develop skills development policies and regulatory frameworks for an effective skills development system.

Objectives

- Revise the service-level agreement framework to drive the implementation of the national skills development plan by March 2023 to:
 - identify and increase the production of skilled workers for occupations in demand
 - create a link between education and work
 - improve the level of skills in the South African workforce
 - increase access to occupationally directed programmes

- support the growth of the public college system
- support skills development for entrepreneurship and cooperative development
- encourage and support worker-initiated training
- support career development services.
- Ensure that South Africa has adequate, appropriate and high-quality skills to contribute to economic growth, employment creation and social development by updating the sector skills plan framework annually.
- Produce 93 000 artisans by March 2023 by conducting advocacy campaigns to inspire young people to venture into artisanal fields.
- Prioritise workplace-based learning opportunities by revising service-level agreements between the department and all 21 SETAs each year over the medium term.
- Ensure the delivery of responsive programmes by producing reports on sectoral occupations in high demand each year over the medium term.

Subprogrammes

- *Programme Management: Skills Development* manages delegated administrative and financial responsibilities, and coordinates all monitoring and evaluation functions.
- *Sector Education and Training Authority Coordination* supports, monitors and reports on the implementation of the national skills development strategy at the sectoral level by establishing and managing the performance of service-level agreements with SETAs and conducting trade tests at the Institute for the National Development of Learnerships, Employment Skills and Labour Assessments.
- *National Skills Authority Secretariat* manages projects identified in the national skills development strategy, and advises the Minister on the national skills development policy and strategy.
- *Quality Development and Promotion* transfers funds to the Quality Council for Trades and Occupations as a contribution to its operations.
- *National Artisan Development* manages and monitors the development of artisans.

Expenditure trends and estimates

Table 17.10 Skills Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19		2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23		
R million											
Programme Management: Skills Development	2.7	4.0	4.6	5.6	26.9%	1.8%	7.1	7.2	7.9	12.2%	2.1%
Sector Education and Training Authority Coordination	80.7	132.8	137.5	144.5	21.4%	51.4%	155.2	164.1	171.8	5.9%	49.2%
National Skills Authority Secretariat	6.8	7.9	8.4	11.2	17.9%	3.6%	19.3	21.0	22.2	25.8%	5.7%
Quality Development and Promotion	23.1	26.9	27.4	26.1	4.0%	10.7%	27.4	28.9	30.2	5.0%	8.7%
National Artisan Development	67.2	70.9	81.8	93.6	11.6%	32.5%	109.5	115.5	122.7	9.5%	34.2%
Total	180.6	242.5	259.7	280.9	15.9%	100.0%	318.5	336.6	354.8	8.1%	100.0%
Change to 2019 Budget estimate				(1.5)			18.9	17.8	23.3		

Table 17.10 Skills Development expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	100.6	110.6	124.6	140.8	11.8%	49.4%	170.6	180.8	192.2	10.9%	53.0%
Compensation of employees	89.6	99.2	110.8	124.5	11.6%	44.0%	154.7	163.8	174.5	11.9%	47.8%
Goods and services ¹	11.1	11.4	13.7	16.2	13.7%	5.4%	15.9	17.0	17.6	2.8%	5.2%
of which:											
Minor assets	0.1	0.1	0.4	0.9	94.4%	0.2%	1.1	1.1	1.2	6.8%	0.3%
Communication	1.5	1.4	1.8	1.3	-6.5%	0.6%	1.6	1.7	1.8	12.2%	0.5%
Inventory: Materials and supplies	2.1	2.6	3.7	3.7	20.7%	1.3%	3.9	4.3	4.5	7.0%	1.3%
Consumable supplies	1.6	0.9	0.9	1.0	-14.7%	0.5%	1.6	1.7	1.8	22.4%	0.5%
Consumables: Stationery, printing and office supplies	0.6	0.8	0.7	1.0	19.3%	0.3%	1.0	1.0	1.1	1.3%	0.3%
Travel and subsistence	1.9	2.0	2.2	2.9	14.3%	0.9%	3.4	3.6	3.6	8.3%	1.1%
Transfers and subsidies ¹	79.1	131.4	134.2	138.4	20.5%	50.1%	146.0	154.0	160.7	5.1%	46.4%
Departmental agencies and accounts	78.9	130.7	133.8	138.4	20.6%	50.0%	146.0	154.0	160.7	5.1%	46.4%
Households	0.2	0.7	0.4	0.0	-66.3%	0.1%	–	–	–	-100.0%	–
Payments for capital assets	0.9	0.5	0.9	1.7	22.8%	0.4%	2.0	1.9	2.0	5.0%	0.6%
Machinery and equipment	0.9	0.5	0.9	1.7	22.8%	0.4%	2.0	1.9	2.0	5.0%	0.6%
Total	180.6	242.5	259.7	280.9	15.9%	100.0%	318.5	336.6	354.8	8.1%	100.0%
Proportion of total programme expenditure to vote expenditure	0.4%	0.5%	0.4%	0.3%	–	–	0.3%	0.3%	0.3%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	78.9	130.7	133.8	138.4	20.6%	50.0%	146.0	154.0	160.7	5.1%	46.4%
Quality Council for Trades and Occupations	23.1	26.9	27.4	26.1	4.0%	10.7%	27.4	28.9	30.2	5.0%	8.7%
Public Service Sector Education and Training Authority	55.7	103.8	106.4	112.3	26.3%	39.2%	118.5	125.0	130.5	5.1%	37.7%

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

Programme 6: Community Education and Training

Programme purpose

Plan, develop, implement, monitor, maintain and evaluate national policy, programme assessment practices and systems for community education and training. Provide financial and other support to community education and training colleges.

Objectives

- Contribute towards achieving the outcomes, impact and equity targets outlined in the department's 2020-2025 strategic plan by March 2023 by:
 - developing and implementing the sustainable funding model and advocacy strategies, and diversifying programme offerings in community education and training colleges geared towards expanded access and responsive colleges
 - supporting and guiding community education and training colleges to meet their enrolment targets by attracting more young people
 - accrediting community learning centres to provide opportunities for further study to individuals who do not meet the requirements for entry into TVET colleges and other institutions of further learning
 - introducing skills and entrepreneurship programmes that seek to address issues of unemployment, poverty and inequality within communities
 - building lecturer capacity to ensure the provision of quality programmes and increased success in community education and training colleges
 - implementing monitoring and evaluation instruments to enable the department to effectively perform its oversight role of community education and training colleges to ensure their efficiency.

- Enable the holistic implementation of norms and standards for funding community education and training colleges, including the funding and support required for students with special education needs, by developing a funding model for community education and training colleges by March 2023.
- Improve the quality of community education and training provisioning by building the capacity of student leadership, centre managers, management and councils by March 2023.
- Build a community education and training system that is responsive to the needs of communities by piloting the community education and training concept in 54 community learning centres by March 2023.

Subprogrammes

- *Programme Management: Community Education and Training* manages delegated administrative and financial responsibilities, and coordinates the monitoring and evaluation function.
- *Community Education and Training System Planning, Institutional Development and Support* provides support to management and councils; monitors and evaluates the performance of the community education and training system; develops regulatory frameworks for the system; manages and monitors the procurement and distribution of learning and teaching support materials; provides leadership for community education and training colleges to enter into partnerships for the use of infrastructure for college site-hosting centres, and the funding of these partnerships; maps an institutional landscape for the rollout of the community education and training system; and is responsible for the planning and development of community education and training infrastructure.
- *Community Education and Training Colleges Financial Planning and Management* sets up financial management systems; develops the financial management capacity of community education and training colleges; manages and determines the fair distribution of funding to community education and training colleges in accordance with funding norms and standards for these colleges; monitors compliance with supply chain management policy; and ensures the timely submission of audited performance information, annual financial statements, and quarterly and annual reports.
- *Education, Training and Development Assessment* manages and coordinates curriculum development processes; ensures the development of quality learning and teaching materials; monitors and supports the implementation of curriculum statements and assessment regulations; monitors and supports the development of lecturers; provides leadership for community education and training colleges to diversify their programmes, qualifications and curriculums; and provides leadership for colleges to form partnerships and linkages for programme diversification.

Expenditure trends and estimates

Table 17.11 Community Education and Training 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Programme Management: Community Education and Training	1.5	1.5	1.2	1.8	6.6%	0.1%	5.4	3.9	4.0	30.8%	0.1%
Community Education and Training System Planning, Institutional Development and Support	1 670.9	1 824.7	1 856.4	1 974.3	5.7%	93.6%	2 330.9	2 485.8	2 571.5	9.2%	92.4%
Community Education and Training Colleges Financial Planning and Management	100.6	105.8	115.8	156.3	15.8%	6.1%	167.2	176.6	183.3	5.5%	6.7%
Education, Training and Development Assessment	1.8	1.4	5.5	11.4	86.5%	0.3%	19.4	20.4	21.7	23.7%	0.7%
Total	1 774.7	1 933.4	1 978.9	2 143.8	6.5%	100.0%	2 522.9	2 686.7	2 780.5	9.1%	100.0%
Change to 2019 Budget estimate				(214.5)			(7.1)	(4.7)	(10.6)		

Table 17.11 Community Education and Training expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	1 672.9	1 825.5	1 863.7	1 990.6	6.0%	93.9%	2 362.4	2 517.7	2 605.4	9.4%	93.5%
Compensation of employees	1 671.0	1 823.0	1 860.9	1 987.8	6.0%	93.8%	2 357.6	2 514.3	2 601.6	9.4%	93.4%
Goods and services ¹	1.9	2.5	2.8	2.8	14.6%	0.1%	4.8	3.5	3.7	9.6%	0.1%
of which:											
Catering: Departmental activities	0.0	0.0	0.1	0.2	63.8%	—	0.2	0.2	0.2	9.8%	—
Communication	0.1	0.1	0.1	0.2	44.2%	—	0.2	0.2	0.3	18.1%	—
Consultants: Business and advisory services	—	—	0.0	0.3	—	—	1.7	—	—	-100.0%	—
Consumables: Stationery, printing and office supplies	0.1	0.1	0.3	0.4	40.6%	—	0.4	0.4	0.5	6.1%	—
Travel and subsistence	1.1	0.9	1.9	1.2	2.7%	0.1%	2.0	2.1	2.3	22.9%	0.1%
Venues and facilities	0.3	1.1	0.4	0.3	0.6%	—	0.2	0.3	0.3	-0.7%	—
Transfers and subsidies ¹	101.5	107.7	114.4	152.6	14.6%	6.1%	159.9	168.7	175.0	4.7%	6.5%
Departmental agencies and accounts	2.5	0.8	2.8	2.9	5.1%	0.1%	3.1	3.2	3.4	5.0%	0.1%
Non-profit institutions	98.1	103.9	109.9	148.8	14.9%	5.9%	156.8	165.4	171.6	4.9%	6.3%
Households	1.0	3.0	1.7	0.9	-0.5%	0.1%	—	—	—	-100.0%	—
Payments for capital assets	0.2	0.1	0.4	0.6	31.7%	—	0.6	0.3	0.2	-34.8%	—
Machinery and equipment	0.2	0.1	0.4	0.6	31.7%	—	0.6	0.3	0.2	-34.8%	—
Payments for financial assets	—	—	0.4	—	—	—	—	—	—	—	—
Total	1 774.7	1 933.4	1 978.9	2 143.8	6.5%	100.0%	2 522.9	2 686.7	2 780.5	9.1%	100.0%
Proportion of total programme expenditure to vote expenditure	3.6%	3.7%	2.7%	2.4%	—	—	2.6%	2.6%	2.6%	—	—
Details of selected transfers and subsidies											
Non-profit institutions											
Current	98.1	103.9	109.9	148.8	14.9%	5.9%	156.8	165.4	171.6	4.9%	6.3%
Community education and training colleges	98.1	103.9	109.9	148.8	14.9%	5.9%	156.8	165.4	171.6	4.9%	6.3%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	2.5	0.8	2.8	2.9	5.1%	0.1%	3.1	3.2	3.4	5.0%	0.1%
Education, Training and Development Practices Sector	2.5	0.8	2.8	2.9	5.1%	0.1%	3.1	3.2	3.4	5.0%	0.1%
Education and Training Authority											

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

Entities

National Skills Fund

Selected performance indicators

Table 17.12 National Skills Fund performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Number of learners funded for education and training per year	Quality skills developed	Priority 2: Education, skills and health	48 169	57 238	59 051	59 000	59 200	59 400	59 600
Number of learners funded for education and training towards occupations in high demand per year	Quality skills developed		29 052	38 368	33 905	35 000	36 000	37 000	38 000
Number of learners from rural areas funded for education and training programmes per year	Quality skills developed		22 633	32 888	34 925	35 000	35 200	35 400	35 600
Number of small, medium and micro enterprises and cooperatives funded for skills development per year	Quality skills developed		2 158	2 222	786	786	800	1 000	1 500

Table 17.12 National Skills Fund performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of learners funded for skills development through small, medium and micro enterprises and cooperative skills development initiatives per year	Quality skills developed	Priority 2: Education, skills and health	— ¹	— ¹	4 480	4 480	4 750	5 000	5 250
Number of learners funded for skills development through community-based skills development initiatives per year	Quality skills developed		6 877	8 675	8 959	9 500	10 000	10 500	11 000
Number of learners from rural areas who completed their education and training per year	Quality skills developed		3 418	6 856	6 658	3 000	— ²	— ²	— ²
Number of learners who acquired skills through funded community-based skills development initiatives per year	Quality skills developed		3 289	5 281	3 825	3 000	— ²	— ²	— ²
Number of learners who completed their education and training towards priority occupations per year	Quality skills developed		3 267	8 521	5 908	3 000	— ²	— ²	— ²
Number of workers to be educated through worker education initiatives per year	Quality skills developed		0	0	414	100	— ²	— ²	— ²
Number of learners funded for worker education per year	Quality skills developed		237	823	618	620	640	660	680

1. No historical data available.

2. Indicator discontinued.

Entity overview

The National Skills Fund was established in 1999 in terms of section 27 of the Skills Development Act (1998). The fund focuses on national priority projects identified in the national skills development strategy, projects related to the achievement of the purposes of the act, as determined by the Director-General of the Department of Higher Education and Training, and any activity undertaken by the Minister of Higher Education, Science and Technology to achieve a national standard of good practice in skills development.

To create greater opportunities for young people who are out of school, the fund will invest in skills development initiatives in areas of national priority such as artisan development. The fund will also continue to provide training opportunities through work-integrated learning programmes at public and private institutions for learners to acquire skills, and provide financial support for bursaries and infrastructure to grow and enhance the quality of the post-school education and training system.

Over the MTEF period, the fund aims to contribute to the development of skills for 3 300 small, medium and micro enterprises and cooperatives; facilitate the acquisition of various skills for 31 500 learners through community-based skills development initiatives; fund education and training for occupations in high demand for 111 000 learners; fund education and training programmes for 106 200 learners from rural areas; and pursue priority projects such as the development of infrastructure at TVET and community colleges aimed at expanding, integrating and improving the effectiveness of the post-school education and training system. To fund these skills development and infrastructure initiatives, total expenditure over the medium term is projected to be R16.1 billion, increasing from R4.3 billion in 2019/20 to R5.2 billion in 2022/23 at an average annual rate of 6.4 per cent.

To improve its reporting on performance and financial management over the medium term, the fund will prioritise the implementation of a new ICT system funded from its administration budget, which increases from R279.8 million in 2019/20 to R315.8 million in 2022/23 at an average annual rate of 4.1 per cent.

The fund is set to derive an estimated 86.4 per cent (R12.4 billion) of its total revenue over the medium term through the skills development levy, which is collected from employers by the South African Revenue Service and transferred to the fund as a direct charge against the National Revenue Fund. This transfer is projected to increase at an average annual rate of 5.8 per cent, from R3.7 billion in 2019/20 to R4.4 billion in 2022/23.

Programmes/Objectives/Activities**Table 17.13 National Skills Fund expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Administration	171.8	169.3	203.5	333.8	24.8%	5.4%	328.9	360.5	378.3	4.3%	6.5%
Quality skills developed	4 322.0	7 026.4	2 290.8	4 270.6	-0.4%	94.6%	6 029.8	4 899.4	5 151.2	6.4%	93.5%
Total	4 493.8	7 195.7	2 494.3	4 604.4	0.8%	100.0%	6 358.7	5 260.0	5 529.4	6.3%	100.0%

Statements of historical financial performance, cash flow and financial position**Table 17.14 National Skills Fund statements of historical financial performance, cash flow and financial position**

Statement of financial performance										Average: Outcome/Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20	
Revenue										
Non-tax revenue	408.8	824.5	548.9	551.0	495.9	503.5	513.2	589.8	125.5%	
of which:										
Other non-tax revenue	408.8	824.5	548.9	551.0	495.9	503.5	513.2	589.8	125.5%	
Transfers received	3 179.4	3 051.0	3 154.1	3 204.7	3 462.4	3 504.2	3 751.7	3 715.3	99.5%	
Total revenue	3 588.2	3 875.6	3 703.0	3 755.8	3 958.4	4 007.7	4 264.9	4 305.0	102.8%	
Expenses										
Current expenses	235.5	123.3	142.7	121.0	238.0	154.9	269.1	279.8	76.7%	
Compensation of employees	131.0	46.2	61.0	59.7	72.7	70.7	131.9	129.8	77.3%	
Goods and services	95.4	70.9	74.0	56.3	157.2	80.9	124.7	141.8	77.6%	
Depreciation	9.1	6.2	7.7	5.0	8.1	3.3	12.6	8.1	60.2%	
Transfers and subsidies	5 279.8	4 370.5	9 424.3	7 074.8	4 046.7	2 339.4	5 005.6	4 324.6	76.2%	
Total expenses	5 515.4	4 493.8	9 567.0	7 195.7	4 284.6	2 494.3	5 274.8	4 604.4	76.2%	
Surplus/(Deficit)	(1 927.1)	(618.2)	(5 863.9)	(3 440.0)	(326.3)	1 513.4	(1 009.9)	(299.3)		
Cash flow statement										
Cash flow from operating activities	(1 766.5)	(982.8)	(6 570.3)	(3 086.7)	(335.3)	1 352.2	(1 764.7)	(1 961.2)	44.8%	
Receipts										
Non-tax receipts	408.8	766.9	548.9	490.3	435.2	445.3	452.5	452.5	116.8%	
Other tax receipts	408.8	766.9	548.9	490.3	435.2	445.3	452.5	452.5	116.8%	
Transfers received	3 179.4	3 053.6	3 154.1	3 204.0	3 462.4	3 504.0	3 751.7	3 555.2	98.3%	
Total receipts	3 588.2	3 820.5	3 703.0	3 694.3	3 897.6	3 949.3	4 204.2	4 007.7	100.5%	
Payment										
Current payments	229.7	96.8	148.0	132.7	260.6	164.4	256.6	256.6	72.7%	
Compensation of employees	130.6	44.8	61.0	58.6	103.4	69.6	131.9	131.9	71.4%	
Goods and services	99.1	51.9	87.0	74.1	157.2	94.8	124.7	124.7	73.8%	
Transfers and subsidies	5 125.0	4 658.1	10 125.4	6 599.9	3 918.3	2 384.2	5 655.4	5 655.4	77.7%	
Total payments	5 354.7	4 803.3	10 273.4	6 781.0	4 232.9	2 597.1	5 968.9	5 968.9	78.0%	
Net cash flow from investing activities	(1 772.5)	1 407.0	1 121.5	2 486.2	1 691.9	(620.5)	678.2	678.2	229.8%	
Acquisition of property, plant, equipment and intangible assets	(1 757.4)	(156.0)	(771.5)	(36.7)	(996.3)	(277.8)	(862.9)	(862.9)	30.4%	
Acquisition of software and other intangible assets	(15.1)	(1.6)	(18.0)	(16.8)	(17.5)	(4.7)	(7.5)	(7.5)	52.7%	
Other flows from investing activities	—	1 564.6	1 911.0	2 539.8	2 705.7	(338.1)	1 548.7	1 548.7	86.2%	
Net increase/(decrease) in cash and cash equivalents	(3 539.0)	424.1	(5 448.8)	(600.6)	1 356.6	731.7	(1 086.4)	(1 283.0)		
Cash flow statement										
Statement of financial position										
Carrying value of assets	51.0	546.0	1 165.4	538.3	1 709.6	812.8	1 031.6	1 041.6	74.3%	
Acquisition of assets	(1 757.4)	(156.0)	(771.5)	(36.7)	(996.3)	(277.8)	(862.9)	(862.9)	30.4%	
Investments	6 199.6	8 860.5	3 544.2	6 320.7	3 615.0	6 658.8	2 066.4	7 025.1	187.1%	
Receivables and prepayments	—	1 436.1	788.3	1 438.5	1 520.4	1 649.6	1 605.6	1 741.9	160.1%	
Cash and cash equivalents	—	610.2	610.2	9.6	9.6	741.3	9.6	741.3	334.0%	
Total assets	6 250.6	11 452.8	6 108.1	8 307.1	6 854.7	9 862.4	4 713.2	10 549.9	167.9%	
Accumulated surplus/(deficit)	3 742.1	5 861.5	2 639.8	4 463.7	5 277.2	5 977.1	3 047.4	8 933.7	171.6%	
Capital and reserves	2 500.0	4 392.1	2 199.0	2 354.9	—	2 354.9	—	—	193.7%	
Capital reserve fund	—	1 113.9	1 183.0	1 405.7	1 485.8	1 463.6	1 569.0	1 545.6	130.5%	
Trade and other payables	—	65.3	68.0	42.5	53.1	28.6	56.1	30.2	93.9%	
Provisions	3.2	4.9	2.1	1.3	1.4	1.2	1.5	1.2	106.3%	
Derivatives financial instruments	5.4	15.1	16.1	39.0	37.1	37.0	39.2	39.1	133.3%	
Total equity and liabilities	6 250.6	11 452.8	6 108.1	8 307.1	6 854.7	9 862.4	4 713.2	10 549.9	167.9%	

Statements of estimates of financial performance, cash flow and financial position

Table 17.15 National Skills Fund statements of estimates of financial performance, cash flow and financial position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
R million								
Revenue								
Non-tax revenue	589.8	-10.6%	15.6%	618.9	649.7	682.1	5.0%	13.6%
Other non-tax revenue	589.8	-10.6%	15.6%	618.9	649.7	682.1	5.0%	13.6%
Transfers received	3 715.3	6.8%	84.4%	3 882.6	4 117.0	4 394.0	5.8%	86.4%
Total revenue	4 305.0	3.6%	100.0%	4 501.5	4 766.7	5 076.1	5.6%	100.0%
Current expenses	279.8	31.4%	4.2%	272.2	301.0	315.8	4.1%	5.4%
Compensation of employees	129.8	41.2%	1.9%	132.1	161.1	169.2	9.2%	2.8%
Goods and services	141.8	26.0%	2.2%	131.4	130.9	137.2	-1.1%	2.5%
Depreciation	8.1	9.5%	0.1%	8.6	9.0	9.4	5.0%	0.2%
Transfers and subsidies	4 324.6	-0.4%	95.8%	6 086.5	4 959.0	5 213.6	6.4%	94.6%
Total expenses	4 604.4	0.8%	100.0%	6 358.7	5 260.0	5 529.4	6.3%	100.0%
Surplus/(Deficit)	(299.3)			(1 857.2)	(493.3)	(453.3)		
Cash flow statement								
Cash flow from operating activities	(1 961.2)	25.9%	14.0%	(634.0)	(119.1)	1 388.5	4.0%	10.8%
Receipts								
Non-tax receipts	452.5	-16.1%	14.0%	470.5	489.2	508.6	4.0%	10.7%
Other tax receipts	452.5	-16.1%	14.0%	470.5	489.2	508.6	4.0%	10.7%
Transfers received	3 555.2	5.2%	86.0%	3 882.6	4 117.0	4 394.0	7.3%	89.2%
Total receipts	4 007.7	1.6%	100.0%	4 353.1	4 606.2	4 902.6	6.9%	100.0%
Current payments	256.6	38.4%	4.0%	268.1	276.6	290.8	4.3%	6.0%
Compensation of employees	131.9	43.3%	1.9%	138.7	144.8	153.1	5.1%	3.1%
Goods and services	124.7	33.9%	2.2%	129.4	131.7	137.7	3.4%	2.8%
Transfers and subsidies	5 655.4	6.7%	103.4%	4 658.9	4 385.5	3 156.5	-17.7%	92.7%
Total payment	5 968.9	7.5%	100.0%	4 987.0	4 725.3	3 514.1	-16.2%	100.0%
Net cash flow from investing activities	678.2	-21.6%	100.0%	(817.6)	(796.7)	(219.9)	-168.7%	100.0%
Acquisition of property, plant, equipment and intangible assets	(862.9)	76.9%	-23.8%	(632.6)	(354.9)	(105.1)	-50.4%	10.6%
Acquisition of software and other intangible assets	(7.5)	66.1%	-0.3%	(7.9)	(8.3)	(8.8)	5.5%	1.2%
Other flows from investing activities	1 548.7	-0.3%	124.0%	(177.1)	(433.5)	(106.0)	-140.9%	88.2%
Net increase/(decrease) in cash and cash equivalents	(1 283.0)	-244.6%	100.0%	(1 451.6)	(915.8)	1 168.6	-196.9%	100.0%
Statement of financial position								
Carrying value of assets	1 041.6	24.0%	7.3%	310.4	154.1	154.1	-47.1%	3.9%
Acquisition of assets	(862.9)	76.9%	-3.2%	(632.6)	(354.9)	(105.1)	-50.4%	-4.7%
Investments	7 025.1	-7.4%	71.9%	7 411.4	7 819.1	7 819.1	3.6%	71.3%
Receivables and prepayments	1 741.9	6.6%	15.8%	1 837.7	1 938.8	1 938.8	3.6%	17.7%
Cash and cash equivalents	741.3	6.7%	5.0%	741.3	741.3	741.3	-	7.0%
Total assets	10 549.9	-2.7%	100.0%	10 300.8	10 653.3	10 653.3	0.3%	100.0%
Accumulated surplus/(deficit)	8 933.7	15.1%	62.5%	8 595.8	8 854.5	8 854.5	-0.3%	83.6%
Capital reserve fund	1 545.6	11.5%	14.0%	1 630.6	1 720.3	1 720.3	3.6%	15.7%
Trade and other payables	30.2	-22.7%	0.4%	31.8	33.6	33.6	3.6%	0.3%
Provisions	1.2	-37.1%	0.0%	1.3	1.4	1.4	3.6%	0.0%
Derivatives financial instruments	39.1	37.3%	0.3%	41.3	43.5	43.5	3.6%	0.4%
Total equity and liabilities	10 549.9	-2.7%	100.0%	10 300.8	10 653.3	10 653.3	0.3%	100.0%

Personnel information

Table 17.16 National Skills Fund personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment													Number			
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)			
			2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost	2021/22		Unit cost			2022/23		Unit cost
			2019/20	2022/23															
National Skills Fund			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	199	202	97	70.7	0.7	153	129.8	0.8	166	132.1	0.8	189	161.1	0.9	189	169.2	0.9	9.2%	100.0%
1 – 6	2	2	1	5.3	5.3	2	11.1	5.5	2	8.8	4.4	2	9.3	4.7	2	9.8	4.9	-3.9%	1.2%
7 – 10	121	121	45	19.7	0.4	86	48.8	0.6	99	57.4	0.6	113	72.3	0.6	113	76.2	0.7	16.0%	58.9%
11 – 12	48	51	32	27.0	0.8	43	42.0	1.0	37	34.6	0.9	46	46.3	1.0	46	48.5	1.1	4.9%	24.8%
13 – 16	28	28	19	18.7	1.0	22	27.9	1.3	28	31.3	1.1	28	33.2	1.2	28	34.7	1.2	7.6%	15.2%

1. Rand million.

National Student Financial Aid Scheme

Selected performance indicators

Table 17.17 National Student Financial Aid Scheme performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Amount of financial aid raised from new funders for qualifying students per year	Student-centred financial aid	Priority 2: Education, skills and health	R104m	R56.6m	0	R12.1m	R13.3m	R14.6m	R16m
Amount of funds recovered from national student financial aid scheme debtors per year	Student-centred financial aid		R392.4m	R512.8m	R628m	R675.4m	R776.7m	R893.9m	R980.8m
Number of eligible university students obtaining financial aid per year	Student-centred financial aid		225 950	260 002	346 966	426 268	427 851	431 412	439 659
Number of eligible TVET college students obtaining financial aid per year	Student-centred financial aid		225 557	200 339	239 797	305 400	310 900	329 554	346 258
Percentage of students for whom the first instalment of amounts due to the institution is paid to the institution within 30 days of the acceptance date of the bursary agreement/loan agreement form/schedule of particulars per year	Student-centred financial aid		99.4% (223 250/ 224 594)	73% (292 212/ 400 291)	72% (393 460/ 541 082)	80%	90%	92%	95%
Percentage of students paid the first instalment of their allowances within 10 days of the acceptance date of the bursary agreement/loan agreement/schedule of particulars per year	Student-centred financial aid		40.8% ₁ (29 127/ 71 390)	71% (22 204/ 31 273)	47% (28 565/ 61 291)	80%	90%	90%	90%

Entity overview

The National Student Financial Aid Scheme was established in terms of the National Student Financial Aid Scheme Act (1999). The scheme is responsible for providing loans and bursaries; developing criteria and conditions for the granting of loans and bursaries to eligible students in consultation with the Minister of Higher Education, Science and Technology; raising funds; recovering past loans; maintaining and analysing a database of funded students; undertaking research for the better use of financial resources; advising the minister on matters relating to student financial aid; and undertaking other functions assigned to it by the act or the minister.

Over the MTEF period, the scheme will continue to provide financial assistance to undergraduate university and TVET college students from households with a combined annual income of less than R350 000, and students with disabilities from households with a combined annual income of less than R600 000. To ensure that this core function is fulfilled, over the medium term, the scheme will focus on reviewing the business processes necessary for it to function optimally and improving efficiency. Funding for these activities over the medium term is within operational transfers from the department of R943.7 million and administration fees from stakeholders of R144.8 million.

The scheme aims to support an estimated 945 854 undergraduate students in universities and 871 401 students in TVET colleges over the MTEF period. Due to a lower than anticipated intake of students at TVET colleges, Cabinet has approved a reduction of R899.2 million over the medium term on the allocation for TVET student bursaries. Despite these reductions, the scheme's allocation from the department is set to increase at an average annual rate of 7.7 per cent, from R30.8 billion in 2019/20 to R38.5 billion in 2022/23.

Transfers from the department for student funding constitute an estimated 91.5 per cent (R109.6 billion) of the scheme's total projected revenue over the period ahead. The balance of R10.2 billion is derived mainly through transfers from the Department of Basic Education, the National Skills Fund and SETAs; fees charged for

administering bursaries; and interest on funds held in call accounts prior to disbursement.

Strengthening governance and administration

When the scheme was put under administration in 2018/19, it responded by focusing on disbursing funds to qualifying students instead of securing new funding. Since then, significant effort has been directed towards maintaining stability through making systematic monthly payments to institutions and students, rebuilding relationships across the sector, increasing the scheme's visibility, providing hands-on support at institutions across the country to expedite the resolution of queries that halted the flow of student funding, and restoring public trust. The re-establishment of the scheme is expected to be completed over the MTEF period through the institutionalisation of sound governance and management structures. This will be followed by the appointment of a new executive team, a focus on hiring technical human capital, and the transfer skills from consultants and advisers to permanent staff. Although the number of personnel in the scheme is set to decrease from 529 in 2019/20 to 509 in 2022/23, mainly due to planned retirements and the conclusion of contracts, spending on compensation of employees is set to increase from R220.1 million in 2019/20 to R252.2 million in 2022/23 at an average annual rate of 4.6 per cent.

Improving efficiency

There has been a stagnation in recoveries since the announcement of free higher education and the settlement of historic debt. This has implications for the sustainability of the scheme's funding model. To address this, the scheme will focus on recovering loans from existing debtors through obtaining deduction agreements from public and private sector employees in terms of the National Credit Act (2005). As a result, the principal repayment of loaned funds is projected to be R2.7 billion over the medium term, increasing from R675.4 million in 2019/20 to R980.8 million in 2022/23 at an average annual rate of 13 per cent. Based on these estimates, spending on debt collection is set to increase from R28.8 million in 2019/20 to R37.9 million in 2022/23.

In line with National Treasury's guidelines, the scheme has implemented a number of cost-containment measures that are not expected to have a negative impact on service delivery. The payment of allowances for books, food, accommodation and transport directly into students' bank accounts instead of to institutions is expected to result in a decrease of R33 million in projected expenditure on administration fees over the medium term. Spending on consultants is expected to decrease from R40.6 million in 2019/20 to R12.6 million in 2022/23 due to the completion of forensic investigations and the integration and streamlining of data systems and processes. Further, by making better use of meetings, spending on workshops and conferences, and travel and subsistence is expected to be contained to an average annual rate of only 1.9 per cent over the medium term, from R18.6 million in 2019/20 to R19.7 million in 2022/23.

Programmes/Objectives/Activities

Table 17.18 National Student Financial Aid Scheme expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/Total (%) 2019/20 - 2022/23	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	156.2	197.3	303.6	314.2	26.2%	1.2%	285.2	302.2	314.9	0.1%	0.8%
Student-centered financial aid	10 882.9	12 526.8	27 829.5	34 312.8	46.6%	98.8%	38 160.1	40 152.9	41 795.4	6.8%	99.2%
Total	11 039.1	12 724.1	28 133.2	34 627.0	46.4%	100.0%	38 445.4	40 455.0	42 110.3	6.7%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 17.19 National Student Financial Aid Scheme statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Revenue									
Non-tax revenue	783.2	1 174.5	1 203.3	1 507.1	2 832.0	1 430.7	1 769.7	1 759.0	89.1%
Sale of goods and services other than capital assets	19.8	20.4	23.5	25.2	23.9	47.8	53.7	43.0	112.8%
of which:									
Administrative fees	19.8	20.4	23.5	25.2	23.9	47.8	53.7	43.0	112.8%
Other non-tax revenue	763.5	1 154.1	1 179.8	1 481.9	2 808.1	1 382.9	1 716.0	1 716.0	88.7%
Transfers received	14 311.0	11 792.6	15 542.9	15 571.1	22 460.0	21 656.5	32 841.8	32 868.1	96.2%
Total revenue	15 094.2	12 967.1	16 746.2	17 078.2	25 292.0	23 087.2	34 611.5	34 627.0	95.7%
Expenses									
Current expenses	267.5	3 713.9	3 503.4	5 336.0	1 352.3	3 540.2	1 356.4	2 065.9	226.2%
Compensation of employees	138.7	123.3	156.7	149.1	204.3	193.5	209.5	220.1	96.7%
Goods and services	99.4	3 579.3	3 331.2	5 172.1	1 131.6	3 331.9	1 132.1	1 831.0	244.4%
Depreciation	29.3	11.2	15.5	14.8	16.4	14.8	14.8	14.8	73.0%
Transfers and subsidies	9 452.9	7 325.3	10 107.6	7 388.0	24 138.6	24 593.0	32 561.2	32 561.2	94.2%
Total expenses	9 720.4	11 039.1	13 611.0	12 724.1	25 490.9	28 133.2	33 917.6	34 627.0	104.6%
Surplus/(Deficit)	5 373.8	1 927.9	3 135.2	4 354.1	(198.9)	(5 046.0)	693.9	–	
Cash flow statement									
Cash flow from operating activities	617.3	1 780.2	169.2	(962.3)	(4 598.6)	(1 361.6)	119.3	(36.0)	15.7%
Receipts									
Non-tax receipts	319.1	46.4	337.8	25.2	24.0	47.8	53.7	43.0	22.1%
Sales of goods and services other than capital assets	19.8	20.4	23.5	25.2	24.0	47.8	53.7	43.0	112.8%
Administrative fees	19.8	20.4	23.5	25.2	24.0	47.8	53.7	43.0	112.8%
Other tax receipts	299.3	26.0	314.3	–	–	–	–	–	4.2%
Transfers received	14 319.2	14 743.3	15 073.8	13 845.8	22 445.2	25 153.0	33 343.7	32 902.9	101.7%
Total receipts	14 638.3	14 789.6	15 411.6	13 871.0	22 469.2	25 200.9	33 397.4	32 946.0	101.0%
Payment									
Current payments	238.1	253.2	228.0	275.1	309.3	382.5	350.6	420.8	118.3%
Compensation of employees	138.7	123.3	139.3	149.1	181.7	193.5	209.5	220.1	102.5%
Goods and services	99.4	129.8	88.7	126.0	127.6	189.0	141.0	200.7	141.3%
Transfers and subsidies	13 782.9	12 756.2	15 014.4	14 558.2	26 758.5	26 180.0	32 927.6	32 561.2	97.3%
Total payments	14 021.0	13 009.4	15 242.5	14 833.3	27 067.8	26 562.5	33 278.2	32 982.0	97.5%
Net cash flow from advancing activities (financial institutions only)	(486.0)	735.3	(363.0)	215.6	730.5	1 087.7	699.2	573.4	449.8%
Loan principal repayments	345.9	392.4	518.9	512.8	651.5	628.6	801.2	675.4	95.3%
Other	(831.9)	342.9	(881.8)	(297.1)	79.1	459.0	(102.0)	(102.0)	-23.2%
Net cash flow from investing activities	(14.0)	468.8	(8.9)	521.3	548.2	488.5	582.2	551.8	183.3%
Acquisition of property, plant, equipment and intangible assets	(7.2)	(8.2)	(3.8)	(6.8)	(5.6)	(5.8)	(6.3)	(4.7)	111.0%
Acquisition of software and other intangible assets	(6.7)	–	(5.0)	–	(4.8)	–	(5.5)	(0.1)	0.3%
Net increase/(decrease) in cash and cash equivalents	117.3	2 984.4	(202.6)	(225.4)	(3 319.8)	214.6	1 400.7	1 089.2	
Statement of financial position									
Carrying value of assets	22.8	48.6	23.6	40.6	39.6	31.7	38.6	27.8	119.4%
Acquisition of assets	(7.2)	(8.2)	(3.8)	(6.8)	(5.6)	(5.8)	(6.3)	(4.7)	111.0%
Loans	10 284.2	9 362.0	12 533.4	10 245.6	10 550.1	9 338.3	9 792.9	8 533.8	86.8%
Receivables and prepayments	2 029.4	1 921.5	2 079.9	4 129.8	7 438.5	3 667.5	4 550.5	4 071.0	85.7%
Cash and cash equivalents	1 004.2	3 897.3	4 287.0	3 671.9	4 293.4	3 886.6	3 886.0	4 080.9	115.3%
Total assets	13 340.6	15 229.5	18 923.9	18 087.8	22 321.5	16 924.0	18 268.0	16 713.5	91.9%
Accumulated surplus/(deficit)	1 741.2	1 927.9	2 113.7	4 354.1	3 406.0	(5 046.0)	2 706.8	–	12.4%
Capital and reserves	10 485.2	9 144.7	12 644.3	11 515.5	13 875.2	15 869.5	11 390.3	10 601.2	97.4%
Deferred income	867.2	3 568.5	3 603.1	1 840.8	4 672.8	4 246.3	3 821.8	4 140.2	106.4%
Trade and other payables	180.6	556.4	532.3	350.3	341.5	1 827.4	324.4	1 947.5	339.5%
Provisions	66.3	31.9	30.3	27.2	25.9	26.7	24.6	24.6	75.0%
Total equity and liabilities	13 340.6	15 229.5	18 923.9	18 087.8	22 321.5	16 924.0	18 268.0	16 713.5	91.9%

Statements of estimates of financial performance, cash flow and financial position**Table 17.20 National Student Financial Aid Scheme statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate							
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Revenue								
Non-tax revenue	1 759.0	14.4%	7.3%	1 433.6	1 429.4	1 427.1	-6.7%	3.9%
Sale of goods and services other than capital assets	43.0	28.2%	0.2%	47.3	47.9	49.6	4.9%	0.1%
<i>Administrative fees</i>	<i>43.0</i>	<i>28.2%</i>	<i>0.2%</i>	<i>47.3</i>	<i>47.9</i>	<i>49.6</i>	<i>4.9%</i>	<i>0.1%</i>
Other non-tax revenue	1 716.0	14.1%	7.1%	1 386.3	1 381.5	1 377.4	-7.1%	3.8%
Transfers received	32 868.1	40.7%	92.7%	37 011.7	39 025.6	40 683.2	7.4%	96.1%
Total revenue	34 627.0	38.7%	100.0%	38 445.3	40 455.0	42 110.3	6.7%	100.0%
Current expenses	2 065.9	-17.8%	23.5%	1 732.8	1 744.8	1 756.2	-5.3%	4.7%
Compensation of employees	220.1	21.3%	0.9%	234.6	239.6	252.2	4.6%	0.6%
Goods and services	1 831.0	-20.0%	22.6%	1 483.6	1 490.8	1 489.6	-6.6%	4.1%
Depreciation	14.8	9.7%	0.1%	14.6	14.5	14.3	-1.1%	0.0%
Transfers and subsidies	32 561.2	64.4%	76.5%	36 712.6	38 710.2	40 354.1	7.4%	95.3%
Total expenses	34 627.0	46.4%	100.0%	38 445.4	40 455.0	42 110.3	6.7%	100.0%
Surplus/(Deficit)	-			-	-	-		
Cash flow statement								
Cash flow from operating activities	(36.0)	-127.3%	0.5%	(27.2)	(30.0)	(32.5)	14.6%	0.4%
Receipts								
Non-tax receipts	43.0	-2.5%	0.2%	47.3	47.9	49.6	4.9%	0.1%
Sales of goods and services other than capital assets	43.0	28.2%	0.2%	47.3	47.9	49.6	4.9%	0.1%
<i>Administrative fees</i>	<i>43.0</i>	<i>28.2%</i>	<i>0.2%</i>	<i>47.3</i>	<i>47.9</i>	<i>49.6</i>	<i>4.9%</i>	<i>0.1%</i>
Transfers received	32 902.9	30.7%	99.8%	37 011.7	39 025.6	40 683.2	7.3%	99.9%
Total receipts	32 946.0	30.6%	100.0%	37 059.1	39 073.5	40 732.8	7.3%	100.0%
Current payments	420.8	18.5%	1.8%	373.7	393.3	411.2	-0.8%	1.1%
Compensation of employees	220.1	21.3%	0.9%	234.6	239.6	252.2	4.6%	0.6%
Goods and services	200.7	15.6%	0.9%	139.1	153.6	159.0	-7.5%	0.4%
Transfers and subsidies	32 561.2	36.7%	104.3%	36 712.6	38 710.2	40 354.1	7.4%	98.9%
Total payment	32 982.0	36.4%	100.0%	37 086.3	39 103.5	40 765.3	7.3%	100.0%
Net cash flow from advancing activities (financial institutions only)	573.4	-8.0%	100.0%	669.6	781.5	862.8	14.6%	75.5%
Loan principal repayments	675.4	19.8%	116.7%	776.7	893.9	980.8	13.2%	87.4%
Other	(102.0)	-166.7%	-16.7%	(107.1)	(112.4)	(118.1)	5.0%	-11.9%
Net cash flow from investing activities	551.8	5.6%	100.0%	511.4	523.9	536.8	-0.9%	100.0%
Acquisition of property, plant, equipment and intangible assets	(4.7)	-17.1%	-1.3%	(4.8)	(5.1)	(5.3)	4.4%	-0.9%
Acquisition of software and other intangible assets	(0.1)	-	-0.0%	(5.8)	(6.1)	(6.4)	355.2%	-0.9%
Net increase/(decrease) in cash and cash equivalents	1 089.2	-28.5%	100.0%	1 153.9	1 275.5	1 367.0	7.9%	100.0%
Statement of financial position								
Carrying value of assets	27.8	-17.0%	0.2%	26.0	24.4	22.9	-6.2%	0.2%
<i>Acquisition of assets</i>	<i>(4.7)</i>	<i>-17.1%</i>	<i>-0.0%</i>	<i>(4.8)</i>	<i>(5.1)</i>	<i>(5.3)</i>	<i>4.4%</i>	<i>-0.0%</i>
Loans	8 533.8	-3.0%	56.1%	7 709.2	6 864.0	5 997.6	-11.1%	45.4%
Receivables and prepayments	4 071.0	28.4%	20.4%	4 273.4	4 485.7	4 709.1	5.0%	27.6%
Cash and cash equivalents	4 080.9	1.5%	23.3%	4 284.9	4 499.2	4 274.2	1.6%	26.9%
Total assets	16 713.5	3.1%	100.0%	16 293.6	15 873.3	15 003.8	-3.5%	100.0%
Capital and reserves	10 601.2	5.0%	70.2%	10 188.6	9 768.2	8 892.0	-5.7%	61.7%
Deferred income	4 140.2	5.1%	20.9%	4 036.7	3 935.8	3 837.4	-2.5%	25.0%
Trade and other payables	1 947.5	51.8%	7.0%	2 044.9	2 147.1	2 254.5	5.0%	13.2%
Provisions	24.6	-8.3%	0.2%	23.4	22.2	20.0	-6.7%	0.1%
Total equity and liabilities	16 713.5	3.1%	100.0%	16 293.6	15 873.3	15 003.8	-3.5%	100.0%

Personnel information

Table 17.21 National Student Financial Aid Scheme personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number	
National Student Financial Aid Scheme	Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)			
			2018/19			2019/20			2020/21			2021/22					2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost
Salary level	529	529	596	193.5	0.3	529	220.1	0.4	520	234.6	0.5	509	239.6	0.5	509	252.2	0.5	4.6%	100.0%
1 – 6	327	327	430	69.0	0.2	327	72.0	0.2	317	75.1	0.2	317	79.6	0.3	317	84.3	0.3	5.4%	61.8%
7 – 10	91	91	90	43.2	0.5	91	46.3	0.5	93	49.7	0.5	94	53.1	0.6	94	56.0	0.6	6.5%	18.0%
11 – 12	52	52	30	24.4	0.8	52	37.4	0.7	53	43.5	0.8	50	44.0	0.9	50	46.3	0.9	7.4%	9.9%
13 – 16	58	58	45	54.9	1.2	58	61.3	1.1	56	65.0	1.2	48	62.8	1.3	48	65.7	1.4	2.3%	10.1%
17 – 22	1	1	1	2.1	2.1	1	3.1	3.1	1	1.3	1.3	–	–	–	–	–	–	-100.0%	0.1%

1. Rand million.

Sector education and training authorities

Selected performance indicators

Table 17.22 Sector education and training authorities performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of unemployed people entering skills programmes per year	Discretionary grants and projects	Priority 2: Education, skills and health	31 715	34 252	36 992	39 211	41 563	45 719	50 291
Number of workers entering skills programmes per year	Mandatory grants		78 215	84 472	91 229	96 702	102 504	112 754	124 030
Number of unemployed people completing skills programmes per year	Discretionary grants and projects		16 074	17 359	18 747	18 401	19 505	21 456	23 601
Number of workers completing skills programmes per year	Mandatory grants		62 388	67 379	72 769	71 422	75 707	83 278	91 605
Number of unemployed people entering learnerships per year	Discretionary grants and projects		47 554	51 358	55 466	54 439	57 705	63 476	69 823
Number of workers entering learnerships per year	Mandatory grants		33 085	35 731	38 589	37 875	40 147	44 162	48 578
Number of unemployed people completing learnerships per year	Discretionary grants and projects		24 878	26 868	29 017	28 480	30 231	33 254	36 580
Number of workers completing learnerships per year	Mandatory grants		17 927	19 361	20 909	20 523	21 754	23 929	26 322
Number of unemployed people receiving bursaries per year	Discretionary grants and projects		11 630	12 560	13 564	13 314	14 113	14 960	16 456
Number of workers receiving bursaries per year	Mandatory grants		8 157	8 809	9 513	9 338	9 898	10 888	11 977
Number of university students placed in workplaces per year as part of qualification requirements	Discretionary grants and projects		20 089	21 696	23 431	22 998	24 377	26 815	29 496
Number of TVET college students placed in workplaces per year as part of qualification requirements	Discretionary grants and projects		11 633	12 563	13 568	13 317	14 116	15 528	17 080

Entity overview

The Skills Development Act (1998) mandates sector education and training authorities to implement national, sector and workplace strategies to develop and improve skills in the South African workforce, provide learnerships that lead to recognised occupational qualifications, and fund skills development. The authorities derive their objectives directly from the national skills development strategy, which aims to increase access to

occupationally directed programmes, promote the growth of public TVET colleges, address low levels of youth and adult literacy and numeracy skills, and encourage the better use of workplace-based skills development.

Over the medium term, the authorities' core focus will be on strengthening and delivering relevant priority skills to South Africa's labour market, with particular emphasis on artisan development; apprenticeships; learnerships; internships; bursaries; partnerships with TVET colleges, universities and the market; improved institutional research capacity, monitoring and evaluation; and the development of small, medium and micro enterprises to provide work experience opportunities. Over the medium term, R29.5 billion from the skills development levy discretionary grant is expected to fund the awarding of 45 529 bursaries to unemployed people and 32 763 bursaries to workers to attain higher education and training qualifications. An estimated 476 861 people are expected to enter skills programmes funded through payments made to employers for training and developing the skills of their workers or of unemployed people.

The authorities are expected to derive 88.3 per cent (R49.6 billion) of their revenue over the MTEF period through the skills development levy, which is collected from employers by the South African Revenue Service and transferred to the authorities as a direct charge against the National Revenue Fund. Levy payments are expected to increase at an average annual rate of 5.8 per cent, from R14.9 billion in 2019/20 to R17.6 billion in 2022/23.

Programmes/Objectives/Activities

Table 17.23 Sector education and training authorities expenditure trends and estimates by programme/objective/activity

Table 12.12 Sector: Education and training: outcomes, expenditure trends and estimates by programme, object of activity											
	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Administration	1 928.6	2 366.5	2 393.1	2 497.2	9.0%	15.1%	2 610.2	2 750.6	2 887.3	5.0%	14.9%
Mandatory grants	2 076.5	1 843.1	682.3	514.2	-37.2%	8.8%	565.7	595.5	849.4	18.2%	3.5%
Discretionary grants and projects	9 601.3	7 619.6	2 269.6	1 971.0	-41.0%	37.0%	2 076.6	2 178.4	2 305.8	5.4%	11.8%
Skill planning	390.7	677.8	2 114.1	2 689.0	90.2%	9.2%	2 926.0	3 101.2	3 237.0	6.4%	16.6%
Learning programmes and projects	—	1 740.1	7 375.2	9 389.8	—	28.5%	8 326.8	8 784.0	9 376.4	-0.0%	49.8%
Quality assurance	—	7.8	392.5	587.4	—	1.5%	587.2	617.2	631.0	2.4%	3.4%
Total	13 997.0	14 254.8	15 226.7	17 648.6	8.0%	100.0%	17 092.3	18 026.8	19 287.0	3.0%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 17.24 Sector education and training authorities statements of historical financial performance, cash flow and financial position

Statement of financial performance										Average: Outcome/Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
R million	2016/17	2017/18	2018/19	2019/20	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	
Revenue										
Non-tax revenue	888.9	1 703.0	1 375.0	1 748.1	1 647.5	1 738.5	1 377.2	1 687.8	130.0%	
Sale of goods and services other than capital assets	—	—	—	—	—	—	—	31.7	—	
of which:										
Administrative fees	—	—	—	—	—	—	—	31.7	—	
Other non-tax revenue	888.9	1 703.0	1 375.0	1 748.1	1 647.5	1 738.5	1 377.2	1 656.1	129.4%	
Transfers received	12 666.9	13 699.2	13 696.9	13 464.5	14 132.4	14 446.6	14 905.8	15 460.5	103.0%	
Total revenue	13 555.9	15 402.1	15 071.9	15 212.6	15 779.9	16 185.1	16 283.0	17 148.3	105.4%	
Expenses										
Current expenses	61.0	2 231.6	64.5	2 370.2	2 611.7	2 478.6	2 754.0	2 864.7	181.1%	
Compensation of employees	17.8	965.8	27.6	1 226.4	1 405.3	1 382.6	1 509.5	1 551.5	173.2%	
Goods and services	43.2	1 224.0	36.8	1 097.5	1 138.8	1 045.5	1 174.3	1 241.0	192.5%	
Depreciation	—	41.8	—	46.2	67.6	50.5	70.2	72.3	153.0%	
Interest, dividends and rent on land	—	0.0	—	0.0	—	0.1	—	—	—	
Transfers and subsidies	399.0	11 765.4	346.9	11 884.7	13 021.6	12 748.1	14 227.4	14 783.8	182.8%	
Total expenses	460.0	13 997.0	411.4	14 254.8	15 633.3	15 226.7	16 981.4	17 648.6	182.5%	
Surplus/(Deficit)	13 095.9	1 405.1	14 660.5	957.7	146.6	958.4	(698.4)	(500.3)		

Table 17.24 Sector education and training authorities statements of historical financial performance, cash flow and financial position

Cash flow statement									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Cash flow from operating activities	285.0	1 955.9	384.3	1 535.3	755.3	2 373.8	834.4	1 296.4	317.0%
Receipts									
Non-tax receipts	497.3	1 150.3	757.1	1 287.1	1 180.3	1 405.8	1 297.7	1 300.7	137.8%
Sales of goods and services other than capital assets	0.1	0.2	0.2	1.7	0.2	0.9	0.2	0.2	438.5%
Other sales	0.1	0.2	0.2	1.7	0.2	0.9	0.2	0.2	438.5%
Other tax receipts	497.2	1 150.1	756.9	1 285.5	1 180.1	1 404.9	1 297.5	1 300.4	137.8%
Transfers received	12 616.8	13 477.5	13 560.4	14 132.2	14 329.4	15 014.0	15 072.0	14 995.1	103.7%
Total receipts	13 114.1	14 629.2	14 317.5	15 423.3	15 509.6	16 434.5	16 369.8	16 295.7	105.9%
Payment									
Current payments	2 143.5	1 901.4	2 142.3	2 086.9	2 305.8	2 154.7	2 409.0	2 373.4	94.6%
Compensation of employees	887.8	952.4	1 170.5	1 124.6	1 263.0	1 227.2	1 328.8	1 231.8	97.5%
Goods and services	1 255.5	949.0	971.7	962.1	1 042.8	927.3	1 080.2	1 141.4	91.5%
Interest and rent on land	0.1	0.0	0.0	0.2	0.0	0.1	0.0	0.1	316.7%
Transfers and subsidies	10 683.7	10 771.9	11 788.5	11 801.2	12 448.6	11 906.1	13 126.3	12 626.0	98.0%
Total payments	12 829.1	12 673.2	13 933.2	13 888.1	14 754.4	14 060.7	15 535.3	14 999.3	97.5%
Net cash flow from investing activities	(365.8)	1 525.5	215.1	(25.8)	(133.9)	(200.1)	(105.5)	(165.3)	-290.7%
Acquisition of property, plant, equipment and intangible assets	(4.0)	(56.1)	(68.8)	(137.1)	(64.3)	(157.0)	(64.3)	(77.5)	212.3%
Investment property	—	—	—	—	—	—	—	—	—
Acquisition of software and other intangible assets	(31.9)	(28.2)	(35.1)	(19.4)	(69.6)	(44.2)	(37.1)	(83.7)	101.0%
Other flows from investing activities	(329.9)	1 608.8	319.8	129.5	—	0.1	(4.1)	(4.1)	-12 145.2%
Net cash flow from financing activities	(1.9)	3.2	(0.5)	(1.6)	(1.7)	(1.7)	(1.8)	(1.3)	23.6%
Borrowing activities	—	0.3	—	—	—	—	—	—	—
Other flows from financing activities	—	—	—	—	—	—	—	—	—
Net increase/(decrease) in cash and cash equivalents	(82.7)	3 484.6	598.9	1 507.9	619.7	2 172.0	727.1	1 129.8	
Statement of financial position									
Carrying value of assets	571.2	344.5	554.4	400.6	508.2	522.2	513.0	602.1	87.1%
Investments	1 950.0	105.6	—	—	—	—	—	—	5.4%
Inventory	3.8	5.0	4.0	6.0	5.6	6.1	5.8	5.2	116.0%
Loans	—	—	—	—	—	—	—	—	—
Defined benefit plan assets	—	—	—	—	—	—	—	—	—
Taxation	—	—	—	—	—	—	—	—	—
Derivatives financial instruments	—	—	—	—	—	—	—	—	—
Total assets	11 383.5	18 888.6	13 116.5	20 088.8	15 480.7	19 795.9	16 534.9	16 491.4	133.2%
Accumulated surplus/(deficit)	4 346.3	6 109.0	5 440.9	6 814.7	6 891.8	8 428.7	7 108.7	7 078.6	119.5%
Capital and reserves	4 892.2	9 162.7	5 052.5	9 808.2	5 876.3	7 794.6	6 700.2	6 742.2	148.8%
Borrowings	1.1	—	1.2	—	1.2	—	1.3	—	—
Finance lease	6.7	3.9	0.6	2.1	0.6	1.1	2.3	1.9	88.0%
Accrued interest	—	—	—	—	—	—	—	—	—
Benefits payable	—	—	—	—	—	—	—	0.3	—
Taxation	—	—	—	—	—	—	—	—	—
Provisions	720.9	1 569.3	720.4	1 194.9	738.1	985.3	589.5	453.2	151.8%
Managed funds (e.g. Poverty Alleviation Fund)	—	—	—	—	—	—	—	—	—
Total equity and liabilities	11 353.3	18 888.6	13 116.5	20 088.8	15 480.7	19 795.9	16 534.9	16 491.4	133.2%

Statements of estimates of financial performance, cash flow and financial position**Table 17.25 Sector education and training authorities statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23		
Revenue									
Non-tax revenue	1 687.8	-0.3%	10.8%	1 545.1	1 622.8	1 586.1	-2.0%	8.8%	
Sale of goods and services other than capital assets	31.7	—	0.0%	—	—	—	-100.0%	0.0%	
Administrative fees	31.7	—	0.0%	—	—	—	-100.0%	0.0%	
Other non-tax revenue	1 656.1	-0.9%	10.7%	1 545.1	1 622.8	1 586.1	-1.4%	8.8%	
Transfers received	15 460.5	4.1%	89.2%	16 096.3	17 073.2	18 214.3	5.6%	91.2%	
Total revenue	17 148.3	3.6%	100.0%	17 641.4	18 695.9	19 800.4	4.9%	100.0%	
Current expenses	2 864.7	8.7%	16.3%	3 109.8	3 286.6	3 534.3	7.3%	17.7%	
Compensation of employees	1 551.5	17.1%	8.3%	1 689.6	1 803.3	1 968.2	8.3%	9.7%	
Goods and services	1 241.0	0.5%	7.6%	1 336.3	1 394.0	1 474.2	5.9%	7.6%	
Depreciation	72.3	20.1%	0.3%	83.9	89.4	91.9	8.3%	0.5%	
Transfers and subsidies	14 783.8	7.9%	83.7%	13 982.5	14 740.2	15 752.7	2.1%	82.3%	
Total expenses	17 648.6	8.0%	100.0%	17 092.3	18 026.8	19 287.0	3.0%	100.0%	
Surplus/(Deficit)	(500.3)			549.1	669.1	513.4			

Table 17.25 Sector education and training authorities statements of estimates of financial performance, cash flow and financial position

Cash flow statement		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
R million	2019/20							
Cash flow from operating activities	1 296.4	-12.8%	8.2%	1 777.1	1 872.7	1 977.8	14.3%	7.8%
Receipts								
Non-tax receipts	1 300.7	4.2%	8.2%	1 318.5	1 391.4	1 458.5	3.9%	7.8%
Sales of goods and services other than capital assets	0.2	4.1%	0.0%	0.2	0.2	0.2	5.2%	0.0%
Other sales	0.2	4.1%	0.0%	0.2	0.2	0.2	5.2%	0.0%
Other tax receipts	1 300.4	4.2%	8.2%	1 318.3	1 391.2	1 458.3	3.9%	7.8%
Transfers received	14 995.1	3.6%	91.8%	15 551.3	16 588.9	17 357.3	5.0%	92.2%
Total receipts	16 295.7	3.7%	100.0%	16 869.8	17 980.4	18 815.8	4.9%	100.0%
Current payments	2 373.4	7.7%	14.0%	2 468.9	2 641.3	2 848.3	6.3%	16.4%
Compensation of employees	1 231.8	9.0%	7.4%	1 322.6	1 440.5	1 593.1	9.0%	8.8%
Goods and services	1 141.4	6.3%	6.5%	1 146.2	1 200.8	1 255.2	3.2%	7.5%
Interest and rent on land	0.1	77.1%	0.0%	0.1	0.0	0.0	-41.8%	0.0%
Transfers and subsidies	12 626.0	5.4%	77.4%	12 623.8	13 466.3	13 989.7	3.5%	83.6%
Total payment	14 999.3	5.8%	100.0%	15 092.8	16 107.6	16 838.0	3.9%	100.0%
Net cash flow from investing activities	(165.3)	-147.7%	100.0%	(164.2)	(175.1)	(252.4)	15.2%	100.0%
Acquisition of property, plant, equipment and intangible assets	(77.5)	11.3%	163.4%	(61.8)	(68.4)	(78.9)	0.6%	38.7%
Investment property	-	-	-	-	-	(60.0)	-	5.9%
Acquisition of software and other intangible assets	(83.7)	43.8%	36.5%	(98.1)	(102.1)	(108.7)	9.1%	52.9%
Net cash flow from financing activities	(1.3)	-174.2%	100.0%	(1.4)	(1.4)	(1.5)	4.2%	100.0%
Borrowing activities	-	-100.0%	2.4%	-	-	-	-	-
Other flows from financing activities	-	-	-	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	1 129.8	-31.3%	100.0%	1 611.4	1 696.2	1 723.9	15.1%	100.0%
Statement of financial position								
Investments	-	-100.0%	0.1%	-	-	-	-	-
Inventory	5.2	1.3%	0.0%	5.4	5.8	10.1	24.5%	0.0%
Loans	-	-	-	-	-	-	-	-
Defined benefit plan assets	-	-	-	-	-	-	-	-
Taxation	-	-	-	-	-	-	-	-
Derivatives financial instruments	-	-	-	-	-	-	-	-
Total assets	16 491.4	-4.4%	100.0%	17 551.1	20 027.6	19 824.3	6.3%	100.0%
Capital and reserves	6 742.2	-9.7%	44.4%	6 895.6	9 113.8	9 417.9	11.8%	43.3%
Borrowings	-	-	-	-	-	-	-	-
Finance lease	1.9	-21.6%	0.0%	1.9	1.8	1.9	0.6%	0.0%
Accrued interest	-	-	-	-	-	-	-	-
Benefits payable	0.3	-	0.0%	0.3	0.4	0.4	2.7%	0.0%
Taxation	-	-	-	-	-	-	-	-
Provisions	453.2	-33.9%	5.5%	474.2	572.0	550.3	6.7%	2.8%
Managed funds (e.g. Poverty Alleviation Fund)	-	-	-	-	-	-	-	-
Total equity and liabilities	16 491.4	-4.4%	100.0%	17 551.1	20 027.6	19 824.3	6.3%	100.0%

Personnel information**Table 17.26 Sector education and training authorities personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number	
Number of funded posts	Number of posts on approved establishment																Average growth rate (%)	Average: Salary level/ Total (%)	
		Actual			Revised estimate			Medium-term expenditure estimate											
		2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost	2021/22		Unit cost	2022/23		Unit cost			
Sector education and training authorities			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2019/20 - 2022/23	
Salary level	2 634	2 671	2 592	1 382.6	0.5	2 615	1 551.5	0.6	2 606	1 689.6	0.6	2 662	1 803.3	0.7	2 666	1 968.2	0.7	8.3%	100.0%
1 – 6	552	565	557	92.1	0.2	560	104.2	0.2	547	110.5	0.2	547	118.6	0.2	549	126.6	0.2	6.7%	20.9%
7 – 10	1 417	1 432	1 351	635.4	0.5	1 387	726.1	0.5	1 387	798.1	0.6	1 429	885.3	0.6	1 432	940.2	0.7	9.0%	53.4%
11 – 12	441	448	481	371.6	0.8	442	376.5	0.9	450	407.2	0.9	461	412.7	0.9	460	473.6	1.0	8.0%	17.2%
13 – 16	215	217	193	258.4	1.3	217	318.0	1.5	213	343.3	1.6	216	354.0	1.6	216	395.4	1.8	7.5%	8.2%
17 – 22	10	10	10	25.0	2.5	10	26.7	2.7	10	30.5	3.1	10	32.6	3.3	10	32.4	3.3	6.7%	0.4%

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 **Council on Higher Education** is tasked with developing and implementing a system of quality assurance for higher education, including programme accreditation, institutional audits, quality promotion and capacity development. The council's total budget for 2020/21 is R62.9 million.
- The **Quality Council for Trades and Occupations** oversees the development and maintenance of the occupational qualifications sub-framework in the national qualifications framework, and advises the Minister of Higher Education, Science and Technology on all matters of policy concerning occupational standards and qualifications. The council's total budget for 2020/21 is R121 million.
- The **South African Qualifications Authority** oversees the development of the national qualifications framework by formulating and publishing policies and criteria for the registration of organisations. It also oversees the implementation of the framework by ensuring the registration, accreditation and assignment of functions. The authority's total budget for 2020/21 is R167.4 million.

Vote 18

Health

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	672.2	662.1	3.4	6.7	727.6	722.1
National Health Insurance	1 392.4	1 046.7	288.8	56.8	1 499.5	1 525.3
Communicable and Non-communicable Diseases	25 188.4	588.7	24 598.7	1.0	28 782.9	30 279.3
Primary Health Care	238.3	237.1	–	1.1	254.2	265.4
Hospital Systems	21 774.7	195.7	20 436.5	1 142.5	22 863.1	23 953.0
Health System Governance and Human Resources	6 250.0	278.4	5 944.4	27.2	6 511.1	6 745.8
Total expenditure estimates	55 516.0	3 008.7	51 271.9	1 235.4	60 638.3	63 491.0
Executive authority	Minister of Health					
Accounting officer	Director-General of Health					
Website	www.doh.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Lead and coordinate health services to promote the health of all people in South Africa through an accessible, caring and high-quality health system based on the primary health care approach.

Mandate

The Department of Health derives its mandate from the National Health Act (2003), which requires that the department provides a framework for a structured and uniform health system for South Africa. The act sets out the responsibilities of the three levels of government in the provision of health services. The department contributes directly to the realisation of priority 2 (education, skills and health) of government's 2019-2024 medium-term strategic framework, and the vision articulated in chapter 10 of the National Development Plan.

Selected performance indicators

Table 18.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Total number of individuals registered on the national health insurance patient beneficiary registry	National Health Insurance	Priority 2: Education, skills and health	– ¹	20.7 million	39.8 million	40 million	46 million	49 million	54 million
Total number of health facilities reporting stock availability at the national surveillance centre	National Health Insurance		3 349	3 492	3 598	3 725	3 765	3 790	3 830
Total number of patients registered to receive medicines through the centralised chronic medicine dispensing and distribution system	National Health Insurance		1.3 million	2.2 million	2.5 million	3.2 million	3.5 million	4 million	4.5 million
Total clients remaining on antiretroviral treatment in the public sector at the end of the year	Communicable and Non-communicable Diseases		3.8 million	4.1 million	4.6 million	5.8 million	6.1 million	6.3 million	6.5 million

Table 18.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage of infant polymerase chain reaction test positive around 10 weeks rate per year	Communicable and Non-communicable Diseases	Priority 2: Education, skills and health	1.3% (2 013/ 151 246)	0.9% (1 636/ 180 790)	0.7% (1 371/ 185 318)	0.9%	0.4%	0.3%	0.2%
Number of primary health care facilities that qualify as ideal clinics per year	Primary Health Care		786	1 507	1 920	1 800	2 100	2 250	2 500
Number of metropolitan and district municipalities assessed for adherence to environmental norms and standards per year	Primary Health Care		35	20	22	31	16	18	18
Number of points of entry where port health services comply with international health regulations per year	Primary Health Care		— ¹	10	12	20	25	30	35

1. No historical data available.

Expenditure analysis

As the custodian of South Africa's national health system, the Department of Health contributes to the goals, indicators and actions of chapter 10 of the National Development Plan, such as reducing the burden of disease and strengthening the provision of health care to improve the lives and lifespans of the country's citizens. In terms of the National Health Act (2003), provincial departments of health are mandated to provide health care services, whereas the national department is responsible for policy formulation, coordination and support to provincial departments, as well as the monitoring, evaluation and oversight of the sector. For carrying out the department's core responsibilities through the provision of health care, conditional grants to provinces comprise an estimated 88.9 per cent (R159.7 billion) of the department's total budget over the MTEF period.

Cabinet-approved budget reductions to lower the national aggregate expenditure ceiling have resulted in decreases to the department's allocation of R1.2 billion in 2020/21, R1.3 billion in 2021/22 and R1.4 billion in 2022/23. These are effected in areas such as conditional grants to provinces, goods and services, transfers to public entities, and compensation of employees. They are not expected to lead to significant disturbances in service delivery as most of the affected areas were identified based on historical financial and non-financial performance, which was lower than anticipated. Despite the reductions, the department's expenditure is expected to increase at an average annual rate of 7.4 per cent, from R51.2 billion in 2019/20 to R63.5 billion in 2022/23, largely driven by an increase in the HIV and AIDS component and the community outreach services component of the *HIV, TB, malaria and community outreach grant* and allocations towards national health insurance.

Over the medium term, the department will focus on implementing the phased implementation of national health insurance, investing in health infrastructure, preventing and treating communicable and non-communicable diseases, and financing tertiary hospital services.

Phased implementation of national health insurance

The 2017 National Health Insurance White Paper, outlines the design and functioning of national health insurance, and the department is preparing the legal foundation of this reform. Once the National Health Insurance Bill, which was submitted to Parliament in 2019, is enacted, it will reconfigure the way health services, both public and private, are financed. One of the central aspects of the bill is the establishment of the National Health Insurance Fund as a public entity. To build a capable national health insurance unit, R55.6 million over the MTEF period in the *National Health Insurance* programme is reprioritised for building capacity within the department, to be transferred to the new entity when it is created. This allocation brings the total amount earmarked for this purpose to R102.8 million over the medium term, to be periodically reviewed according to progress made in implementing national health insurance.

Prior to the formation of the National Health Insurance Fund, national health insurance will largely be funded through the *national health insurance indirect grant*, which is managed and spent by the national department

on behalf of provinces. The grant comprises three components. The non-personal services component funds initiatives to strengthen the health system in preparation for national health insurance. These include information systems, the ideal clinic initiative, the centralised dispensing and distribution of chronic medicines, including antiretroviral drugs, and the piloting of the national quality health improvement plan. This component is allocated R2.2 billion over the MTEF period, and is expected to ensure that, by 2022/23, 54 million patients are registered on the national health insurance beneficiary registry, 4.5 million patients are registered to collect chronic medicines at their pick-up point of choice, and 3 830 facilities electronically report on medicines stock through the national stock surveillance system. In 2020/21, R25 million is reprioritised towards this component to fund the pilot implementation of the national quality health improvement plan developed in collaboration between the Presidency and the department. Allocations for this purpose in subsequent years will be determined by progress made in the pilot phase.

The personal services component funds the contracting of health care services and is allocated R935.9 million over the MTEF period. This amount is mainly used to contract private general practitioners to provide primary health care services in their own practices. These practitioners will be paid according to the number and risk profile of the patients for whom they care. The allocations and scope of the component has been significantly narrowed, as R1.4 billion over the MTEF period is reallocated towards direct conditional grants, which are transferred to provinces. These reallocations include R900.1 million to the direct *national health insurance grant* to fund the contracting of general practitioners to do session work in public primary health care facilities, and R452 million to provinces to strengthen provision of mental health and oncology services.

The third part of the *national health insurance indirect grant* is the health facility revitalisation component.

Investing in health infrastructure

The department is working with National Treasury and other stakeholders to develop strategies to accelerate the delivery of infrastructure in the health sector for the implementation of national health insurance. Although the details of these proposals are still being finalised, they are likely to draw on the budget facility for infrastructure and the Infrastructure Fund to complement existing budgets for health infrastructure, such as the two conditional grants for this purpose. The direct *health facility revitalisation grant* is the largest source of funds for public health infrastructure with an allocation of R20.1 billion over the MTEF period, and is transferred to provincial departments of health through the *Health Facilities Infrastructure Management* subprogramme in the *Hospital Systems* programme. This subprogramme also houses the health facility revitalisation component of the *national health insurance indirect grant*, which is allocated R4.3 billion over the MTEF period and includes allocations for planning and building the Limpopo Central Hospital in Polokwane, which is planned to be completed in 2025/26.

Financing strategic disease programmes

Some health programmes are funded through conditional grants allocated to the national department. The *HIV, TB, malaria and community outreach grant* is the main vehicle for funding such programmes, with seven components over the medium term. The largest is the HIV and AIDS component, which is allocated R70.9 billion over the MTEF period in the *HIV, AIDS and STIs* subprogramme in the *Communicable and Non-communicable Diseases* programme. The bulk of the funding in this component is used for antiretroviral treatment, with the intention of ensuring it reaches 6.5 million people by 2022/23, but also includes considerable allocations for prevention activities such as condom distribution, medical male circumcision and HIV testing.

The community outreach services component was introduced in 2018/19 to ensure that the training, remuneration and monitoring and evaluation of the performance of community health workers, who play a pivotal role in ensuring access to health care to the most vulnerable people in South Africa, is more uniformly standardised. Accordingly, R800 million is reprioritised from the HIV and AIDS component to the community outreach services component in 2020/21 to ensure that the standardised stipend of R3 500 per month is implemented throughout the country for all community health workers. The TB component is allocated R1.6 billion over the MTEF period, and the malaria elimination component is allocated R345.4 million.

Three new components are introduced in the 2020 Budget. From 2020/21, the human papillomavirus vaccine

programme will be integrated as a component within the *HIV, TB, malaria and community outreach grant*. It is allocated R701.7 million over the MTEF period. Similarly, the allocations for mental health and oncology are shifted from the *national health insurance indirect grant* to new components within the *HIV, TB, malaria and community outreach grant* from 2021/22, each receiving R110.4 million in 2021/22 and R115.7 million in 2022/23.

Supporting tertiary health care services

Highly specialised referral services are offered at 29 tertiary hospitals throughout South Africa. However, these services are not equally distributed, which results in patients being referred to facilities in other provinces. This requires strong national coordination and funding mechanisms that compensate provinces for providing services to patients from elsewhere. The department subsidises tertiary services through the *national tertiary services grant*, which is allocated R14.1 billion in 2020/21, R14.7 billion in 2021/22 and R15.3 billion in 2022/23 in the *Hospital Systems* programme. To increase equitable access to tertiary service across the country, a developmental allocation within the grant is introduced from 2020/21. This is expected to reduce referrals to other provinces by bringing tertiary services closer to the patients in provinces where these services are relatively underdeveloped, such as Eastern Cape, Limpopo, Mpumalanga and North West.

Expenditure trends and estimates

Table 18.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. National Health Insurance											
3. Communicable and Non-communicable Diseases											
4. Primary Health Care											
5. Hospital Systems											
6. Health System Governance and Human Resources											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	515.4	527.8	551.2	660.2	8.6%	1.3%	672.2	727.6	722.1	3.0%	1.2%
Programme 2	508.3	641.5	1 192.3	1 094.9	29.1%	1.9%	1 392.4	1 499.5	1 525.3	11.7%	2.4%
Programme 3	16 029.9	18 351.0	20 688.3	22 797.1	12.5%	43.6%	25 188.4	28 782.9	30 279.3	9.9%	46.4%
Programme 4	182.9	208.1	199.4	220.9	6.5%	0.5%	238.3	254.2	265.4	6.3%	0.4%
Programme 5	16 834.4	18 043.1	19 189.9	20 435.2	6.7%	41.7%	21 774.7	22 863.1	23 953.0	5.4%	38.6%
Programme 6	4 425.3	4 653.2	4 773.5	5 986.9	10.6%	11.1%	6 250.0	6 511.1	6 745.8	4.1%	11.0%
Total	38 496.2	42 424.7	46 594.6	51 195.2	10.0%	100.0%	55 516.0	60 638.3	63 491.0	7.4%	100.0%
Change to 2019				(265.5)			(1 170.3)	(1 301.6)	(1 417.6)		
Budget estimate											
Economic classification											
Current payments	2 234.7	2 481.8	2 582.0	2 503.0	3.9%	5.5%	3 008.7	3 227.6	3 281.5	9.4%	5.2%
Compensation of employees	837.3	856.3	793.2	859.3	0.9%	1.9%	905.8	958.7	991.2	4.9%	1.6%
Goods and services ¹	1 397.5	1 625.6	1 788.8	1 643.6	5.6%	3.6%	2 102.9	2 268.9	2 290.3	11.7%	3.6%
of which:											
Consultants: Business and advisory services	142.7	272.8	289.3	338.6	33.4%	0.6%	295.0	385.6	434.4	8.7%	0.6%
Contractors	363.8	561.9	509.8	329.8	-3.2%	1.0%	808.2	777.4	782.4	33.4%	1.2%
Agency and support/outsourced services	135.6	34.9	351.4	138.2	0.7%	0.4%	192.2	262.7	236.9	19.7%	0.4%
Inventory: Medical supplies	132.5	83.2	74.1	93.8	-10.9%	0.2%	115.6	119.5	117.6	7.8%	0.2%
Operating leases	134.9	134.1	121.6	181.4	10.4%	0.3%	185.2	194.7	179.3	-0.4%	0.3%
Travel and subsistence	92.7	90.4	79.8	110.0	5.9%	0.2%	113.3	122.4	124.3	4.2%	0.2%
Transfers and subsidies¹	35 660.0	39 254.6	43 247.0	47 523.1	10.0%	92.7%	51 271.9	56 004.5	58 697.2	7.3%	92.5%
Provinces and municipalities	33 981.0	37 570.2	41 364.1	45 524.1	10.2%	88.7%	49 267.2	53 916.6	56 537.0	7.5%	88.9%
Departmental agencies and accounts	1 497.3	1 518.5	1 719.6	1 822.7	6.8%	3.7%	1 811.0	1 880.0	1 943.8	2.2%	3.2%
Foreign governments and international organisations	16.0	–	–	–	-100.0%	0.0%	0.4	–	–	0.0%	0.0%
Non-profit institutions	161.7	155.4	161.2	175.1	2.7%	0.4%	193.4	207.9	216.4	7.3%	0.3%
Households	3.9	10.5	2.2	1.2	-32.6%	0.0%	–	–	–	-100.0%	0.0%

Table 18.2 Vote expenditure trends and estimates by programme and economic classification

R million	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Payments for capital assets	600.8	688.0	765.6	1 169.1	24.8%	1.8%	1 235.4	1 406.1	1 512.3	9.0%	2.3%
Buildings and other fixed structures	574.0	577.1	591.0	814.1	12.4%	1.4%	892.1	1 044.6	1 176.4	13.1%	1.7%
Machinery and equipment	24.6	110.9	174.6	354.5	143.4%	0.4%	343.2	361.5	335.9	-1.8%	0.6%
Software and other intangible assets	2.2	–	–	0.5	-38.8%	0.0%	–	–	–	-100.0%	0.0%
Payments for financial assets	0.7	0.2	–	–	-100.0%	0.0%	–	–	–	0.0%	0.0%
Total	38 496.2	42 424.7	46 594.6	51 195.2	10.0%	100.0%	55 516.0	60 638.3	63 491.0	7.4%	100.0%

1. Tables that detail expenditure trends, annual budget, adjusted appropriation and audited outcome are available at www.treasury.gov.za and www.vulekamali.gov.za.
2. Historical trends adjusted following budget structure change in 2018/19

Transfers and subsidies expenditure trends and estimates

Table 18.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 493 807	1 514 688	1 715 720	1 818 644	6.8%	3.9%	1 806 912	1 875 775	1 939 431	2.2%	3.5%
Health and Welfare Sector Education and Training Authority	2 808	2 259	2 487	2 683	-1.5%	–	3 019	3 196	3 304	7.2%	–
South African National AIDS Council	16 711	17 547	17 108	18 066	2.6%	–	18 106	18 901	19 380	2.4%	–
South African Medical Research Council	660 270	617 211	624 829	686 666	1.3%	1.6%	715 058	751 066	778 854	4.3%	1.4%
National Health Laboratory Service	711 871	746 464	810 759	785 497	3.3%	1.8%	761 069	798 255	824 147	1.6%	1.5%
Office of Health Standards Compliance	100 535	125 711	129 678	136 471	10.7%	0.3%	143 970	151 889	157 509	4.9%	0.3%
Council for Medical Schemes	1 612	5 496	5 670	5 987	54.9%	–	6 538	6 181	6 272	1.6%	–
South African Health Products Regulatory Authority	–	–	125 189	183 274	–	0.2%	159 152	146 287	149 965	-6.5%	0.3%
Households											
Social benefits											
Current	3 669	3 539	2 145	1 203	-31.0%	–	–	–	–	-100.0%	–
Employee social benefits	3 669	3 539	2 145	1 203	-31.0%	–	–	–	–	-100.0%	–
Foreign governments and international organisations											
Current	16 031	–	–	–	-100.0%	–	375	–	–	–	–
World Health Organisation	–	–	–	–	–	–	375	–	–	–	–
International AIDS Society	14 370	–	–	–	-100.0%	–	–	–	–	–	–
International Hospital Federation	1 661	–	–	–	-100.0%	–	–	–	–	–	–
Households											
Other transfers to households											
Current	260	6 999	–	–	-100.0%	–	–	–	–	–	–
Employee social benefits	260	–	–	–	-100.0%	–	–	–	–	–	–
University of the Witwatersrand	–	6 999	–	–	–	–	–	–	–	–	–
Non-profit institutions											
Current	161 670	155 374	161 167	175 080	2.7%	0.4%	193 393	207 897	216 434	7.3%	0.4%
Non-governmental organisations: LifeLine	20 953	22 000	23 276	24 579	5.5%	0.1%	27 150	29 186	30 385	7.3%	0.1%
Non-governmental organisations: loveLife	57 808	61 200	64 750	68 376	5.8%	0.2%	75 527	81 192	84 526	7.3%	0.1%
Non-governmental organisations: Soul City	14 465	19 226	20 270	21 336	13.8%	–	23 567	25 334	26 375	7.3%	–
Non-governmental organisations: HIV and AIDS	41 439	41 530	49 740	57 482	11.5%	0.1%	63 494	68 256	71 059	7.3%	0.1%
South African Renal Registry	–	350	370	391	–	–	433	465	484	7.4%	–
Public Universities South Africa	–	8 500	–	–	–	–	–	–	–	–	–
South African Federation for Mental Health	353	371	393	415	5.5%	–	459	493	513	7.3%	–
South African National Council for the Blind	792	832	880	929	5.5%	–	1 026	1 104	1 149	7.3%	–
South African Medical Research Council	496	520	550	581	5.4%	–	642	690	718	7.3%	–
National Council Against Smoking	–	845	938	991	–	–	1 095	1 177	1 225	7.3%	–
Wits University Foundation	650	–	–	–	-100.0%	–	–	–	–	–	–
Health information systems programme	12 745	–	–	–	-100.0%	–	–	–	–	–	–
Health Systems Trust	11 969	–	–	–	-100.0%	–	–	–	–	–	–

Table 18.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Provinces and municipalities											
Provincial revenue funds											
Current	28 708 332	31 885 731	35 306 896	39 517 135	11.2%	81.7%	42 899 509	47 258 606	49 503 083	7.8%	83.9%
National health insurance grant	94 227	—	—	289 288	45.3%	0.2%	288 840	300 089	311 147	2.5%	0.6%
Human papillomavirus vaccine grant	—	—	200 000	157 200	—	0.2%	—	—	—	-100.0%	0.1%
HIV, TB, malaria and community outreach grant: Malaria elimination component	—	—	—	90 425	—	0.1%	117 198	111 188	117 027	9.0%	0.2%
HIV, TB, malaria and community outreach grant: Community outreach services component	—	—	—	1 500 000	—	0.9%	2 384 000	2 582 500	2 722 790	22.0%	4.3%
Comprehensive HIV/AIDS and TB conditional grant	15 290 603	17 577 737	19 921 697	—	-100.0%	31.9%	—	—	—	—	—
National tertiary services grant	10 846 778	11 676 145	12 400 703	13 185 528	6.7%	29.0%	14 068 863	14 694 223	15 293 501	5.1%	26.8%
Statutory human resources, training and development grant	2 476 724	2 631 849	2 784 496	3 846 124	15.8%	7.1%	4 154 604	4 333 452	4 493 852	5.3%	7.9%
HIV, TB, malaria and community outreach grant: Human papillomavirus vaccine component	—	—	—	—	—	—	222 816	235 071	243 810	—	0.3%
HIV, TB, malaria and community outreach grant: HIV and AIDS component	—	—	—	19 963 270	—	12.0%	21 151 199	24 241 222	25 521 136	8.5%	42.6%
HIV, TB, malaria and community outreach grant: TB component	—	—	—	485 300	—	0.3%	511 989	540 151	568 516	5.4%	1.0%
HIV, TB, malaria and community outreach grant: Mental health services component	—	—	—	—	—	—	—	110 355	115 652	—	0.1%
HIV, TB, malaria and community outreach grant: Oncology services component	—	—	—	—	—	—	—	110 355	115 652	—	0.1%
Capital	5 272 680	5 684 495	6 057 202	6 006 973	4.4%	13.9%	6 367 652	6 658 028	7 033 913	5.4%	12.2%
Health facility revitalisation grant (direct)	5 272 680	5 684 495	6 057 202	6 006 973	4.4%	13.9%	6 367 652	6 658 028	7 033 913	5.4%	12.2%
Departmental agencies and accounts											
Social security funds											
Current	3 541	3 718	3 836	4 050	4.6%	—	4 058	4 237	4 344	2.4%	—
Compensation Commissioner	3 541	3 718	3 836	4 050	4.6%	—	4 058	4 237	4 344	2.4%	—
Total	35 659 990	39 254 544	43 246 966	47 523 085	10.0%	100.0%	51 271 899	56 004 543	58 697 205	7.3%	100.0%

Personnel

Table 18.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. National Health Insurance																			
3. Communicable and Non-communicable Diseases																			
4. Primary Health Care																			
5. Hospital Systems																			
6. Health System Governance and Human Resources																			
Number of posts estimated for 31 March 2020			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 (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost
Health																			
Salary level	1 466	–	1 468	793.2	0.5	1 488	859.1	0.6	1 465	905.8	0.6	1 465	958.7	0.7	1 434	991.2	0.7	-1.2%	100.0%
1 – 6	558	–	560	156.9	0.3	572	163.1	0.3	557	168.2	0.3	565	181.5	0.3	561	192.7	0.3	-0.6%	38.5%
7 – 10	634	–	634	334.9	0.5	636	362.8	0.6	646	399.4	0.6	642	422.9	0.7	626	439.4	0.7	-0.5%	43.6%
11 – 12	166	–	166	158.3	1.0	167	174.8	1.0	147	164.1	1.1	144	170.6	1.2	140	175.7	1.3	-5.7%	10.2%
13 – 16	106	–	106	138.3	1.3	111	153.5	1.4	113	168.9	1.5	112	178.2	1.6	105	177.4	1.7	-1.8%	7.5%
Other	2	–	2	4.8	2.4	2	4.9	2.5	2	5.2	2.6	2	5.5	2.8	2	5.9	2.9	–	0.1%
Programme	1 466	–	1 468	793.2	0.5	1 488	859.1	0.6	1 465	905.8	0.6	1 465	958.7	0.7	1 434	991.2	0.7	-1.2%	100.0%
Programme 1	469	–	471	239.8	0.5	483	252.9	0.5	470	268.5	0.6	457	282.5	0.6	450	297.0	0.7	-2.3%	31.8%
Programme 2	60	–	60	45.1	0.8	63	48.8	0.8	60	48.8	0.8	60	51.3	0.9	60	53.9	0.9	-1.6%	4.2%
Programme 3	221	–	221	122.7	0.6	233	176.7	0.8	224	181.7	0.8	220	191.3	0.9	218	201.2	0.9	-2.2%	15.3%
Programme 4	364	–	364	176.4	0.5	381	201.6	0.5	387	211.8	0.5	385	223.1	0.6	381	234.6	0.6	–	26.2%
Programme 5	47	–	47	21.1	0.4	48	25.8	0.5	55	31.3	0.6	55	32.9	0.6	56	34.5	0.6	5.3%	3.7%
Programme 6	305	–	305	188.0	0.6	280	153.3	0.5	269	163.7	0.6	288	177.8	0.6	269	169.9	0.6	-1.3%	18.9%

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

2. Rand million.

Departmental receipts

Table 18.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
R thousand	2016/17	2017/18	2018/19	2019/20	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Departmental receipts	59 233	76 056	6 013	5 788	5 155	-55.7%	100.0%	6 235	6 815	8 247	17.0%	100.0%
Sales of goods and services produced by department	54 298	67 149	3 572	3 024	2 397	-64.7%	87.0%	3 222	3 452	4 834	26.3%	52.6%
Sales by market establishments	172	153	142	144	120	-11.3%	0.4%	115	115	120	-	1.8%
of which:												
Parking	172	153	142	144	120	-11.3%	0.4%	115	115	120	-	1.8%
Administrative fees	53 627	66 617	3 040	2 484	1 884	-67.2%	85.5%	2 600	2 800	4 300	31.7%	43.8%
of which:												
Medical (drug control) licences	2 217	2 316	2 075	1 500	1 500	-12.2%	5.5%	1 600	1 600	3 000	26.0%	29.1%
Drug control	50 262	63 203	-	-	-	-100.0%	77.5%	-	-	-	-	-
Inspection fees	1 148	1 097	965	984	384	-30.6%	2.5%	1 000	1 200	1 300	50.2%	14.7%
Request: Promotion of Access to information Act (2000)	-	1	-	-	-	-	-	-	-	-	-	-
Other sales	499	379	390	396	393	-7.7%	1.1%	507	537	414	1.8%	7.0%
of which:												
Yellow fever: Sale of vaccines	114	2	-	-	-	-100.0%	0.1%	100	120	-	-	0.8%
Replacement of security cards	10	6	-	3	-	-100.0%	-	4	4	-	-	-
Commission on insurance	375	371	387	390	390	1.3%	1.0%	400	410	410	1.7%	6.1%
Replacement: Lost office property	-	-	3	3	3	-	-	3	3	4	10.1%	-
Sales of scrap, waste, arms and other used current goods	-	31	1	-	-	-	-	1	1	1	-	-
of which:												
Scrap paper	-	3	1	-	-	-	-	1	1	1	-	-
Scrap	-	28	-	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	3 627	4 568	1 853	2 500	2 500	-11.7%	8.6%	2 700	3 000	3 000	6.3%	42.3%
Interest	3 627	4 568	1 853	2 500	2 500	-11.7%	8.6%	2 700	3 000	3 000	6.3%	42.3%
Transactions in financial assets and liabilities	1 308	4 308	587	264	258	-41.8%	4.4%	312	362	412	16.9%	5.1%
Total	59 233	76 056	6 013	5 788	5 155	-55.7%	100.0%	6 235	6 815	8 247	17.0%	100.0%

1. Revenue decrease in 2018/19 is due to the Medicines Control Council function shift to the South African Health Products Regulatory Authority

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 18.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Ministry	29.0	26.5	29.0	33.2	4.5%	5.2%	43.7	47.3	48.6	13.5%	6.2%
Management	9.9	8.7	9.0	11.2	4.2%	1.7%	10.9	11.9	12.2	2.7%	1.7%
Corporate Services	251.5	260.1	289.8	304.4	6.6%	49.0%	306.7	334.9	344.5	4.2%	46.4%
Property Management	143.0	147.1	136.3	186.0	9.2%	27.2%	186.4	196.7	177.0	-1.6%	26.8%
Financial Management	82.0	85.3	87.1	125.4	15.2%	16.8%	124.5	136.9	139.9	3.7%	18.9%
Total	515.4	527.8	551.2	660.2	8.6%	100.0%	672.2	727.6	722.1	3.0%	100.0%
Change to 2019				(1.1)			4.0	(18.6)	4.1		
Budget estimate											

Table 18.6 Administration expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19				2019/20	2016/17 - 2019/20	2020/21		
Current payments	505.3	522.9	546.0	649.4	8.7%	98.6%	662.1	717.4	711.2	3.1%	98.5%
Compensation of employees	224.6	195.4	239.8	248.2	3.4%	40.3%	268.5	282.5	297.0	6.2%	39.4%
Goods and services ¹	280.7	327.6	306.2	401.2	12.7%	58.4%	393.7	434.9	414.2	1.1%	59.1%
of which:											
Audit costs: External	21.8	22.2	17.2	27.1	7.5%	3.9%	29.5	34.4	33.1	6.9%	4.5%
Communication	10.5	6.2	8.0	11.8	4.1%	1.6%	11.7	17.2	16.9	12.7%	2.1%
Operating leases	131.2	122.4	109.7	174.7	10.0%	23.9%	178.0	187.0	171.2	-0.7%	25.5%
Travel and subsistence	25.5	34.1	27.8	49.5	24.7%	6.1%	51.1	59.1	58.4	5.7%	7.8%
Training and development	4.6	4.8	2.9	23.9	73.4%	1.6%	19.8	23.7	24.6	1.0%	3.3%
Operating payments	24.2	30.9	31.1	37.7	15.9%	5.5%	34.3	38.7	38.6	0.8%	5.4%
Transfers and subsidies ¹	3.1	3.2	2.8	3.0	-1.8%	0.5%	3.4	3.2	3.3	3.6%	0.5%
Departmental agencies and accounts	2.8	2.3	2.5	2.7	-1.5%	0.5%	3.0	3.2	3.3	7.2%	0.4%
Foreign governments and international organisations	–	–	–	–	–	–	0.4	–	–	–	–
Households	0.3	0.9	0.3	0.3	-4.2%	0.1%	–	–	–	-100.0%	–
Payments for capital assets	6.9	1.6	2.4	7.8	4.3%	0.8%	6.7	7.0	7.6	-0.8%	1.0%
Machinery and equipment	4.7	1.6	2.4	7.8	18.4%	0.7%	6.7	7.0	7.6	-0.8%	1.0%
Software and other intangible assets	2.2	–	–	–	-100.0%	0.1%	–	–	–	–	–
Payments for financial assets	0.1	0.1	–	–	-100.0%	–	–	–	–	–	–
Total	515.4	527.8	551.2	660.2	8.6%	100.0%	672.2	727.6	722.1	3.0%	100.0%
Proportion of total programme expenditure to vote expenditure	1.3%	1.2%	1.2%	1.3%	–	–	1.2%	1.2%	1.1%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	2.8	2.3	2.5	2.7	-1.5%	0.5%	3.0	3.2	3.3	7.2%	0.4%
Health and Welfare Sector Education and Training Authority	2.8	2.3	2.5	2.7	-1.5%	0.5%	3.0	3.2	3.3	7.2%	0.4%

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

Programme 2: National Health Insurance

Programme purpose

Achieve universal health coverage by improving the quality and coverage of health services through the development and implementation of policies and health financing reforms.

Objectives

- Ensure that the National Health Insurance Fund is operational and makes purchases only from accredited health service providers by:
 - enabling Parliament's enactment of the National Health Insurance Bill by March 2021
 - facilitating the establishment of the National Health Insurance Fund by March 2022.
- Strengthen governance for the provision of care in the private sector by:
 - publishing a national licensing framework for all health establishments for implementation by March 2022
 - using a database of all private health facilities for contracting private establishments by March 2022.
- Monitor the provision of care and health care outcomes in the public and private sectors by gazetting regulations for the reporting of prescribed data to the department in terms of section 74 of the National Health Act (2003) for implementation by March 2022.
- Retain chronic patients and improve health outcomes by ensuring that 4 million patients have been registered on the centralised chronic medicine dispensing and distribution system by March 2022.
- Improve the monitoring of the availability of medicine by ensuring that the national stock management surveillance centre reports on stock availability at all 3 830 health facilities by March 2023.

Subprogrammes

- *Programme Management* provides leadership to the programme to improve access to quality health care services by developing and implementing universal health coverage policies and health financing reform.
- *Affordable Medicine* is responsible for developing systems to ensure access to essential pharmaceutical commodities. This is achieved through the selection of essential medicines, the development of standard treatment guidelines, the administration of health tenders, and the licensing of people and premises that deliver pharmaceutical services and related policies.
- *Health Financing and National Health Insurance* develops and implements policies, legislation and frameworks to achieve universal health coverage by designing and implementing national health insurance. This subprogramme commissions research on health financing, develops policy for the medical schemes industry, provides technical oversight of the Council for Medical Schemes, and manages the *national health insurance indirect grant*.

Expenditure trends and estimates

Table 18.7 National Health Insurance 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23		
Programme Management	3.6	3.3	4.2	5.1	12.3%	0.5%	6.2	6.6	6.8	9.6%	0.4%
Affordable Medicine	26.6	39.5	76.7	43.6	17.9%	5.4%	54.7	57.5	59.7	11.0%	3.9%
Health Financing and National Health Insurance	478.1	598.8	1 111.4	1 046.1	29.8%	94.1%	1 331.6	1 435.4	1 458.9	11.7%	95.6%
Total	508.3	641.5	1 192.3	1 094.9	29.1%	100.0%	1 392.4	1 499.5	1 525.3	11.7%	100.0%
Change to 2019 Budget estimate				(1 016.8)			(1 387.7)	(1 524.2)	(1 598.5)		
Economic classification											
Current payments	413.4	641.1	1 073.3	719.2	20.3%	82.8%	1 046.7	1 137.8	1 163.9	17.4%	73.8%
Compensation of employees	41.1	41.3	45.1	47.7	5.1%	5.1%	48.8	51.3	53.9	4.1%	3.7%
Goods and services ¹	372.3	599.9	1 028.1	671.5	21.7%	77.7%	998.0	1 086.6	1 110.0	18.2%	70.1%
of which:											
Minor assets	0.1	0.2	4.1	11.9	398.3%	0.5%	14.4	15.2	15.8	10.0%	1.0%
Computer services	0.0	3.8	24.9	9.0	1550.0%	1.1%	8.8	9.4	9.7	2.5%	0.7%
Consultants: Business and advisory services	3.8	31.5	78.4	269.5	313.0%	11.2%	62.9	208.4	216.4	-7.1%	13.7%
Contractors	358.0	548.7	493.8	265.4	-9.5%	48.5%	747.2	701.3	710.2	38.8%	44.0%
Agency and support/outsourced services	—	—	343.0	83.6	—	12.4%	96.2	107.6	111.5	10.1%	7.2%
Travel and subsistence	6.8	6.1	11.9	15.1	30.2%	1.2%	22.5	22.7	23.5	16.0%	1.5%
Transfers and subsidies¹	94.4	—	0.0	289.4	45.3%	11.2%	288.8	300.1	311.1	2.4%	21.6%
Provinces and municipalities	94.2	—	—	289.3	45.3%	11.2%	288.8	300.1	311.1	2.5%	21.6%
Households	0.2	—	0.0	0.1	-7.4%	—	—	—	—	-100.0%	—
Payments for capital assets	0.5	0.4	119.0	86.2	464.6%	6.0%	56.8	61.5	50.3	-16.5%	4.6%
Machinery and equipment	0.5	0.4	119.0	86.2	464.6%	6.0%	56.8	61.5	50.3	-16.5%	4.6%
Payments for financial assets	0.0	0.0	—	—	-100.0%	—	—	—	—	—	—
Total	508.3	641.5	1 192.3	1 094.9	29.1%	100.0%	1 392.4	1 499.5	1 525.3	11.7%	100.0%
Proportion of total programme expenditure to vote expenditure	1.3%	1.5%	2.6%	2.1%	—	—	2.5%	2.5%	2.4%	—	—
Details of selected transfers and subsidies											
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	94.2	—	—	1 195.0	133.2%	37.5%	288.8	300.1	311.1	-36.1%	38.0%
National health insurance grant	94.2	—	—	289.3	45.3%	11.2%	288.8	300.1	311.1	2.5%	21.6%
Human resources capacitation grant	—	—	—	905.7	—	26.4%	—	—	—	-100.0%	16.4%

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

Programme 3: Communicable and Non-communicable Diseases

Programme purpose

Develop and support the implementation of national policies, guidelines, norms and standards, and the achievement of targets for the national response needed to decrease morbidity and mortality associated with

communicable and non-communicable diseases. Develop strategies and implement programmes that reduce maternal and child mortality.

Objectives

- Increase health service coverage to 75 per cent on the universal health coverage index by developing service benefit packages for all levels of care by March 2023.
- Strengthen intersectoral collaboration and address social determinants of health by conducting national health wellness and healthy lifestyle campaigns each year over the medium term.
- Protect girls by reducing the risk of cervical cancer in later life by vaccinating 80 per cent of eligible girls in grade 5 against the human papilloma virus each year over the medium term.
- Support the effective implementation of the national strategic plan on malaria elimination over the medium term by:
 - ensuring that malaria-endemic municipalities achieve at least 95 per cent indoor residual spray coverage
 - conducting information and communication campaigns for malaria prevention
 - investigating and classifying confirmed cases within 72 hours.
- Reduce mother-to-child HIV transmission to 0.2 per cent by 2022/23 by supporting and monitoring the implementation of guidelines on the prevention of mother-to-child transmission on an ongoing basis.
- Achieve a TB treatment success rate of 95 per cent by 2024/25 by improving the screening of patients for TB and ensuring that they initiate and complete their treatment on an ongoing basis.
- Increase the number of HIV-positive people accessing antiretroviral treatment to 6.5 million by 2022/23 by implementing the universal test-and-treat policy on an ongoing basis.
- Reduce new HIV infections by implementing a combination of prevention interventions such as HIV counselling and testing, medical male circumcision and condom distribution over the medium term.
- Re-orientate the health system towards primary health care through community-based health programmes by ensuring that all community health workers receive training in line with their revised scope of work by March 2022.

Subprogrammes

- *Programme Management* is responsible for ensuring that efforts by all stakeholders are harnessed to support the overall purpose of the programme. This includes ensuring that the efforts and resources of provincial departments of health, development partners, donors, academic and research organisations, non-governmental and civil society organisations all contribute in a coherent, integrated way.
- *HIV, AIDS and STIs* is responsible for policy formulation, coordination, and the monitoring and evaluation of HIV and sexually transmitted disease services. This entails ensuring the implementation of the health sector components of the 2017-2022 national strategic plan on HIV, TB and STIs. Other important functions of this subprogramme are the management and oversight of the HIV and AIDS component of the *HIV, TB, malaria and community outreach grant* implemented by provinces, and the coordination and direction of donor funding for HIV and AIDS, in particular the United States President's Emergency Plan for AIDS Relief; the Global Fund to Fight AIDS, Tuberculosis and Malaria; and the United States Centres for Disease Control.
- *Tuberculosis Management* develops national policies and guidelines, sets norms and standards for TB services, and monitors their implementation in line with the vision of achieving zero infections, mortality, stigma and discrimination from TB and HIV and AIDS, as outlined in the 2017-2022 national strategic plan on HIV, TB and STIs.
- *Women's Maternal and Reproductive Health* develops and monitors policies and guidelines and sets norms and standards for maternal and women's health services, and monitors the implementation of these services.
- *Child, Youth and School Health* is responsible for the policy formulation, coordination, and the monitoring and evaluation of child, youth and school health services. This subprogramme is also responsible for the management and oversight of the human papillomavirus vaccination programme, and coordinates

stakeholders outside of the health sector to play key roles in promoting improved health and nutrition for children and young people.

- *Communicable Diseases* develops policies and supports provinces in ensuring the control of infectious diseases with the support of the National Institute for Communicable Diseases, a division of the National Health Laboratory Service. It improves surveillance for disease detection; strengthens preparedness and core response capacity for public health emergencies in line with international health regulations; and facilitates the implementation of influenza prevention and control programmes, tropical disease prevention and control programmes, and malaria elimination.
- *Non-communicable Diseases* establishes policy, legislation and guidelines, and assists provinces in implementing and monitoring services for chronic non-communicable diseases, disability, eye care, oral health, mental health and substance abuse.
- *Health Promotion and Nutrition* formulates and monitors policies, guidelines, and norms and standards for health promotion and nutrition. Focusing on South Africa's quadruple burden of disease (HIV and AIDS and TB, maternal and child mortality, non-communicable diseases, and violence and injury), it implements the health promotion strategy to reduce risk factors for disease, and promotes an integrated approach to working towards an optimal nutritional status for all South Africans.

Expenditure trends and estimates

Table 18.8 Communicable and Non-communicable Diseases 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Programme Management	4.4	5.3	5.1	5.4	6.4%	–	5.4	5.7	5.8	3.0%	–
HIV, AIDS and STIs	15,712.5	18,014.1	20,336.9	22,430.1	12.6%	98.2%	24,928.2	28,491.7	29,994.8	10.2%	98.9%
Tuberculosis Management	24.3	25.5	21.6	26.7	3.2%	0.1%	29.0	30.6	31.2	5.2%	0.1%
Women's Maternal and Reproductive Health	11.6	14.2	14.3	16.8	13.2%	0.1%	19.1	20.5	21.1	7.8%	0.1%
Child, Youth and School Health	212.4	220.8	248.9	183.6	-4.7%	1.1%	29.4	31.4	32.6	-43.8%	0.3%
Communicable Diseases	17.6	18.4	15.6	24.1	11.0%	0.1%	25.4	27.3	27.9	5.1%	0.1%
Non-communicable Diseases	19.4	21.2	28.5	67.6	51.5%	0.2%	112.9	133.6	122.1	21.8%	0.4%
Health Promotion and Nutrition	27.7	31.4	17.4	42.9	15.7%	0.2%	39.1	42.2	43.7	0.7%	0.2%
Total	16,029.9	18,351.0	20,688.3	22,797.1	12.5%	100.0%	25,188.4	28,782.9	30,279.3	9.9%	100.0%
Change to 2019				(210.1)			(348.7)	(203.0)	(211.6)		
Budget estimate											
Economic classification											
Current payments	570.4	584.6	387.5	407.2	-10.6%	2.5%	588.7	624.1	637.6	16.1%	2.1%
Compensation of employees	122.7	130.3	122.7	154.8	8.0%	0.7%	181.7	191.3	201.2	9.1%	0.7%
Goods and services ¹	447.7	454.3	264.8	252.4	-17.4%	1.8%	407.0	432.8	436.4	20.0%	1.4%
of which:											
Consultants: Business and advisory services	70.3	115.4	91.1	5.6	-56.9%	0.4%	104.3	91.1	114.5	172.7%	0.3%
Contractors	0.0	0.3	5.9	29.8	1852.2%	–	44.2	57.7	50.2	19.0%	0.2%
Agency and support/outsourced services	24.9	31.9	5.5	20.0	-7.0%	0.1%	33.3	46.4	34.0	19.4%	0.1%
Inventory: Medical supplies	132.2	81.4	74.0	92.1	-11.4%	0.5%	113.7	117.5	115.4	7.8%	0.4%
Travel and subsistence	23	21	21	23	0.8%	0.1%	22	24	24	0.7%	0.1%
Operating payments	32	44	30	22	-12.0%	0.2%	23	25	25	4.9%	0.1%
Transfers and subsidies¹	15,458	17,751	20,301	22,389	13.1%	97.5%	24,599	28,158	29,640	9.8%	97.9%
Provinces and municipalities	15,291	17,578	20,122	22,196	13.2%	96.6%	24,387	27,931	29,405	9.8%	97.1%
Departmental agencies and accounts	17	18	17	18	2.6%	0.1%	18	19	19	2.4%	0.1%
Foreign governments and international organisations	14	–	–	–	-100.0%	–	–	–	–	–	–
Non-profit institutions	136	155	161	175	8.7%	0.8%	193	208	216	7.3%	0.7%
Households	0	0	1	0	-38.8%	–	–	–	–	-100.0%	–
Payments for capital assets	1	15	0	0	-20.1%	–	1	1	1	39.6%	–
Machinery and equipment	1	15	0	0	-20.1%	–	1	1	1	39.6%	–
Payments for financial assets	0	0	–	–	-100.0%	–	–	–	–	–	–
Total	16,030	18,351	20,688	22,797	12.5%	100.0%	25,188	28,783	30,279	9.9%	100.0%
Proportion of total programme expenditure to vote expenditure	41.6%	43.3%	44.4%	44.5%	–	–	45.4%	47.5%	47.7%	–	–

Table 18.8 Communicable and Non-communicable Diseases expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Non-profit institutions											
Current	136.3	155.4	161.2	175.1	8.7%	0.8%	193.4	207.9	216.4	7.3%	0.7%
Non-governmental organisations: LifeLine	21.0	22.0	23.3	24.6	5.5%	0.1%	27.2	29.2	30.4	7.3%	0.1%
Non-governmental organisations: loveLife	57.8	61.2	64.8	68.4	5.8%	0.3%	75.5	81.2	84.5	7.3%	0.3%
Non-governmental organisations: Soul City	14.5	19.2	20.3	21.3	13.8%	0.1%	23.6	25.3	26.4	7.3%	0.1%
Non-governmental organisations: HIV and AIDS	41.4	41.5	49.7	57.5	11.5%	0.2%	63.5	68.3	71.1	7.3%	0.2%
South African Renal Registry	–	0.4	0.4	0.4	–	–	0.4	0.5	0.5	7.4%	–
Public universities South Africa	–	8.5	–	–	–	–	–	–	–	–	–
South African Federation for Mental Health	0.4	0.4	0.4	0.4	5.5%	–	0.5	0.5	0.5	7.3%	–
South African National Council for the Blind	0.8	0.8	0.9	0.9	5.5%	–	1.0	1.1	1.1	7.3%	–
South African Medical Research Council	0.5	0.5	0.6	0.6	5.4%	–	0.6	0.7	0.7	7.3%	–
National Council Against Smoking	–	0.8	0.9	1.0	–	–	1.1	1.2	1.2	7.3%	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	16.7	17.5	17.1	18.1	2.6%	0.1%	18.1	18.9	19.4	2.4%	0.1%
South African National AIDS Council	16.7	17.5	17.1	18.1	2.6%	0.1%	18.1	18.9	19.4	2.4%	0.1%
Foreign governments and international organisations											
Current	14.4	–	–	–	-100.0%	–	–	–	–	–	–
International AIDS Society	14.4	–	–	–	-100.0%	–	–	–	–	–	–
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	15,290.6	17,577.7	20,121.7	22,196.2	13.2%	96.6%	24,387.2	27,930.8	29,404.6	9.8%	97.1%
HIV, TB, malaria and community outreach grant: Human papillomavirus vaccine component	–	–	–	–	–	–	222.8	235.1	243.8	–	0.7%
Human papillomavirus vaccine grant	–	–	200.0	157.2	–	0.5%	–	–	–	-100.0%	0.1%
HIV, TB, malaria and community outreach grant: HIV and AIDS component	–	–	–	19,963.3	–	25.6%	21,151.2	24,241.2	25,521.1	8.5%	84.9%
HIV, TB, malaria and community outreach grant: Malaria elimination component	–	–	–	90.4	–	0.1%	117.2	111.2	117.0	9.0%	0.4%
HIV, TB, malaria and community outreach grant: Community outreach services component	–	–	–	1,500.0	–	1.9%	2,384.0	2,582.5	2,722.8	22.0%	8.6%
HIV, TB, malaria and community outreach grant: Tuberculosis component	–	–	–	485.3	–	0.6%	512.0	540.2	568.5	5.4%	2.0%
Comprehensive HIV/AIDS and TB conditional grant	15,290.6	17,577.7	19,921.7	–	-100.0%	67.8%	–	–	–	–	–
HIV, TB, malaria and community outreach grant: Mental health services component	–	–	–	–	–	–	–	110.4	115.7	–	0.2%
HIV, TB, malaria and community outreach grant: Oncology services component	–	–	–	–	–	–	–	110.4	115.7	–	0.2%

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

Programme 4: Primary Health Care

Programme purpose

Develop and oversee the implementation of legislation, policies, systems, and norms and standards for a uniform, well-functioning district health system, including for emergency, environmental and port health services.

Objectives

- Improve the quality of care at clinics by ensuring that 2 500 primary health care facilities qualify as ideal clinics by March 2023.
- Improve quality and safety of care by providing quality improvement support and training to 25 per cent of public health facilities in 2020/21 and 2021/22.
- Improve environmental health services by assessing all 52 district and metropolitan municipalities for adherence to environmental health norms and standards by March 2022.
- Mitigate the spread of communicable diseases by ensuring that 35 points of entry are compliant with international health regulations by March 2023.
- Strengthen accountability mechanisms at the national, provincial and institutional levels by:
 - reviewing the patient experience of care survey protocol and developing a mobile application to measure patient perspectives on the quality of care by March 2021
 - ensuring that all public health care facilities monitor feedback from patient experience of care surveys by March 2022.

Subprogrammes

- *Programme Management* supports and provides leadership for the development and implementation of legislation, policies, systems, and norms and standards for a uniform district health system, and emergency, environmental and port health systems.
- *District Health Services* promotes, coordinates and institutionalises the district health system, integrates programme implementation using the primary health care approach by improving the quality of care, and coordinates the traditional medicine programme.
- *Environmental and Port Health Services* coordinates the delivery of environmental health services, including the monitoring and delivery of municipal health services, and ensures compliance with international health regulations by coordinating and implementing port health services at all of South Africa's points of entry.
- *Emergency Medical Services and Trauma* is responsible for improving the governance, management and functioning of emergency medical services in South Africa by formulating policies, guidelines, and norms and standards; strengthening the capacity and skills of emergency medical services personnel; identifying needs and service gaps; and providing oversight to provinces.

Expenditure trends and estimates

Table 18.9 Primary Health Care 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Programme Management	9.3	4.0	4.7	4.4	-21.9%	2.8%	4.1	4.3	4.4	-0.6%	1.8%
District Health Services	19.6	43.2	15.0	20.0	0.8%	12.0%	30.8	32.8	34.1	19.4%	12.0%
Environmental and Port Health Services	146.7	153.9	173.1	187.5	8.5%	81.5%	194.3	207.5	217.1	5.0%	82.4%
Emergency Medical Services and Trauma	7.3	7.1	6.6	8.9	6.7%	3.7%	9.0	9.6	9.9	3.7%	3.8%
Total	182.9	208.1	199.4	220.9	6.5%	100.0%	238.3	254.2	265.4	6.3%	100.0%
Change to 2019				(0.9)			8.9	(1.5)	10.1		
Budget estimate											

Table 18.9 Primary Health Care expenditure trends and estimates by subprogramme and economic classification

R million	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17	2019/20	2020/21	2021/22	2022/23	2019/20	2022/23
Economic classification											
Current payments	181.4	201.8	198.3	219.8	6.6%	98.8%	237.1	253.0	264.1	6.3%	99.5%
Compensation of employees	150.2	160.2	176.4	193.4	8.8%	83.9%	211.8	223.1	234.6	6.7%	88.2%
Goods and services ¹	31.2	41.5	21.9	26.4	-5.4%	14.9%	25.4	29.9	29.5	3.8%	11.4%
of which:											
Communication	1.3	1.9	1.6	0.9	-12.1%	0.7%	1.3	2.0	2.1	33.2%	0.6%
Consultants: Business and advisory services	0.3	0.6	0.2	0.8	36.0%	0.2%	1.4	1.4	1.3	17.2%	0.5%
Science and technological services	–	–	–	–	–	–	1.0	1.6	1.7	–	0.4%
Fleet services (including government motor transport)	10.8	9.0	10.0	7.7	-10.5%	4.6%	6.9	8.4	7.9	0.9%	3.2%
Travel and subsistence	8.7	12.8	5.7	4.5	-19.9%	3.9%	2.7	3.2	3.1	-11.4%	1.4%
Venues and facilities	3.2	3.7	1.0	2.1	-13.2%	1.2%	1.8	2.1	2.0	-2.3%	0.8%
Transfers and subsidies¹	0.8	0.3	0.4	0.3	-27.2%	0.2%	–	–	–	-100.0%	–
Departmental agencies and accounts	–	0.0	–	–	–	–	–	–	–	–	–
Households	0.8	0.2	0.4	0.3	-27.2%	0.2%	–	–	–	-100.0%	–
Payments for capital assets	0.7	6.1	0.6	0.7	1.6%	1.0%	1.1	1.2	1.3	19.5%	0.4%
Machinery and equipment	0.7	6.1	0.6	0.7	1.6%	1.0%	1.1	1.2	1.3	19.5%	0.4%
Payments for financial assets	0.0	–	–	–	-100.0%	–	–	–	–	–	–
Total	182.9	208.1	199.4	220.9	6.5%	100.0%	238.3	254.2	265.4	6.3%	100.0%
Proportion of total programme expenditure to vote expenditure	0.5%	0.5%	0.4%	0.4%	–	–	0.4%	0.4%	0.4%	–	–

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

Programme 5: Hospital Systems

Programme purpose

Develop national policies and plans for all levels of hospital services to strengthen the referral system and facilitate the improvement of hospitals. Ensure that the planning, coordination, delivery and oversight of health infrastructure meet the country's health needs.

Objectives

- Improve the quality and safety of health care by ensuring that 30 per cent of hospitals qualify as ideal hospitals by March 2023.
- Strengthen the leadership and governance of tertiary, regional and specialised hospitals by implementing the governance and delegation frameworks over the medium term.
- Improve the financing and delivery of infrastructure projects by ensuring that 300 health facilities are completed by March 2023.

Subprogrammes

- *Programme Management* supports and provides leadership for the development of national policy on hospital services, including the management of health facility infrastructure and hospital systems.
- *Health Facilities Infrastructure Management* coordinates and funds health care infrastructure to enable provinces to plan, manage, modernise, rationalise and transform infrastructure, health technology and hospital management, and improve the quality of care. This subprogramme is responsible for the direct *health facility revitalisation grant* and the health facility revitalisation component of the *national health insurance indirect grant*.
- *Hospital Systems* focuses on the modernised and reconfigured provision of tertiary hospital services, identifies tertiary and regional hospitals that should serve as centres of excellence for disseminating quality improvements, and is responsible for the management of the *national tertiary services grant*.

Expenditure trends and estimates

Table 18.10 Hospital Systems expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2016/17	2017/18	2018/19		2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23		
R million											
Programme Management	2.6	1.0	1.0	1.6	-14.8%	—	1.3	1.4	1.3	-7.7%	—
Health Facilities Infrastructure Management	5 973.5	6 356.3	6 779.7	7 236.8	6.6%	35.4%	7 692.3	8 154.5	8 645.0	6.1%	35.6%
Hospital Systems	10 858.3	11 685.8	12 409.2	13 196.8	6.7%	64.6%	14 081.1	14 707.2	15 306.8	5.1%	64.4%
Total	16 834.4	18 043.1	19 189.9	20 435.2	6.7%	100.0%	21 774.7	22 863.1	23 953.0	5.4%	100.0%
Change to 2019 Budget estimate				54.1			(297.2)	(462.1)	(490.7)		
Economic classification											
Current payments	132.1	105.1	105.2	195.1	13.9%	0.7%	195.7	197.9	198.9	0.7%	0.9%
Compensation of employees	19.9	20.0	21.1	25.8	9.0%	0.1%	31.3	32.9	34.5	10.2%	0.1%
Goods and services ¹	112.1	85.1	84.2	169.3	14.7%	0.6%	164.4	165.1	164.5	-1.0%	0.7%
of which:											
Minor assets	4.0	0.1	0.9	85.0	178.0%	0.1%	6.0	6.3	6.6	-57.4%	0.1%
Communication	0.2	0.2	0.2	2.5	131.9%	—	2.6	2.8	2.9	4.9%	—
Consultants: Business and advisory services	0.8	80.1	78.4	18.7	188.6%	0.2%	80.6	35.7	51.8	40.4%	0.2%
Contractors	—	—	0.2	15.8	—	—	2.7	2.9	3.0	-42.7%	—
Agency and support/outsourced services	100.2	0.1	—	27.6	-34.9%	0.2%	56.5	102.7	84.7	45.3%	0.3%
Travel and subsistence	5.3	3.8	3.9	8.2	15.8%	—	6.6	4.8	5.3	-13.2%	—
Transfers and subsidies¹	16 121.1	17 360.6	18 457.9	19 192.7	6.0%	95.5%	20 436.5	21 352.3	22 327.4	5.2%	93.6%
Provinces and municipalities	16 119.5	17 360.6	18 457.9	19 192.5	6.0%	95.5%	20 436.5	21 352.3	22 327.4	5.2%	93.6%
Foreign governments and international organisations	1.7	—	—	—	-100.0%	—	—	—	—	—	—
Households	—	—	—	0.1	—	—	—	—	—	-100.0%	—
Payments for capital assets	581.2	577.3	626.8	1 047.5	21.7%	3.8%	1 142.5	1 312.9	1 426.7	10.8%	5.5%
Buildings and other fixed structures	574.0	577.1	591.0	814.1	12.4%	3.4%	892.1	1 044.6	1 176.4	13.1%	4.4%
Machinery and equipment	7.2	0.1	35.8	233.4	219.6%	0.4%	250.3	268.3	250.3	2.4%	1.1%
Payments for financial assets	—	0.0	—	—	—	—	—	—	—	—	—
Total	16 834.4	18 043.1	19 189.9	20 435.2	6.7%	100.0%	21 774.7	22 863.1	23 953.0	5.4%	100.0%
Proportion of total programme expenditure to vote expenditure	43.7%	42.5%	41.2%	39.9%	—	—	39.2%	37.7%	37.7%	—	—
Details of selected transfers and subsidies											
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	10 846.8	11 676.1	12 400.7	13 185.5	6.7%	64.6%	14 068.9	14 694.2	15 293.5	5.1%	64.3%
National tertiary services grant	10 846.8	11 676.1	12 400.7	13 185.5	6.7%	64.6%	14 068.9	14 694.2	15 293.5	5.1%	64.3%
Capital	5 272.7	5 684.5	6 057.2	6 007.0	4.4%	30.9%	6 367.7	6 658.0	7 033.9	5.4%	29.3%
Health facility revitalisation grant (direct)	5 272.7	5 684.5	6 057.2	6 007.0	4.4%	30.9%	6 367.7	6 658.0	7 033.9	5.4%	29.3%

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

Programme 6: Health System Governance and Human Resources

Programme purpose

Develop policies and systems for the planning, managing and training of health sector human resources, and for planning, monitoring, evaluation and research in the sector. Provide oversight to all public entities in the sector and statutory health professional councils in South Africa. Provide forensic laboratory services.

Objectives

- Enhance governance in the health sector by improving planning, monitoring and evaluation, and establishing an effective and integrated information system that operates across the public and private sectors over the medium term.

- Ensure South Africa has an adequate number of trained human resources who are well distributed across the country and levels of care by monitoring the implementation of the human resources for health plan over the medium term.
- Strengthen accountability mechanisms by implementing performance information dashboards at the national, provincial and district levels by March 2023.
- Standardise coding systems for health diagnostics and procedures by adopting a policy on the use of clinical codes in public health facilities and implementing it in central, tertiary and regional hospitals by March 2023.
- Improve the audit outcomes of provincial departments of health by developing a national policy on human resource and finance delegations for district managers and hospital chief executive officers by March 2021.
- Improve the functioning of the criminal justice system by eliminating backlogs for blood alcohol tests in forensic chemistry laboratories by March 2021, and reducing turnaround times on an ongoing basis.

Subprogrammes

- *Programme Management* supports and provides leadership for health workforce programmes, key governance functions such as planning and monitoring, public entity oversight, and forensic chemistry laboratories.
- *Policy and Planning* provides advisory and strategic technical assistance on policy and planning, coordinates the planning system of the health sector, and supports policy analysis and implementation.
- *Public Entities Management and Laboratories* supports the executive authority's oversight function and provides guidance to health entities and statutory councils that fall within the mandate of health legislation with regards to planning and budget procedures, performance and financial reporting, remuneration, governance and accountability. It is also responsible for ante- and post-mortem analyses of blood alcohol levels for drunk driving, toxicology analyses of biological fluids and human organs in the event of unnatural deaths such as murder and suicide, and foodstuff analyses.
- *Nursing Services* develops and monitors the implementation of a policy framework for the development of required nursing skills and capacity to deliver effective nursing services.
- *Health Information, Monitoring and Evaluation* develops and maintains a national health information system, commissions and coordinates research, implements disease notification surveillance programmes, and monitors and evaluates strategic health programmes.
- *Human Resources for Health* is responsible for medium-term to long-term human resources for health policy, planning and management. This entails developing and monitoring the implementation of the national human resources for health strategy, facilitating capacity development for the planning of a sustainable health workforce, and developing and implementing human resources information systems for effective planning and monitoring.

Expenditure trends and estimates

Table 18.11 Health System Governance and Human Resources 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme Management	4.3	6.3	5.7	6.8	16.5%	0.1%	5.1	5.4	5.5	-6.7%	0.1%
Policy and Planning	10.8	82.8	6.0	7.1	-13.0%	0.5%	7.6	8.1	8.3	5.2%	0.1%
Public Entities Management and Laboratories	1 806.0	1 810.6	1 897.7	2 037.3	4.1%	38.1%	1 977.6	2 052.9	2 123.4	1.4%	32.1%
Nursing Services	7.3	8.0	8.4	9.4	9.0%	0.2%	9.5	10.0	10.4	3.2%	0.2%
Health Information, Monitoring and Evaluation	81.6	56.0	54.3	53.9	-12.9%	1.2%	69.9	73.9	76.0	12.1%	1.1%
Human Resources for Health	2 515.3	2 689.5	2 801.2	3 872.3	15.5%	59.9%	4 180.3	4 360.8	4 522.2	5.3%	66.4%
Total	4 425.3	4 653.2	4 773.5	5 986.9	10.6%	100.0%	6 250.0	6 511.1	6 745.8	4.1%	100.0%
Change to 2019 Budget estimate				909.3			850.5	907.8	869.1		

Table 18.11 Health System Governance and Human Resources expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	432.2	426.2	271.7	312.2	-10.3%	7.3%	278.4	297.5	305.7	-0.7%	4.7%
Compensation of employees	278.7	309.0	188.0	189.5	-12.1%	4.9%	163.7	177.8	169.9	-3.6%	2.7%
Goods and services ¹	153.5	117.2	83.6	122.7	-7.2%	2.4%	114.7	119.7	135.8	3.4%	1.9%
of which:											
Consultants: Business and advisory services	61.7	40.0	34.9	39.8	-13.6%	0.9%	41.3	43.9	45.2	4.3%	0.7%
Contractors	5.0	7.7	6.4	11.9	34.0%	0.2%	8.3	9.4	12.8	2.2%	0.2%
Fleet services (including government motor transport)	10.4	6.3	3.9	5.6	-18.6%	0.1%	5.5	5.5	6.2	3.6%	0.1%
Inventory: Other supplies	9.2	9.4	10.8	9.1	-0.2%	0.2%	10.0	10.6	12.6	11.3%	0.2%
Travel and subsistence	23.4	13.1	9.9	9.3	-26.5%	0.3%	7.9	8.5	10.0	2.4%	0.1%
Operating payments	8.3	5.1	3.9	7.2	-4.9%	0.1%	5.2	5.6	6.4	-3.7%	0.1%
Transfers and subsidies ¹	3 982.1	4 139.6	4 485.1	5 648.3	12.4%	92.0%	5 944.4	6 191.4	6 414.9	4.3%	94.9%
Provinces and municipalities	2 476.7	2 631.8	2 784.5	3 846.1	15.8%	59.2%	4 154.6	4 333.5	4 493.9	5.3%	66.0%
Departmental agencies and accounts	1 477.8	1 498.6	1 700.0	1 801.9	6.8%	32.7%	1 789.8	1 857.9	1 921.1	2.2%	28.9%
Non-profit institutions	25.4	—	—	—	-100.0%	0.1%	—	—	—	—	—
Households	2.1	9.2	0.6	0.2	-54.0%	0.1%	—	—	—	-100.0%	—
Payments for capital assets	10.6	87.3	16.7	26.4	35.4%	0.7%	27.2	22.3	25.2	-1.5%	0.4%
Machinery and equipment	10.6	87.3	16.7	25.9	34.5%	0.7%	27.2	22.3	25.2	-0.9%	0.4%
Software and other intangible assets	—	—	—	0.5	—	—	—	—	—	-100.0%	—
Payments for financial assets	0.4	0.1	—	—	-100.0%	—	—	—	—	—	—
Total	4 425.3	4 653.2	4 773.5	5 986.9	10.6%	100.0%	6 250.0	6 511.1	6 745.8	4.1%	100.0%
Proportion of total programme expenditure to vote expenditure	11.5%	11.0%	10.2%	11.7%	—	—	11.3%	10.7%	10.6%	—	—
Details of selected transfers and subsidies											
Non-profit institutions											
Current	24.7	—	—	—	-100.0%	0.1%	—	—	—	—	—
Health information systems programme	12.7	—	—	—	-100.0%	0.1%	—	—	—	—	—
Health Systems Trust	12.0	—	—	—	-100.0%	0.1%	—	—	—	—	—
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 474.3	1 494.9	1 696.1	1 797.9	6.8%	32.6%	1 785.8	1 853.7	1 916.7	2.2%	28.8%
South African Medical Research Council	660.3	617.2	624.8	686.7	1.3%	13.1%	715.1	751.1	778.9	4.3%	11.5%
National Health Laboratory Service	711.9	746.5	810.8	785.5	3.3%	15.4%	761.1	798.3	824.1	1.6%	12.4%
Office of Health Standards Compliance	100.5	125.7	129.7	136.5	10.7%	2.5%	144.0	151.9	157.5	4.9%	2.3%
Council for Medical Schemes	1.6	5.5	5.7	6.0	54.9%	0.1%	6.5	6.2	6.3	1.6%	0.1%
South African Health Products Regulatory Authority	—	—	125.2	183.3	—	1.6%	159.2	146.3	150.0	-6.5%	2.5%
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	2 476.7	2 631.8	2 784.5	2 940.4	5.9%	54.6%	4 154.6	4 333.5	4 493.9	15.2%	62.5%
Health professions training and development grant	2 476.7	2 631.8	2 784.5	2 940.4	5.9%	54.6%	—	—	—	-100.0%	11.5%
Statutory human resources, training and development grant	—	—	—	—	—	—	4 154.6	4 333.5	4 493.9	—	50.9%
Departmental agencies and accounts											
Social security funds											
Current	3.5	3.7	3.8	4.1	4.6%	0.1%	4.1	4.2	4.3	2.4%	0.1%
Compensation Commissioner	3.5	3.7	3.8	4.1	4.6%	0.1%	4.1	4.2	4.3	2.4%	0.1%

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

Entities

National Health Laboratory Service

Selected performance indicators

Table 18.12 National Health Laboratory Service performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage of CD4 tests performed within the specified turnaround time per year	Laboratory tests	Priority 2: Education, skills and health	94% (3.2 million/ 3.4 million) within 48 hours	91% (2.7 million/ 3 million) within 40 hours	91% (2.5 million/ 2.8 million) within 40 hours	90% within 48 hours	80% within 48 hours	85% within 48 hours	90% within 48 hours
Percentage of viral load tests performed within 96 hours per year	Laboratory tests		87% (3.9 million/ 4.5 million)	82% (4.1 million/ 4.9 million)	86% (4.4 million/ 5.1 million)	80%	80%	85%	90%
Percentage of TB microscopy/GeneXpert tests performed within the specified timeframe per year	Laboratory tests		97% (2.3 million/ 2.4 million) within 48 hours	91% (1.9 million/ 2.1 million) within 40 hours	94% (2 million/ 2.1 million) within 40 hours	90% within 40 hours	80% within 40 hours	85% within 40 hours	90% within 40 hours
Percentage of HIV polymerase chain reaction tests performed within 96 hours per year	Laboratory tests		82% (465 627/ 568 571)	77% (442 765/ 576 145)	76% (447 438/ 591 523)	85%	70%	75%	80%
Percentage of cervical smear tests performed within 5 weeks per year	Laboratory tests		97% (883 168/ 911 720)	90% (768 317/ 849 968)	84% (1.6 million/ 1.9 million)	90%	80%	85%	90%
Number of National Central laboratories that are accredited by the South African National Accreditation System per year	Research		– ¹	49	50	53	53	53	53
Percentage of laboratories achieving proficiency testing schemes performance standards of 80% per year	Research		87% (214/246)	92% (233/254)	96% (240/251)	90%	95%	98%	98%
Number of peer-reviewed articles published annually	Research		570	588	593	600	650	700	750
Percentage of occupational and environmental health laboratory tests conducted within predefined turnaround time per year	Occupational health		93% (4 366/ 4 712)	86% (7 052/ 8 200)	75% (13 195/ 17 617)	90%	90%	90%	90%
Percentage of outbreaks responded to within 24 hours after notification per year	Surveillance of communicable diseases		100% (1 212/ 1 212)	100% (1 341/ 1 341)	100% (1 116/ 1 116)	100%	100%	100%	100%

1. No historical data available.

Entity overview

The National Health Laboratory Service was established in terms of the National Health Laboratory Service Act (2002) to provide cost-effective, high-quality diagnostic laboratory services primarily to public health facilities. The service also trains pathologists and other health professionals, monitors communicable and non-communicable diseases, and conducts research. It houses the National Institute for Communicable Diseases and the National Institute for Occupational Health.

Over the medium term, the service will continue to focus on improving laboratory testing, particularly for HIV, TB and cervical cancer. Rapidly increasing access to HIV and TB care, and a predicted increase in the prevalence of cancer by at least 30 per cent by 2030, is expected to place increased demand on the service. To accommodate this demand, the service will seek to further automate, modernise and consolidate its laboratory platforms and services to ensure affordability and sufficient capacity. Performing laboratory tests, mainly for public health facilities, accounts for an estimated 81.2 per cent (R24.9 billion) of the service's projected expenditure over the medium term and is the source of 90.5 per cent (R28 billion) of its total revenue.

To train pathologists, medical scientists and medical technologists, and increase research output, an allocation of R1 billion is made available over the MTEF period. This is expected to ensure that 57 registrars are admitted to be trained as pathologists, and that 36 intern medical scientists and 248 intern medical technologists are also trained. This allocation is also expected to ensure that the service publishes 2 050 peer-reviewed articles over the medium term, and that 95 per cent of national central laboratories are accredited by the South African National Accreditation System.

The service will aim to strengthen its disease surveillance through the National Institute for Communicable Diseases, and its research and training outputs to support occupational and environmental health through the National Institute for Occupational Health. Both institutes are largely funded through transfers from the department, which are projected to decrease at an average annual rate of 6 per cent, from R785.5 million in 2019/20 to R824.1 million in 2022/23. These transfers will be used mainly for operations to enable the institutes to respond to all outbreaks within 24 hours of notification, and conduct 90 per cent of occupational and environmental health laboratory tests within specified turnaround times.

Programmes/Objectives/Activities

Table 18.13 National Health Laboratory Service expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2016/17	2017/18	2018/19		2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23		
Administration	667.5	691.3	717.8	984.7	13.8%	9.1%	945.1	1 006.7	1 065.6	2.7%	10.0%
Surveillance of communicable diseases	342.2	326.2	403.8	370.0	2.6%	4.3%	394.8	420.7	453.8	7.0%	4.1%
Occupational health	93.1	114.0	126.0	131.3	12.1%	1.4%	140.3	149.8	161.9	7.2%	1.5%
Laboratory tests	8 106.1	5 472.6	6 567.5	7 311.7	-3.4%	81.1%	7 863.3	8 288.1	8 752.1	6.2%	80.6%
Research	219.2	438.4	196.8	486.1	30.4%	4.1%	315.0	343.2	365.1	-9.1%	3.8%
Total	9 428.1	7 042.6	8 011.8	9 283.8	-0.5%	100.0%	9 658.5	10 208.4	10 798.5	5.2%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 18.14 National Health Laboratory Service statements of historical financial performance, cash flow and financial position

Statement of financial performance											Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate			
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20		
Revenue											
Non-tax revenue	6 599.1	6 802.6	7 142.5	7 692.7	7 909.0	8 218.5	8 594.9	8 594.9	103.5%		
Sale of goods and services other than capital assets	6 463.6	6 379.6	6 751.1	7 169.4	7 613.6	7 712.2	8 032.2	8 032.2	101.5%		
of which:											
Sales by market establishment	6 463.6	6 379.6	6 751.1	7 169.4	7 613.6	7 712.2	8 032.2	8 032.2	101.5%		
Other non-tax revenue	135.4	423.0	391.4	523.3	295.4	506.2	562.7	562.7	145.5%		
Transfers received	711.9	715.3	746.5	746.5	810.8	789.8	785.5	785.5	99.4%		
Total revenue	7 310.9	7 517.9	7 889.0	8 439.2	8 719.8	9 008.3	9 380.4	9 380.4	103.1%		
Expenses											
Current expenses	6 941.4	9 428.1	7 616.5	7 042.6	8 483.7	8 011.8	9 283.8	9 283.8	104.5%		
Compensation of employees	3 064.7	3 228.5	3 454.9	3 326.2	3 856.9	3 660.5	4 193.8	4 193.8	98.9%		
Goods and services	3 746.2	6 060.0	4 026.9	3 507.6	4 479.1	4 091.0	4 939.1	4 939.1	108.2%		
Depreciation	130.3	127.6	134.4	192.8	135.8	249.5	139.4	139.4	131.4%		
Interest, dividends and rent on land	0.2	12.0	0.2	16.0	12.0	10.8	11.5	11.5	210.1%		
Total expenses	6 941.4	9 428.1	7 616.5	7 042.6	8 483.7	8 011.8	9 283.8	9 283.8	104.5%		
Surplus/(Deficit)	369.5	(1 910.2)	272.5	1 396.6	236.0	996.4	96.6	96.6			
Cash flow statement											
Cash flow from operating activities	168.1	(102.3)	406.6	930.9	488.1	1 240.3	743.1	743.1	155.7%		
Receipts											
Non-tax receipts	5 942.8	6 044.4	6 483.5	7 289.2	6 899.2	8 416.3	7 197.7	7 197.7	109.1%		
Sales of goods and services other than capital assets	5 738.9	5 890.5	6 418.5	7 186.2	6 852.2	8 229.7	7 089.6	7 089.6	108.8%		
Sales by market establishment	5 738.9	5 890.5	6 418.5	7 186.2	6 852.2	8 229.7	7 089.6	7 089.6	108.8%		
Other tax receipts	203.9	153.9	65.0	102.9	47.0	186.6	108.1	108.1	130.1%		
Transfers received	711.9	715.3	746.5	746.5	810.8	694.3	785.5	785.5	96.3%		
Total receipts	6 654.6	6 759.7	7 230.0	8 035.6	7 710.0	9 110.5	7 983.2	7 983.2	107.8%		
Payment											
Current payments	6 486.5	6 862.0	6 823.4	7 104.1	7 221.9	7 869.3	7 240.1	7 240.1	104.7%		
Compensation of employees	3 064.7	3 149.1	3 291.5	3 358.5	3 456.1	3 623.6	3 499.8	3 499.8	102.4%		
Goods and services	3 420.0	3 712.8	3 530.0	3 745.5	3 763.9	4 245.3	3 738.1	3 738.1	106.8%		
Interest and rent on land	1.8	0.0	1.9	0.1	2.0	0.4	2.3	2.3	35.3%		
Total payments	6 486.5	6 862.0	6 823.4	7 104.8	7 221.9	7 870.2	7 240.1	7 240.1	104.7%		

Table 18.14 National Health Laboratory Service statements of historical financial performance, cash flow and financial position

	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Net cash flow from investing activities	(200.0)	(187.6)	(235.0)	(128.5)	(320.0)	(102.5)	(225.0)	(225.0)	65.7%
Acquisition of property, plant, equipment and intangible assets	(200.0)	(183.8)	(235.0)	(128.1)	(300.0)	(102.5)	(210.0)	(210.0)	66.1%
Acquisition of software and other intangible assets	–	(3.7)	–	(0.4)	(20.0)	(0.0)	(15.0)	(15.0)	54.8%
Proceeds from the sale of property, plant, equipment and intangible assets	–	–	–	–	–	0.0	–	–	–
Net cash flow from financing activities	–	(57.1)	–	(75.3)	(71.7)	(48.9)	(59.5)	(59.5)	183.4%
Repayment of finance leases	–	(57.1)	–	(75.3)	(71.7)	(48.9)	(59.5)	(59.5)	183.4%
Net increase/(decrease) in cash and cash equivalents	(31.9)	(347.0)	171.6	727.2	96.3	1 088.9	458.6	458.6	
Statement of financial position									
Carrying value of assets	784.8	1 240.4	1 114.3	1 257.2	1 569.7	1 126.3	1 500.7	1 500.7	103.1%
Acquisition of assets	(200.0)	(183.8)	(235.0)	(128.1)	(300.0)	(102.5)	(210.0)	(210.0)	66.1%
Inventory	110.3	116.8	118.0	124.4	119.2	160.0	120.4	120.4	111.5%
Receivables and prepayments	3 090.9	1 736.9	1 813.2	2 546.7	1 599.5	2 435.1	1 650.0	1 195.8	97.1%
Cash and cash equivalents	707.1	392.0	563.6	1 119.1	1 215.5	2 208.1	1 674.0	3 297.0	168.7%
Taxation	–	–	–	0.0	–	0.0	–	–	–
Total assets	4 693.1	3 486.1	3 609.1	5 047.5	4 503.8	5 929.5	4 945.1	6 113.9	115.9%
Accumulated surplus/(deficit)	2 292.0	(0.4)	262.1	1 673.0	1 500.6	2 669.4	1 597.2	2 766.0	125.8%
Capital and reserves	0.3	597.6	0.3	688.4	0.3	688.4	0.3	0.3	148 702.5%
Finance lease	–	81.6	86.0	70.3	75.4	55.1	91.8	91.8	118.0%
Deferred income	58.2	12.3	12.9	20.3	13.6	28.7	14.4	14.4	76.3%
Trade and other payables	932.4	961.9	1 204.6	718.3	856.7	551.3	915.3	915.3	80.5%
Benefits payable	24.8	23.6	26.4	26.5	29.5	30.9	33.1	33.1	100.1%
Taxation	–	10.7	–	–	–	1.9	–	–	–
Provisions	1 385.4	1 713.1	1 970.1	1 827.4	1 980.0	1 899.5	2 244.4	2 244.4	101.4%
Derivatives financial instruments	–	85.8	46.7	23.3	47.6	4.2	48.5	48.5	113.4%
Total equity and liabilities	4 693.1	3 486.1	3 609.1	5 047.5	4 503.8	5 929.5	4 945.1	6 113.9	115.9%

Statements of estimates of financial performance, cash flow and financial position**Table 18.15 National Health Laboratory Service statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	Revised estimate	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Revenue	8 594.9	8.1%	91.1%	9 113.7	9 715.1	10 360.9	6.4%	92.2%
Non-tax revenue	8 032.2	8.0%	85.3%	8 623.9	9 196.4	9 811.5	6.9%	87.0%
Sale of goods and services other than capital assets	8 032.2	8.0%	85.3%	8 623.9	9 196.4	9 811.5	6.9%	87.0%
Sales by market establishment	562.7	10.0%	5.9%	489.8	518.7	549.3	-0.8%	5.2%
Other non-tax revenue	785.5	3.2%	8.9%	761.1	798.3	824.1	1.6%	7.8%
Transfers received	9 380.4	7.7%	100.0%	9 874.7	10 513.3	11 185.0	6.0%	100.0%
Total revenue	9 283.8	-0.5%	100.0%	9 658.5	10 208.4	10 798.5	5.2%	100.0%
Current expenses	4 193.8	9.1%	43.1%	4 747.6	5 103.7	5 486.5	9.4%	48.8%
Compensation of employees	4 939.1	-6.6%	54.6%	4 620.5	4 786.5	4 977.2	0.3%	48.5%
Goods and services	139.4	3.0%	2.2%	279.4	306.7	322.6	32.3%	2.6%
Depreciation	11.5	-1.3%	0.2%	11.0	11.6	12.2	2.1%	0.1%
Interest, dividends and rent on land	9 283.8	-0.5%	100.0%	9 658.5	10 208.4	10 798.5	5.2%	100.0%
Total expenses	96.6			216.2	304.9	386.5		
Surplus/(Deficit)								
Cash flow statement								
Cash flow from operating activities	743.1	-293.6%	268.5%	1 546.3	1 525.2	1 480.2	35.6%	270.7%
Receipts	7 197.7	6.0%	90.7%	9 061.3	9 602.3	10 175.6	12.2%	91.8%
Non-tax receipts	7 089.6	6.4%	88.9%	8 790.9	9 318.4	9 877.5	11.7%	89.4%
Sales of goods and services other than capital assets	7 089.6	6.4%	88.9%	8 790.9	9 318.4	9 877.5	11.7%	89.4%
Sales by market establishment	108.1	-11.1%	1.7%	270.4	283.9	298.1	40.2%	2.4%
Other tax receipts	785.5	3.2%	9.3%	761.1	798.3	824.1	1.6%	8.2%
Transfers received	7 983.2	5.7%	100.0%	9 822.4	10 400.6	10 999.8	11.3%	100.0%
Total receipts	7 240.1	1.8%	87.5%	8 276.1	8 875.3	9 519.6	9.6%	100.0%
Current payments	3 499.8	3.6%	41.0%	4 272.9	4 593.3	4 937.8	12.2%	50.9%
Compensation of employees	3 738.1	0.2%	46.5%	4 000.8	4 279.4	4 579.0	7.0%	49.1%
Goods and services	2.3	322.4%	0.0%	2.4	2.6	2.8	7.0%	0.0%
Interest and rent on land	7 240.1	1.8%	100.0%	8 276.1	8 875.3	9 519.6	9.6%	100.0%
Total payment	(225.0)	6.3%	100.0%	(427.0)	(490.0)	(510.0)	31.4%	100.0%
Net cash flow from investing activities	(210.0)	4.5%	97.8%	(415.0)	(480.0)	(505.0)	34.0%	96.9%
Acquisition of property, plant, equipment and intangible assets	(15.0)	58.9%	2.3%	(12.0)	(10.0)	(5.0)	-30.7%	3.1%
Acquisition of software and other intangible assets								

Table 18.15 National Health Laboratory Service statements of estimates of financial performance, cash flow and financial position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate							
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Net cash flow from financing activities	(59.5)	1.4%	100.0%	(52.6)	(50.8)	(35.0)	-16.2%	100.0%
Repayment of finance leases	(59.5)	1.4%	100.0%	(52.6)	(50.8)	(35.0)	-16.2%	100.0%
Net increase/(decrease) in cash and cash equivalents	458.6	-209.7%	100.0%	1 066.7	984.4	935.2	26.8%	100.0%
Statement of financial position								
Carrying value of assets	1 500.7	6.6%	26.0%	1 551.2	1 730.3	1 851.4	7.3%	23.6%
Acquisition of assets	(210.0)	4.5%	-3.2%	(415.0)	(480.0)	(505.0)	34.0%	-5.6%
Inventory	120.4	1.0%	2.6%	121.6	122.8	131.4	3.0%	1.8%
Receivables and prepayments	1 195.8	-11.7%	40.2%	1 300.1	1 874.2	1 861.9	15.9%	22.0%
Cash and cash equivalents	3 297.0	103.4%	31.1%	3 755.6	3 704.8	3 964.1	6.3%	52.6%
Total assets	6 113.9	20.6%	100.0%	6 728.5	7 432.1	7 808.9	8.5%	100.0%
Accumulated surplus/(deficit)	2 766.0	-2 064.2%	30.8%	2 967.3	3 175.5	3 390.2	7.0%	43.9%
Capital and reserves	0.3	-91.8%	10.6%	0.3	0.3	0.3	-	0.0%
Finance lease	91.8	4.0%	1.5%	101.2	111.5	119.3	9.1%	1.5%
Deferred income	14.4	5.5%	0.4%	15.2	16.0	17.1	6.0%	0.2%
Trade and other payables	915.3	-1.6%	16.5%	976.9	1 068.6	1 143.4	7.7%	14.6%
Benefits payable	33.1	12.0%	0.6%	37.1	41.5	44.4	10.3%	0.6%
Provisions	2 244.4	9.4%	38.5%	2 581.1	2 968.2	3 040.1	10.6%	38.5%
Derivatives financial instruments	48.5	-17.3%	0.9%	49.5	50.5	54.0	3.6%	0.7%
Total equity and liabilities	6 113.9	20.6%	100.0%	6 728.5	7 432.1	7 808.9	8.5%	100.0%

Personnel information

Table 18.16 National Health Laboratory Service personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number		
			Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/ Total (%)	
									2018/19			2019/20			2020/21					2021/22
National Health Laboratory Service			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	8 113	8 113	7 813	3 660.5	0.5	7 813	4 193.8	0.5	7 963	4 747.6	0.6	7 963	5 103.7	0.6	7 963	5 486.5	0.7		9.4%	100.0%
1 – 6	4 179	4 179	4 159	1 078.4	0.3	4 159	1 182.2	0.3	4 259	1 392.1	0.3	4 259	1 481.8	0.3	4 259	1 585.8	0.4	10.3%	53.4%	
7 – 10	3 484	3 484	3 204	1 929.2	0.6	3 204	2 272.7	0.7	3 254	2 550.0	0.8	3 254	2 734.1	0.8	3 254	2 935.9	0.9	8.9%	40.9%	
11 – 12	188	188	188	203.0	1.1	188	234.6	1.2	188	271.7	1.4	188	311.2	1.7	188	342.1	1.8	13.4%	2.4%	
13 – 16	253	253	253	427.1	1.7	253	479.2	1.9	253	506.7	2.0	253	547.2	2.2	253	591.0	2.3	7.2%	3.2%	
17 – 22	9	9	9	22.8	2.5	9	25.2	2.8	9	27.2	3.0	9	29.3	3.3	9	31.7	3.5	8.0%	0.1%	

1. Rand million.

South African Medical Research Council

Selected performance indicators

Table 18.17 South African Medical Research Council performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Number of published journal articles, book chapters and books by authors affiliated to or funded by the council per year	Core research	Priority 2: Education, skills and health	660	865	936	800	800	750	700
Number of published journal articles by council grant holders with acknowledgement of the council per year	Core research		135	197	196	214	200	200	180
Number of published journal articles where the first and/or last author is affiliated to the council per year	Core research		415	490	538	550	500	450	420

Table 18.17 South African Medical Research Council performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of research grants awarded by the council per year	Core research	Priority 2: Education, skills and health	147	168	176	186	130	140	150
Number of scholarships, fellowships and grants awarded by the council for postgraduate study at masters, doctoral and postdoctoral levels per year	Capacity development		156	155	141	106	110	130	140
Number of new innovation and technology projects funded by the council aimed at developing, testing and/or implementing new or improved health solutions	Innovation and technology		— ¹	— ¹	— ¹	— ¹	4	4	4
Number of ongoing innovation and technology projects funded by the council aimed at developing, testing and/or implementing new or improved health solutions	Innovation and technology		— ¹	— ¹	— ¹	— ¹	30	30	30

1. No historical data available.

Entity overview

The South African Medical Research Council conducts and funds health research and medical innovation. In terms of the amended South African Medical Research Council Act (1991), the council is mandated to contribute to improved health and quality of life for South Africans through research, development and technology transfer that provides policy-makers with the tools to make informed decisions on health care. Over the medium term, the council will focus on funding and conducting core research; developing innovations and technology; and building South Africa's medium-term and long-term capacity in health research, particularly in relation to risk factors associated with TB, HIV and AIDS, cardiovascular diseases, non-communicable diseases, gender, and alcohol and other drug abuse.

Over the MTEF period, the council will continue to collaborate with the United States National Institutes of Health. Each organisation is expected to contribute R135 million over the medium term towards the collaborative biomedical research programme. Over the same period, the council is also expected to contribute R21 million and the National Institutes of Health R67 million to fund a new project involving multiple clinical and laboratory sites to conduct biomedical and clinical research on TB. Additional research on the burden of mental health, suicide and depression in tertiary institutions is expected to support the priorities of the Department of Higher Education and Training, at an estimated cost of R5 million in 2020/21. Expenditure on core research accounts for an estimated 53.9 per cent (R2.1 billion) of the council's total projected spending over the medium term, increasing at an average annual rate of 5.3 per cent. This spending is expected to enable authors affiliated to or funded by the council to publish 2 250 journal articles, books and book chapters over the MTEF period, and enable the council to award 420 research grants.

The council has also entered into partnerships with the Bill & Melinda Gates Foundation, the Newton Fund, and the United Kingdom Medical Research Council to fund innovation and technology activities. These partnerships address priority research areas in TB, HIV, non-communicable diseases and mental health. For each partnership, the council will invest a targeted R26 million per year over the medium term and each partner will invest a targeted R36 million per year. Another key collaboration is with BGI Genomics China for the first genomics sequencing facility in Africa, which is expected to result in expenditure of R15 million over the period ahead. Total spending in the council's *innovation and technology* programme is expected to increase from R201.9 million in 2019/20 to R312.5 million in 2022/23 at an average annual rate of 15.7 per cent.

The council will continue to support the next generation of scientists by awarding scholarships and creating partnerships to leverage and contribute to the sustainability of health research. Through a partnership with the department and the Public Health Enhancement Fund to support young scientists from all health professions to

acquire PhD degrees, the council aims to increase the number of bursaries, scholarships and fellowships awarded from 106 in 2019/20 to 140 in 2022/23, and the number of masters and doctoral students graduating from 65 to 81 over the same period. Although spending in the *capacity development* programme is expected to decrease at an average annual rate of 0.8 per cent, from R98.2 million in 2019/20 to R95.9 million in 2022/23, this is not expected to affect performance as all of the council's programmes contribute to the capacity development function.

The council is set to derive 57.7 per cent (R2.2 billion) of its revenue over the MTEF period through transfers from the department, and the remainder through contracts with international donors and other research funders, and interest and dividends. Total revenue is expected to increase at an average annual rate of 8 per cent, from R1.1 billion in 2019/20 to R1.4 billion in 2022/23.

Programmes/Objectives/Activities

Table 18.18 South African Medical Research Council 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	189.4	211.1	195.5	194.0	0.8%	17.5%	208.5	222.0	243.2	7.8%	17.1%
Core research	542.7	639.2	687.1	638.6	5.6%	55.3%	686.6	689.5	746.1	5.3%	54.6%
Innovation and technology	236.6	255.7	248.3	201.9	-5.1%	20.9%	274.7	286.4	312.5	15.7%	21.1%
Capacity development	60.6	67.7	61.8	98.2	17.5%	6.4%	81.7	88.5	95.9	-0.8%	7.2%
Total	1 029.2	1 173.6	1 192.7	1 132.8	3.2%	100.0%	1 251.5	1 286.4	1 397.7	7.3%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 18.19 South African Medical Research Council statements of historical financial performance, cash flow and financial position

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	Budget	2016/17	Budget	2017/18	Budget	2018/19			
2019/20	2016/17	2017/18	2018/19	2019/20	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20
Revenue									
Non-tax revenue	356.2	403.9	372.8	512.2	418.4	564.7	424.3	423.7	121.2%
Sale of goods and services other than capital assets	323.0	366.4	342.4	467.1	387.4	517.3	395.8	395.8	120.6%
of which:									
Sales by market establishment	323.0	366.4	342.4	467.1	387.4	517.3	395.8	395.8	120.6%
Other non-tax revenue	33.2	37.5	30.3	45.1	31.0	47.4	28.4	27.9	128.4%
Transfers received	657.6	657.6	615.0	615.0	624.8	624.8	686.7	687.2	100.0%
Total revenue	1 013.7	1 061.5	987.7	1 127.2	1 043.2	1 189.5	1 110.9	1 110.9	108.0%
Expenses									
Current expenses	955.0	948.5	976.2	1 098.1	1 070.6	1 111.2	1 042.3	1 042.3	103.9%
Compensation of employees	334.6	303.9	337.5	359.1	362.0	372.7	381.5	396.0	101.1%
Goods and services	599.8	625.3	617.6	716.9	687.1	723.6	638.1	623.6	105.8%
Depreciation	20.5	19.0	21.0	21.3	21.5	14.6	22.7	22.7	90.6%
Interest, dividends and rent on land	—	0.2	—	0.8	—	0.3	—	—	—
Total expenses	1 035.7	1 029.2	1 051.6	1 173.6	1 147.3	1 192.7	1 132.8	1 132.8	103.7%
Surplus/(Deficit)	(22.0)	32.3	(63.9)	(46.5)	(104.1)	(3.2)	(21.8)	(21.8)	
Cash flow statement									
Cash flow from operating activities	(45.5)	117.6	(172.9)	(11.9)	(81.6)	17.6	7.8	7.8	-44.9%
Receipts									
Non-tax receipts	309.4	380.7	371.7	415.5	444.6	476.7	428.6	428.6	109.5%
Sales of goods and services other than capital assets	282.1	345.4	347.9	373.2	420.5	442.1	404.6	404.6	107.6%
Sales by market establishment	282.1	345.4	347.9	373.2	420.5	442.1	404.6	404.6	107.6%
Other tax receipts	27.3	35.3	23.8	42.3	24.2	34.5	24.0	24.0	137.1%
Transfers received	657.6	657.6	615.5	615.0	625.4	624.8	687.2	687.2	100.0%
Total receipts	967.0	1 038.3	987.1	1 030.4	1 070.0	1 101.5	1 115.9	1 115.9	103.5%
Payment									
Current payments	1 012.5	920.7	1 160.0	1 042.3	1 151.6	1 083.9	1 108.1	1 108.1	93.7%
Compensation of employees	293.5	298.5	350.0	334.2	378.5	358.5	398.8	398.8	97.8%
Goods and services	717.8	621.9	809.8	707.4	772.9	725.1	709.1	709.1	91.8%
Interest and rent on land	1.3	0.3	0.3	0.7	0.3	0.3	0.3	0.3	79.9%
Total payments	1 012.5	920.7	1 160.0	1 042.3	1 151.6	1 083.9	1 108.1	1 108.1	93.7%

Table 18.19 South African Medical Research Council statements of historical financial performance, cash flow and financial position

Statement of financial performance									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Net cash flow from investing activities	(45.8)	(23.8)	(21.9)	(41.2)	(26.8)	(45.6)	(26.0)	(26.0)	113.3%
Acquisition of property, plant, equipment and intangible assets	(45.1)	(23.1)	(19.4)	(39.0)	(25.0)	(38.6)	(25.0)	(25.0)	109.9%
Acquisition of software and other intangible assets	(0.8)	(1.0)	(2.5)	(2.2)	(1.8)	(7.2)	(1.0)	(1.0)	190.0%
Proceeds from the sale of property, plant, equipment and intangible assets	—	0.3	—	0.1	—	0.2	—	—	—
Other flows from investing activities	—	0.1	—	—	—	—	—	—	—
Net cash flow from financing activities	0.0	0.2	0.0	0.3	0.0	0.1	0.0	0.0	501.5%
Borrowing activities	0.0	0.2	0.0	0.3	0.0	0.1	0.0	0.0	501.5%
Net increase/(decrease) in cash and cash equivalents	(91.3)	94.0	(194.8)	(52.7)	(108.3)	(27.8)	(18.2)	(18.2)	
Statement of financial position									
Carrying value of assets	152.8	148.0	152.1	167.2	174.4	197.7	176.5	176.5	105.1%
Acquisition of assets	(45.1)	(23.1)	(19.4)	(39.0)	(25.0)	(38.6)	(25.0)	(25.0)	109.9%
Investments	6.8	6.4	7.0	6.8	7.6	7.0	7.8	7.8	96.0%
Receivables and prepayments	32.0	41.9	41.0	50.0	38.9	97.2	34.5	34.5	152.9%
Cash and cash equivalents	358.6	543.9	349.2	491.2	382.3	463.4	363.6	363.6	128.1%
Taxation	—	11.8	—	15.1	—	5.6	—	—	—
Total assets	550.2	752.1	549.2	730.3	603.2	770.9	582.3	582.3	124.1%
Accumulated surplus/(deficit)	282.0	336.2	272.3	289.8	185.7	286.6	163.8	163.8	119.1%
Capital reserve fund	165.7	—	—	—	—	—	—	—	—
Deferred income	—	288.9	178.2	279.4	301.5	310.7	306.3	306.3	150.8%
Trade and other payables	73.4	104.0	71.2	118.3	95.6	141.7	88.9	88.9	137.6%
Taxation	12.5	—	9.8	—	10.5	—	12.0	12.0	26.8%
Provisions	16.7	22.9	17.8	42.9	9.9	31.9	11.4	11.4	195.8%
Total equity and liabilities	550.2	752.1	549.2	730.3	603.2	770.9	582.3	582.3	124.1%

Statements of estimates of financial performance, cash flow and financial position**Table 18.20 South African Medical Research Council statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Revenue								
Non-tax revenue	423.7	1.6%	42.3%	499.5	527.7	618.2	13.4%	41.2%
Sale of goods and services other than capital assets	395.8	2.6%	38.8%	476.1	503.2	591.5	14.3%	39.1%
Sales by market establishment	395.8	2.6%	38.8%	476.1	503.2	591.5	14.3%	39.1%
Other non-tax revenue	27.9	-9.4%	3.5%	23.4	24.6	26.7	-1.5%	2.1%
Transfers received	687.2	1.5%	57.7%	715.7	751.8	779.6	4.3%	58.8%
Total revenue	1 110.9	1.5%	100.0%	1 215.2	1 279.5	1 397.7	8.0%	100.0%
Current expenses	1 042.3	3.2%	92.7%	1 158.2	1 193.7	1 301.5	7.7%	92.6%
Compensation of employees	396.0	9.2%	31.6%	418.9	444.0	470.6	5.9%	34.2%
Goods and services	623.6	-0.1%	59.4%	716.1	726.0	806.5	9.0%	56.6%
Depreciation	22.7	6.1%	1.7%	23.3	23.7	24.5	2.5%	1.9%
Total expenses	1 132.8	3.2%	100.0%	1 251.5	1 286.4	1 397.7	7.3%	100.0%
Surplus/(Deficit)	(21.8)			(36.4)	(6.9)	—		
Cash flow statement								
Cash flow from operating activities	7.8	-59.5%	112.6%	46.4	63.1	(15.1)	24.8%	112.5%
Receipts								
Non-tax receipts	428.6	4.0%	39.7%	459.8	454.5	543.3	8.2%	39.1%
Sales of goods and services other than capital assets	404.6	5.4%	36.5%	431.0	423.8	513.8	8.3%	36.7%
Sales by market establishment	404.6	5.4%	36.5%	431.0	423.8	513.8	8.3%	36.7%
Other tax receipts	24.0	-12.0%	3.2%	28.8	30.6	29.5	7.1%	2.3%
Transfers received	687.2	1.5%	60.3%	715.7	751.8	779.6	4.3%	60.9%
Total receipts	1 115.9	2.4%	100.0%	1 175.5	1 206.2	1 322.9	5.8%	100.0%
Current payments	1 108.1	6.4%	91.7%	1 129.1	1 143.2	1 337.9	6.5%	100.0%
Compensation of employees	398.8	10.1%	30.7%	428.5	455.5	475.7	6.1%	37.3%
Goods and services	709.1	4.5%	61.0%	700.4	687.4	862.0	6.7%	62.6%
Interest and rent on land	0.3	-4.4%	0.0%	0.3	0.3	0.3	1.8%	0.0%
Total payment	1 108.1	6.4%	100.0%	1 129.1	1 143.2	1 337.9	6.5%	100.0%
Net cash flow from investing activities	(26.0)	3.1%	100.0%	(27.3)	(28.7)	(32.9)	8.2%	100.0%
Acquisition of property, plant, equipment and intangible assets	(25.0)	2.7%	93.2%	(26.3)	(27.7)	(31.8)	8.3%	96.4%
Acquisition of software and other intangible assets	(1.0)	-0.9%	7.4%	(1.0)	(1.1)	(1.1)	3.7%	3.6%
Net cash flow from financing activities	0.0	-39.5%	100.0%	0.0	0.0	—	-100.0%	—
Borrowing Activities	0.0	-39.5%	100.0%	0.0	0.0	—	-100.0%	—
Net increase/(decrease) in cash and cash equivalents	(18.2)	-157.8%	100.0%	19.2	34.3	(48.0)	38.2%	100.0%

Table 18.20 South African Medical Research Council statements of estimates of financial performance, cash flow and financial position

Statement of financial position	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
				2020/21	2021/22	2022/23		
R million	2019/20	2016/17 - 2019/20					2019/20 - 2022/23	
Carrying value of assets	176.5	6.0%	24.6%	180.5	185.5	194.2	3.2%	29.0%
Acquisition of assets	(25.0)	2.7%	-4.4%	(26.3)	(27.7)	(31.8)	8.3%	-4.3%
Investments	7.8	6.4%	1.0%	7.8	7.8	7.8	—	1.2%
Receivables and prepayments	34.5	-6.3%	7.7%	35.5	40.2	44.6	8.9%	6.1%
Cash and cash equivalents	363.6	-12.6%	65.5%	382.8	417.1	465.1	8.6%	63.8%
Total assets	582.3	-8.2%	100.0%	606.5	650.6	711.6	6.9%	100.0%
Accumulated surplus/(deficit)	163.8	-21.3%	37.4%	170.0	183.6	183.6	3.9%	27.5%
Deferred income	306.3	2.0%	42.4%	316.5	339.2	387.8	8.2%	52.8%
Trade and other payables	88.9	-5.1%	15.9%	92.1	99.7	115.4	9.1%	15.5%
Taxation	12.0	—	0.5%	15.0	15.0	14.2	5.7%	2.2%
Provisions	11.4	-20.9%	3.8%	13.0	13.2	10.7	-2.0%	1.9%
Total equity and liabilities	582.3	-8.2%	100.0%	606.5	650.6	711.6	6.9%	100.0%

Personnel information

Table 18.21 South African Medical Research Council personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment													Number			
Salary level	Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost
South African Medical Research Council			639	372.7	0.6	639	396.0	0.6	639	418.9	0.7	639	444.0	0.7	639	470.6	0.7	5.9%	100.0%
1 – 6	185	185	185	36.9	0.2	185	39.2	0.2	185	41.4	0.2	185	43.9	0.2	185	46.4	0.3	5.8%	29.0%
7 – 10	320	320	320	160.1	0.5	320	170.2	0.5	320	180.0	0.6	320	190.8	0.6	320	202.3	0.6	5.9%	50.1%
11 – 12	77	77	77	77.7	1.0	77	82.6	1.1	77	87.3	1.1	77	92.6	1.2	77	98.1	1.3	5.9%	12.1%
13 – 16	54	54	54	88.5	1.6	54	94.0	1.7	54	99.4	1.8	54	105.4	2.0	54	111.7	2.1	5.9%	8.5%
17 – 22	3	3	3	9.5	3.2	3	10.1	3.4	3	10.7	3.6	3	11.3	3.8	3	12.0	4.0	5.9%	0.5%

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 **Compensation Commissioner for Occupational Diseases in Mines and Works** is mandated to compensate workers and ex-workers in controlled mines and works for occupational diseases of cardiorespiratory organs, and reimburse them for any loss of earnings incurred while being treated for TB. The commissioner's total budget for 2020/21 is R231.5 million.
- The **Council for Medical Schemes** was established in terms of the Medical Schemes Act (1998) as the regulatory authority responsible for overseeing the medical schemes industry in South Africa. Section 7 of the act sets out the functions of the council, which include protecting the interests of beneficiaries, controlling and coordinating the functioning of medical schemes, collecting and disseminating information about private health care, and advising the Minister of Health on any matter concerning medical schemes. The council's total budget for 2020/21 is R198.5 million.
- The **Office of Health Standards Compliance** was established in terms of the National Health Amendment Act (2013), which mandates the office to: monitor and enforce the compliance of health establishments with the norms and standards prescribed by the Minister of Health in relation to the national health system; and ensure the consideration, investigation and disposal of complaints relating to noncompliance with 335 prescribed norms and standards in a procedurally fair, economical and expeditious manner. The office's total budget for 2020/21 is R144 million.
- The **South African Health Products Regulatory Authority** was established in terms of the Medicines and Related Substances Amendment Act (2015) to regulate medicines in South Africa. It is responsible for the regulation and control of the registration, licensing, manufacturing, import and all other aspects pertaining to active pharmaceutical ingredients, medicines and medical devices; and for conducting clinical trials in a

manner compatible with the national medicines policy. The authority's total budget for 2020/21 is R387.8 million.

Vote 19

Social Development

Budget summary

	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
R million						
MTEF allocation						
Administration	426.7	421.4	2.3	3.0	452.0	471.3
Social Assistance	187 835.8	–	187 835.8	–	201 346.7	216 027.1
Social Security Policy and Administration	7 832.0	106.1	7 723.2	2.7	8 228.8	8 446.2
Welfare Services Policy Development and Implementation Support	1 256.7	272.6	978.8	5.3	1 393.9	1 543.1
Social Policy and Integrated Service Delivery	367.2	139.6	226.7	0.9	389.6	403.1
Total expenditure estimates	197 718.3	939.6	196 766.8	11.9	211 810.9	226 890.8
Executive authority	Minister of Social Development					
Accounting officer	Director-General of Social Development					
Website	www.dsd.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Ensure protection against vulnerability by creating an enabling environment for the provision of a comprehensive, integrated and sustainable social development service.

Mandate

The Department of Social Development provides social protection services and leads government's efforts to forge partnerships through which vulnerable individuals, groups and communities become capable and active participants in the development of their societies. Several pieces of legislation determine the mandate of the department:

- the Children's Act (2005) sets out principles relating to the care and protection of children, and defines parental responsibilities and rights. It deals with early childhood development (ECD) drop-in centres and early intervention; children in alternative care such as foster care, child and youth care centres; and the adoption of children
- the Nonprofit Organisations Act (1997) establishes an administrative and regulatory framework within which non-profit organisations can conduct their affairs, and provides for their registration by the department
- the Older Persons Act (2006) establishes a framework for empowering and protecting older people, and promoting and maintaining their status, rights, wellbeing, safety and security. It provides for older people to enjoy good quality services while staying with their families and in their communities for as long as possible. It also makes provision for older people to live in residential care facilities
- the Prevention of and Treatment for Substance Abuse Act (2008) regulates substance abuse services and facilities
- the Social Assistance Act (2004) provides a legislative framework for providing social assistance. The act sets out the different types of grants payable, as well as their qualifying criteria
- the Social Service Professions Act (1978) provides for the regulation of social service professionals
- the 1997 White Paper for Social Welfare sets out the principles, guidelines, policies and programmes for developmental social welfare in South Africa. It provides the foundation for social welfare in the post-1994 era

- the 1998 White Paper on Population Policy for South Africa is aimed at promoting the sustainable development of all South Africans by integrating population issues with development planning in all spheres of government and all sectors of society
- the 2015 White Paper on the Rights of Persons with Disabilities focuses on putting in place measures to reduce the exclusion and inequality disabled people experience. This includes contributing towards fighting poverty among people with disabilities and their families, and providing policy guidelines on building capacity in the public sector to deliver equitable and accessible services to these people.

Selected performance indicators

Table 19.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Total number of old age grant beneficiaries	Social Assistance	Priority 3: Consolidating the social wage through reliable and quality basic services	3.3 million	3.4 million	3.6 million	3.7 million	3.8 million	3.9 million	4 million
Total number of war veterans grant beneficiaries	Social Assistance		176	134	92	78	47	34	24
Total number of disability grant beneficiaries	Social Assistance		1.1 million	1.1 million	1 million	1 million	1 million	1 million	1 million
Total number of child support grant beneficiaries	Social Assistance		12.1 million	12.3 million	12.5 million	12.7 million	13 million	13.2 million	13.4 million
Total number of foster care grant beneficiaries	Social Assistance		440 295	416 016	386 019	351 418	326 380	304 375	284 844
Total number of care dependency grant beneficiaries	Social Assistance		144 952	147 467	150 001	154 498	157 871	160 851	163 882
Total number of grant-in-aid beneficiaries	Social Assistance		164 349	192 091	221 989	246 910	311 056	360 850	418 774
Percentage of appeals adjudicated within 90 days of receipt per year	Social Security Policy and Administration	Priority 6: A capable, ethical and developmental state	86% (1 914/ 2 235)	96.6% (1 276/ 1 321)	98.6% (1 918/ 1 946)	70%	95%	95%	95%
Percentage of non-profit organisation registration applications processed within 2 months of receipt per year	Social Policy and Integrated Service Delivery		97% (28 860/ 29 601)	99.5% (31 639/ 31 792)	100% (33 196)	99%	95%	95%	95%

Expenditure analysis

The National Development Plan acknowledges that it is necessary to address the critical challenges of poverty, unemployment and inequality to improve the short-term and long-term prospects of current and future generations. In its efforts to give expression to this guiding policy, the Department of Social Development aims to improve quality of life for poor and vulnerable people, and in so doing, contributes to priority 3 (consolidating the social wage through reliable and quality basic services) and priority 6 (a capable, ethical and developmental state) of government's 2019-2024 medium-term strategic framework. Over the medium term, the department will focus on reducing poverty and inequality; increasing access to ECD services; reducing social ills and empowering individuals, families and communities; and creating a functional, efficient and integrated social development sector.

Reducing poverty and inequality

As one of the chief departments responsible for alleviating poverty and providing assistance to vulnerable individuals and communities, the department implements and supports programmes focused on food relief, capacity building, and response to social distress. The department will continue to provide social assistance to eligible individuals whose income and assets fall below set thresholds through social grants administered by the South African Social Assistance Agency. By the end of 2019/20, an estimated 18 million beneficiaries, including elderly people, war veterans, people with disabilities and children, will receive monthly grants. This number is expected to increase to 18.9 million by 2022/23. Such social assistance, in the form of unconditional monthly cash transfers, constitute an estimated 95 per cent (R605.2 billion) of the department's budget of R636.4 billion over the MTEF period. As a result of lower inflation forecasts compared to the 2019 Budget and delays in the implementation of the extended child support grant for orphans, Cabinet approved reductions to the department's baseline of R4.2 billion over the medium term. Despite these reductions, spending on social assistance is expected to increase at an average annual rate of 7.2 per cent, from R175.2 billion in 2019/20 to R216 billion in 2022/23.

The department acknowledges that continued reliance on social assistance from the state as the only form of income is not sustainable. There is a need for the government to continue to develop and implement programmes that support the poor and vulnerable to establish their own income-generating activities, with a specific focus on young people and women. The department seeks to build capacity in the sector by providing training to cooperatives, providing operational support to non-profit organisations, creating work opportunities through the extended public works social sector programme, and engaging key stakeholders on establishing sustainable livelihood and employment opportunities for social grant beneficiaries. Expenditure for these activities is within an allocation of R32.1 million over the MTEF period in the *Community Development* subprogramme in the *Social Policy and Integrated Service Delivery* programme.

Increasing access to ECD services

In recognising that a good foundation to learning and capacity development forms part of a long-term solution to reducing inequality, ensuring universal access to ECD services for children aged younger than 5 remains a key priority for the department over the medium term. As such, an estimated 70.4 per cent (R3.2 billion) of spending in the *Welfare Services Policy Development and Implementation Support* programme over the medium term is allocated to the *early childhood development grant* to provinces, resulting in an increase in spending in the programme from R1.0 billion in 2019/20 to R1.5 billion in 2022/23 at an average annual rate of 14.2 per cent. This allocation will enable the department to increase the subsidy rate per child from R15 in 2019/20 to R18.57 in 2022/23, and provide access to ECD services to an estimated 692 469 children by 2022/23.

Reducing social ills and empowering individuals, families and communities

Violence against women and children continues to affect the wellbeing of people, families and communities. Its prevalence requires a concomitant response from government, civil society organisations and broader society. In the department's efforts to address this social ill, it will use an allocation of R398.1 million over the medium term to employ and sustain the employment of 200 social workers in areas where they are most needed. This allocation previously focused on providing scholarships to social work students, and has been shifted from the *Welfare Services Policy Development and Implementation Support* programme to the provincial equitable share. In addition, R315.9 million is shifted from the national budget to provinces to continue supporting implementing agencies in the delivery of programmes focused on addressing social and structural drivers of HIV, sexually transmitted infections, TB and gender-based violence.

The department plans to design a standardised welfare package to improve the quality of services offered and adequately respond to an increasing number of reported social problems. The package will include essential minimum psychosocial support, and norms and standards for substance abuse, violence against women and children, and other problems affecting families and communities. Spending for this work is in the *HIV and AIDS* subprogramme, which has a budget of R93.1 million over the MTEF period, in the *Welfare Services Policy Development and Implementation Support* programme.

Creating a functional, efficient and integrated social development sector

Whereas provincial departments, the South African Social Security Agency and the National Development Agency are mainly responsible for service delivery, the national department has a responsibility to develop legislation and policies. Accordingly, over the MTEF period, the department will prioritise the transformation and standardisation of social welfare services by developing and coordinating overarching policies and legislative frameworks, norms and standards that promote integrated, quality-driven, professional and accountable service delivery, with the ultimate aim of improving quality of life for poor and vulnerable people. Spending for these activities is in the *Welfare Services Policy Development and Implementation Support* programme, which has a total budget of R4.2 billion over the medium term.

Expenditure trends and estimates

Table 19.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Social Assistance											
3. Social Security Policy and Administration											
4. Welfare Services Policy Development and Implementation Support											
5. Social Policy and Integrated Service Delivery											
Programme											
R million	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Programme 1	348.1	382.4	359.4	403.0	5.0%	0.2%	426.7	452.0	471.3	5.4%	0.2%
Programme 2	138 915.6	150 336.8	162 709.8	175 155.6	8.0%	94.5%	187 835.8	201 346.7	216 027.1	7.2%	95.0%
Programme 3	6 980.9	7 277.7	7 840.6	7 688.9	3.3%	4.5%	7 832.0	8 228.8	8 446.2	3.2%	3.9%
Programme 4	697.1	995.6	1 262.5	1 037.1	14.2%	0.6%	1 256.7	1 393.9	1 543.1	14.2%	0.6%
Programme 5	383.2	386.6	390.3	413.3	2.5%	0.2%	367.2	389.6	403.1	-0.8%	0.2%
Total	147 325.0	159 379.0	172 562.6	184 697.8	7.8%	100.0%	197 718.3	211 810.9	226 890.8	7.1%	100.0%
Change to 2019				(70.0)			(1 728.2)	(1 855.3)	(1 589.1)		
Budget estimate											
Economic classification											
Current payments	779.6	816.9	802.5	1 009.3	9.0%	0.5%	939.6	1 007.0	1 047.8	1.3%	0.5%
Compensation of employees	443.4	449.7	469.8	512.1	4.9%	0.3%	537.9	573.7	598.8	5.4%	0.3%
Goods and services ¹	336.2	367.2	332.7	497.2	13.9%	0.2%	401.7	433.4	449.0	-3.3%	0.2%
of which:											
Advertising	15.0	15.4	8.9	31.9	28.5%	0.0%	21.9	23.1	23.9	-9.2%	0.0%
Computer services	21.1	47.9	25.6	37.8	21.4%	0.0%	44.1	47.0	48.8	8.9%	0.0%
Consultants: Business and advisory services	44.7	37.8	27.5	124.2	40.6%	0.0%	48.3	51.7	53.5	-24.5%	0.0%
Operating leases	33.3	41.6	34.6	41.2	7.4%	0.0%	43.3	45.8	47.6	4.9%	0.0%
Travel and subsistence	92.8	98.4	91.1	82.0	-4.0%	0.1%	78.3	87.5	89.4	2.9%	0.0%
Venues and facilities	26.2	21.3	29.7	37.7	12.9%	0.0%	38.4	42.4	43.1	4.6%	0.0%
Transfers and subsidies¹	146 538.4	158 546.1	171 751.2	183 426.3	7.8%	99.4%	196 766.8	210 791.3	225 829.7	7.2%	99.5%
Provinces and municipalities	85.5	524.4	776.9	518.2	82.3%	0.3%	915.1	1 056.7	1 191.9	32.0%	0.4%
Departmental agencies and accounts	7 104.4	7 408.3	7 966.9	7 775.8	3.1%	4.6%	7 944.7	8 343.5	8 564.4	3.3%	4.0%
Higher education institutions	2.4	2.0	1.5	—	-100.0%	0.0%	—	—	—	0.0%	0.0%
Foreign governments and international organisations	4.1	6.6	6.3	7.3	21.1%	0.0%	7.3	7.7	8.0	3.0%	0.0%
Non-profit institutions	109.6	130.1	164.3	130.1	5.9%	0.1%	42.6	35.0	36.4	-34.6%	0.0%
Households	139 232.4	150 474.8	162 835.3	174 994.9	7.9%	94.5%	187 857.0	201 348.4	216 028.9	7.3%	95.0%
Payments for capital assets	6.9	2.5	7.7	11.3	17.6%	0.0%	11.9	12.6	13.3	5.5%	0.0%
Buildings and other fixed structures	0.2	—	—	—	-100.0%	0.0%	—	—	—	0.0%	0.0%
Machinery and equipment	6.7	2.0	7.7	10.7	16.9%	0.0%	11.3	11.9	12.6	5.6%	0.0%
Software and other intangible assets	—	0.5	—	0.6	0.0%	0.0%	0.6	0.7	0.7	4.9%	0.0%
Payments for financial assets	—	13.5	1.3	250.9	0.0%	0.0%	—	—	—	-100.0%	0.0%
Total	147 325.0	159 379.0	172 562.6	184 697.8	7.8%	100.0%	197 718.3	211 810.9	226 890.8	7.1%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 19.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R thousand											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	7 104 393	7 408 332	7 966 854	7 775 789	3.1%	4.6%	7 944 717	8 343 493	8 564 440	3.3%	4.0%
Health and Welfare Sector Education and Training Authority	1 308	1 359	1 398	1 661	8.3%	–	1 752	1 848	1 917	4.9%	–
South African Social Security Agency	6 908 932	7 206 060	7 762 878	7 561 773	3.1%	4.5%	7 718 421	8 104 751	8 316 822	3.2%	3.9%
National Development Agency	194 153	200 913	202 578	212 355	3.0%	0.1%	224 544	236 894	245 701	5.0%	0.1%
Households											
Social benefits											
Current	138 916 912	150 325 266	162 712 259	174 910 542	8.0%	94.9%	187 837 414	201 348 410	216 028 937	7.3%	95.5%
Employee social benefits	1 274	1 999	2 419	5 849	66.2%	–	1 635	1 750	1 844	-31.9%	–
Old age	58 327 000	64 130 161	70 542 096	76 950 917	9.7%	40.9%	83 105 596	90 053 470	97 068 256	8.0%	42.5%
War veterans	3 850	3 086	2 380	1 732	-23.4%	–	1 797	1 246	1 012	-16.4%	–
Disability	19 850 553	20 931 343	21 960 632	23 077 574	5.1%	13.0%	24 390 083	25 488 476	26 521 562	4.7%	12.2%
Foster care	5 327 659	5 207 026	5 114 211	5 080 800	-1.6%	3.1%	4 965 276	4 829 402	4 795 329	-1.9%	2.4%
Care dependency	2 613 892	2 841 422	3 068 028	3 429 783	9.5%	1.8%	3 568 568	3 808 876	4 077 377	5.9%	1.8%
Child support	51 555 181	55 847 799	60 611 568	64 716 375	7.9%	35.2%	69 765 229	74 779 778	80 735 401	7.7%	35.5%
Social relief of distress	587 192	545 842	416 720	410 000	-11.3%	0.3%	407 000	407 000	407 000	-0.2%	0.2%
Grant in aid	650 311	816 588	994 205	1 237 512	23.9%	0.6%	1 632 230	1 978 412	2 421 156	25.1%	0.9%
Foreign governments and international organisations											
Current	4 125	6 610	6 302	7 317	21.1%	–	7 318	7 720	8 005	3.0%	–
International Social Security Association	1 661	1 553	1 842	2 000	6.4%	–	1 865	1 968	2 040	0.7%	–
International Organisation of Pension Supervisors	–	79	87	100	–	–	106	112	115	4.8%	–
International Labour Organisation	–	2 500	1 500	2 500	–	–	2 500	2 638	2 735	3.0%	–
Namibian government	329	345	928	403	7.0%	–	425	448	465	4.9%	–
United Nations international drug control programme	25	25	25	25	–	–	25	26	27	2.6%	–
International Federation on Ageing	–	–	–	25	–	–	25	26	27	2.6%	–
International Social Service	266	243	288	384	13.0%	–	405	427	443	4.9%	–
United Nations Population Fund	506	531	562	593	5.4%	–	626	660	685	4.9%	–
Partners in Population and Development	978	784	822	987	0.3%	–	1 041	1 098	1 140	4.9%	–
Union for African Population Studies	60	50	52	–	-100.0%	–	–	–	–	–	–
International Planned Parenthood Federation	300	200	196	–	-100.0%	–	–	–	–	–	–
Leadership for Environment and Development Southern and Eastern Africa	–	300	–	300	–	–	300	317	328	3.0%	–
Households											
Other transfers to households											
Current	315 504	149 551	123 089	84 368	-35.6%	0.1%	19 539	–	–	-100.0%	–
National Student Financial Aid Scheme	290 780	123 489	123 089	55 250	-42.5%	0.1%	19 539	–	–	-100.0%	–
Food relief	24 724	26 062	–	29 118	5.6%	–	–	–	–	-100.0%	–
Non-profit institutions											
Current	109 564	130 056	164 341	130 077	5.9%	0.1%	42 620	35 047	36 357	-34.6%	–
South African National Council on Alcoholism and Drug Dependence	1 477	1 500	1 626	1 717	5.1%	–	1 811	1 947	2 020	5.6%	–
South African Depression and Anxiety Group	1 560	1 579	1 600	1 690	2.7%	–	1 783	1 917	1 988	5.6%	–
South African Council for Social Service Professions	–	–	1 946	2 055	–	–	2 168	2 331	2 418	5.6%	–
South African Older Persons Forum	1 505	1 400	1 546	1 633	2.8%	–	1 722	1 851	1 919	5.5%	–
Family and Marriage Society South Africa	–	715	–	831	–	–	880	946	983	5.8%	–
Sonke Gender Justice	708	–	–	–	-100.0%	–	–	–	–	–	–
Partner in Sexual Health	708	–	–	–	-100.0%	–	–	–	–	–	–
HIV and AIDS organisations	56 315	59 131	52 104	33 063	-16.3%	–	–	–	–	-100.0%	–
South African National AIDS Council	–	15 000	30 000	31 680	–	–	10 019	–	–	-100.0%	–
South African Federation for Mental Health	352	1 000	400	845	33.9%	–	891	958	993	5.5%	–
South African National Deaf Association	350	–	600	634	21.9%	–	669	719	747	5.6%	–
Disabled Children's Action Group	1 200	–	450	743	-14.8%	–	784	843	875	5.6%	–
Deafblind South Africa	244	700	300	634	37.5%	–	669	719	747	5.6%	–
Autism South Africa	–	1 723	450	950	–	–	1 003	1 078	1 119	5.6%	–
Albinism Society of South Africa	1 000	740	400	845	-5.5%	–	891	958	993	5.5%	–
Moonlight Foundation for Autism	800	–	–	–	-100.0%	–	–	–	–	–	–
ChildLine South Africa	974	974	1 062	1 122	4.8%	–	1 183	1 272	1 320	5.6%	–
South African Congress for Early Childhood Development	632	860	700	739	5.4%	–	780	838	869	5.6%	–
Abba Specialist Adoptions and Social Services	–	990	1 206	1 274	–	–	1 344	1 445	1 499	5.6%	–
Ntataise	–	1 770	1 100	1 162	–	–	1 225	1 317	1 367	5.6%	–
AFM Executive Welfare Council	–	–	500	528	–	–	557	599	621	5.6%	–
Centre for Early Childhood Development Masizakhe	749	1 100	700	–	-100.0%	–	–	–	–	–	–
	–	400	–	–	–	–	–	–	–	–	–

Departmental receipts

Table 19.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
R thousand												
Departmental receipts	77 546	52 445	50 678	27 342	27 342	-29.4%	100.0%	31 020	32 021	33 025	6.5%	100.0%
Sales of goods and services produced by department	6	13	3	342	342	284.9%	0.2%	20	21	25	-58.2%	0.3%
Sales by market establishments	6	–	–	180	180	210.7%	0.1%	4	4	6	-67.8%	0.2%
of which:												
Parking rental	6	–	–	180	180	210.7%	0.1%	4	4	6	-67.8%	0.2%
Other sales	–	13	3	162	162	–	0.1%	16	17	19	-51.1%	0.2%
of which:												
Sale of tender documents	–	13	3	2	2	–	–	16	17	19	111.8%	–
Insurance commission and garnishee order	–	–	–	160	160	–	0.1%	–	–	–	-100.0%	0.1%
Interest, dividends and rent on land	20 592	19 485	6 844	2 000	2 000	-54.0%	23.5%	6 000	6 000	6 000	44.2%	16.2%
Interest	20 592	19 485	6 844	2 000	2 000	-54.0%	23.5%	6 000	6 000	6 000	44.2%	16.2%
Sales of capital assets	–	487	1 249	–	–	–	0.8%	–	–	–	–	–
Transactions in financial assets and liabilities	56 948	32 460	42 582	25 000	25 000	-24.0%	75.5%	25 000	26 000	27 000	2.6%	83.5%
Total	77 546	52 445	50 678	27 342	27 342	-29.4%	100.0%	31 020	32 021	33 025	6.5%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 19.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Ministry	55.5	44.1	47.4	44.8	-6.9%	12.8%	43.2	46.8	48.6	2.7%	10.5%
Department Management	58.3	66.4	65.3	70.2	6.4%	17.4%	74.5	79.1	83.2	5.8%	17.5%
Corporate Management	127.8	161.3	133.7	157.9	7.3%	38.9%	171.2	180.1	188.1	6.0%	39.8%
Finance	60.5	59.3	64.0	71.7	5.8%	17.1%	76.2	80.8	83.8	5.3%	17.8%
Internal Audit	9.5	11.1	13.2	16.0	18.9%	3.3%	17.2	18.3	19.0	5.7%	4.0%
Office Accommodation	36.4	40.2	35.9	42.3	5.1%	10.4%	44.4	46.8	48.6	4.7%	10.4%
Total	348.1	382.4	359.4	403.0	5.0%	100.0%	426.7	452.0	471.3	5.4%	100.0%
Change to 2019				(5.4)			(7.3)	(7.7)	(5.6)		
Budget estimate											
Economic classification											
Current payments	342.5	379.2	348.3	393.7	4.7%	98.0%	421.4	446.4	465.4	5.7%	98.5%
Compensation of employees	185.1	184.9	195.9	208.4	4.0%	51.9%	221.9	236.4	247.6	5.9%	52.2%
Goods and services ¹	157.5	194.3	152.4	185.3	5.6%	46.2%	199.5	210.0	217.8	5.5%	46.4%
of which:											
Audit costs: External	15.9	16.3	16.4	16.6	1.3%	4.4%	17.5	18.5	19.1	4.9%	4.1%
Computer services	21.1	47.9	25.6	36.3	19.8%	8.8%	42.4	44.7	46.4	8.5%	9.7%
Consultants: Business and advisory services	4.6	11.7	2.3	13.4	42.2%	2.1%	14.1	14.9	15.4	4.9%	3.3%
Fleet services (including government motor transport)	12.4	6.5	4.1	5.9	-22.1%	1.9%	5.9	6.7	7.0	6.0%	1.5%
Operating leases	32.8	40.1	33.6	38.0	5.1%	9.7%	40.0	42.2	43.8	4.8%	9.4%
Travel and subsistence	39.1	38.4	34.9	24.3	-14.6%	9.2%	25.9	27.4	28.5	5.4%	6.1%
Transfers and subsidies¹	1.6	1.8	3.4	6.4	60.8%	0.9%	2.3	2.4	2.5	-27.1%	0.8%
Departmental agencies and accounts	1.3	1.4	1.4	1.7	8.3%	0.4%	1.8	1.8	1.9	4.9%	0.4%
Households	0.2	0.4	2.0	4.8	170.1%	0.5%	0.5	0.6	0.6	-50.5%	0.4%

Table 19.6 Administration expenditure trends and estimates by subprogramme and economic classification

R million	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Payments for capital assets	4.0	1.4	6.4	2.9	-10.5%	1.0%	3.0	3.2	3.4	5.4%	0.7%
Machinery and equipment	4.0	0.9	6.4	2.3	-17.1%	0.9%	2.4	2.5	2.7	5.6%	0.6%
Software and other intangible assets	–	0.5	–	0.6	–	0.1%	0.6	0.7	0.7	4.9%	0.1%
Payments for financial assets	–	–	1.3	–	–	0.1%	–	–	–	–	–
Total	348.1	382.4	359.4	403.0	5.0%	100.0%	426.7	452.0	471.3	5.4%	100.0%
Proportion of total programme expenditure to vote expenditure	0.2%	0.2%	0.2%	0.2%	–	–	0.2%	0.2%	0.2%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1.3	1.4	1.4	1.7	8.3%	0.4%	1.8	1.8	1.9	4.9%	0.4%
Health and Welfare Sector	1.3	1.4	1.4	1.7	8.3%	0.4%	1.8	1.8	1.9	4.9%	0.4%
Education and Training Authority											

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

Programme 2: Social Assistance

Programme purpose

Provide social assistance to eligible individuals whose income and assets fall below set thresholds.

Objective

- Provide social assistance to eligible beneficiaries whose income and assets fall below the set thresholds by providing income support, by 2022/23, to: 4 million elderly people; 1 million people living with disabilities; 13.4 million children; 163 882 children living with disabilities requiring care and support services; and 284 844 foster children.

Subprogrammes

- *Old Age* provides income support to people aged 60 and older earning less than R86 280 (single) or R172 560 (married) a year, whose assets do not exceed R1 227 600 (single) or R2 455 200 (married).
- *War Veterans* provides income support to men and women who fought in World War II or the Korean War who earn an annual income of less than R86 280 (single) or R172 560 (married) a year, whose assets do not exceed R1 227 600 (single) or R2 455 200 (married).
- *Disability* provides income support to people with permanent or temporary disabilities earning less than R86 280 (single) or R172 560 (married) a year, whose assets do not exceed R1 227 600 (single) or R2 455 200 (married).
- *Foster Care* provides grants for children placed in foster care through a court order.
- *Care Dependency* provides income support to caregivers earning less than R223 200 (single) or R446 400 (married) a year to help them care for children who are mentally or physically disabled.
- *Child Support* provides income support to parents and caregivers of children younger than 18 earning not more than R53 400 (single) or R106 800 (married) a year.
- *Grant-in-Aid* is an additional benefit to recipients of the old age, disability or war veterans grants who require regular care.
- *Social Relief of Distress* provides temporary income support, food parcels and other forms of relief to people experiencing undue hardship.

Expenditure trends and estimates

Table 19.7 Social Assistance expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
R million											
Old Age	58 327.0	64 130.2	70 542.1	76 950.9	9.7%	43.0%	83 105.6	90 053.5	97 068.3	8.0%	44.5%
War Veterans	3.9	3.1	2.4	1.7	-23.4%	—	1.8	1.2	1.0	-16.4%	—
Disability	19 850.6	20 944.8	21 960.6	23 077.6	5.1%	13.7%	24 390.1	25 488.5	26 521.6	4.7%	12.7%
Foster Care	5 327.7	5 207.0	5 114.2	5 080.8	-1.6%	3.3%	4 965.3	4 829.4	4 795.3	-1.9%	2.5%
Care Dependency	2 613.9	2 841.4	3 068.0	3 429.8	9.5%	1.9%	3 568.6	3 808.9	4 077.4	5.9%	1.9%
Child Support	51 555.2	55 847.8	60 611.6	64 967.3	8.0%	37.2%	69 765.2	74 779.8	80 735.4	7.5%	37.2%
Grant-in-Aid	650.3	816.6	994.2	1 237.5	23.9%	0.6%	1 632.2	1 978.4	2 421.2	25.1%	0.9%
Social Relief of Distress	587.2	545.8	416.7	410.0	-11.3%	0.3%	407.0	407.0	407.0	-0.2%	0.2%
Total	138 915.6	150 336.8	162 709.8	175 155.6	8.0%	100.0%	187 835.8	201 346.7	216 027.1	7.2%	100.0%
Change to 2019				—			(1 437.7)	(1 521.2)	(1 244.4)		
Budget estimate											
Economic classification											
Transfers and subsidies¹	138 915.6	150 323.3	162 709.8	174 904.7	8.0%	100.0%	187 835.8	201 346.7	216 027.1	7.3%	100.0%
Households	138 915.6	150 323.3	162 709.8	174 904.7	8.0%	100.0%	187 835.8	201 346.7	216 027.1	7.3%	100.0%
Payments for financial assets	—	13.5	—	250.9	—	—	—	—	—	-100.0%	—
Total	138 915.6	150 336.8	162 709.8	175 155.6	8.0%	100.0%	187 835.8	201 346.7	216 027.1	7.2%	100.0%
Proportion of total programme expenditure to vote expenditure	94.3%	94.3%	94.3%	94.8%	—	—	95.0%	95.1%	95.2%	—	—
Details of selected transfers and subsidies											
Households											
Social benefits											
Current	138 915.6	150 323.3	162 709.8	174 904.7	8.0%	100.0%	187 835.8	201 346.7	216 027.1	7.3%	100.0%
Old age	58 327.0	64 130.2	70 542.1	76 950.9	9.7%	43.0%	83 105.6	90 053.5	97 068.3	8.0%	44.5%
War veterans	3.9	3.1	2.4	1.7	-23.4%	—	1.8	1.2	1.0	-16.4%	—
Disability	19 850.6	20 931.3	21 960.6	23 077.6	5.1%	13.7%	24 390.1	25 488.5	26 521.6	4.7%	12.7%
Foster care	5 327.7	5 207.0	5 114.2	5 080.8	-1.6%	3.3%	4 965.3	4 829.4	4 795.3	-1.9%	2.5%
Care dependency	2 613.9	2 841.4	3 068.0	3 429.8	9.5%	1.9%	3 568.6	3 808.9	4 077.4	5.9%	1.9%
Child support	51 555.2	55 847.8	60 611.6	64 716.4	7.9%	37.1%	69 765.2	74 779.8	80 735.4	7.7%	37.2%
Social relief of distress	587.2	545.8	416.7	410.0	-11.3%	0.3%	407.0	407.0	407.0	-0.2%	0.2%
Grant in aid	650.3	816.6	994.2	1 237.5	23.9%	0.6%	1 632.2	1 978.4	2 421.2	25.1%	0.9%

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

Programme 3: Social Security Policy and Administration

Programme purpose

Provide for social security policy development and the fair administration of social assistance.

Objectives

Ensure the fair administration of social assistance by:

- amending the Social Assistance Act (2004), the South African Social Security Agency Act (2004) and the Fundraising Act (1978) to address gaps and inconsistencies in the legislation by March 2021
- completing the white paper on comprehensive social security to extend social assistance coverage and introduce social insurance cover for all workers in formal and informal sectors by March 2023

Subprogrammes

- *Social Security Policy Development* develops and reviews social assistance policies and legislation, and contributory income support aimed at protecting households against life cycle contingencies such as unemployment, ill health, retirement, disability, or the death of a breadwinner.
- *Appeals Adjudication* seeks to provide fair and just adjudication services for social assistance appeals.

- *Social Grants Administration* provides for the South African Social Security Agency's operational costs for administering social grants, the management information system and the reimbursement of payment contractors.
- *Social Grants Fraud Investigations* funds fraud investigations through the South African Social Security Agency's special investigations unit.
- *Programme Management* provides for deputy director-general expenses related to social security policy initiatives.

Expenditure trends and estimates

Table 19.8 Social Security Policy and 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Social Security Policy Development	43.1	43.0	39.6	85.6	25.7%	0.7%	68.4	73.8	78.1	-3.0%	1.0%
Appeals Adjudication	25.5	26.9	35.0	36.3	12.5%	0.4%	39.6	44.2	45.0	7.5%	0.5%
Social Grants Administration	6 825.9	7 144.3	7 697.6	7 493.0	3.2%	97.9%	7 645.8	8 028.2	8 237.4	3.2%	97.5%
Social Grants Fraud Investigations	83.1	61.7	65.2	68.8	-6.1%	0.9%	72.6	76.6	79.4	4.9%	0.9%
Programme Management	3.4	1.8	3.1	5.2	15.2%	—	5.6	5.9	6.2	5.8%	0.1%
Total	6 980.9	7 277.7	7 840.6	7 688.9	3.3%	100.0%	7 832.0	8 228.8	8 446.2	3.2%	100.0%
Change to 2019 Budget estimate				(60.0)			(429.1)	(540.2)	(649.1)		
Economic classification											
Current payments	67.3	65.7	72.4	119.7	21.1%	1.1%	106.1	116.1	121.1	0.4%	1.4%
Compensation of employees	46.7	47.8	49.7	73.1	16.1%	0.7%	68.9	74.0	77.1	1.8%	0.9%
Goods and services ¹	20.6	17.9	22.7	46.6	31.2%	0.4%	37.2	42.1	44.0	-1.9%	0.5%
of which:											
Consultants: Business and advisory services	7.8	3.4	2.7	8.6	3.3%	0.1%	6.6	7.0	7.3	-5.2%	0.1%
Legal services	2.4	3.9	12.6	13.0	75.9%	0.1%	6.0	6.4	7.8	-15.7%	0.1%
Consumables: Stationery, printing and office supplies	0.2	0.2	0.3	2.5	117.6%	—	2.1	3.3	3.4	11.6%	—
Travel and subsistence	3.7	3.9	3.7	4.5	6.3%	0.1%	4.9	5.2	5.4	6.1%	0.1%
Operating payments	0.3	0.3	0.0	4.3	133.6%	—	3.3	3.6	3.8	-4.0%	—
Venues and facilities	2.0	2.8	0.8	2.0	1.0%	—	2.2	2.3	2.4	4.9%	—
Transfers and subsidies¹	6 912.6	7 211.7	7 767.8	7 566.7	3.1%	98.9%	7 723.2	8 109.8	8 322.0	3.2%	98.5%
Departmental agencies and accounts	6 908.9	7 206.1	7 762.9	7 561.8	3.1%	98.8%	7 718.4	8 104.8	8 316.8	3.2%	98.5%
Higher education institutions	2.0	1.5	1.5	—	-100.0%	—	—	—	—	—	—
Foreign governments and international organisations	1.7	4.1	3.4	4.6	40.4%	—	4.5	4.7	4.9	2.1%	0.1%
Households	0.0	0.0	0.0	0.3	99.3%	—	0.3	0.3	0.3	5.6%	—
Payments for capital assets	1.0	0.3	0.4	2.5	37.4%	—	2.7	2.8	3.0	5.6%	—
Buildings and other fixed structures	0.1	—	—	—	-100.0%	—	—	—	—	—	—
Machinery and equipment	0.9	0.3	0.4	2.5	44.0%	—	2.7	2.8	3.0	5.6%	—
Total	6 980.9	7 277.7	7 840.6	7 688.9	3.3%	100.0%	7 832.0	8 228.8	8 446.2	3.2%	100.0%
Proportion of total programme expenditure to vote expenditure	4.7%	4.6%	4.5%	4.2%	—	—	4.0%	3.9%	3.7%	—	—

Table 19.8 Social Security Policy and Administration expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	6 908.9	7 206.1	7 762.9	7 561.8	3.1%	98.8%	7 718.4	8 104.8	8 316.8	3.2%	98.5%
South African Social Security Agency	6 908.9	7 206.1	7 762.9	7 561.8	3.1%	98.8%	7 718.4	8 104.8	8 316.8	3.2%	98.5%
Foreign governments and international organisations											
Current	1.7	4.1	3.3	4.5	39.4%	–	4.4	4.6	4.8	2.0%	0.1%
International Social Security Association	1.7	1.6	1.8	2.0	6.4%	–	1.9	2.0	2.0	0.7%	–
International Labour Organisation	–	2.5	1.5	2.5	–	–	2.5	2.6	2.7	3.0%	–
Higher education institutions											
Current	2.0	1.5	1.5	–	-100.0%	–	–	–	–	–	–
University of the Witwatersrand	2.0	1.5	1.5	–	-100.0%	–	–	–	–	–	–

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

Programme 4: Welfare Services Policy Development and Implementation Support

Programme purpose

Create an enabling environment for the delivery of equitable developmental welfare services through the formulation of policies, norms, standards and best practices; and the provision of support to implementing agencies.

Objectives

- Ensure individuals, families and communities are empowered and resilient to deal with the scourge of HIV and AIDS, drugs and violence by supporting non-profit institutions through the implementation of psychosocial support programmes and HIV-prevention programmes over the medium term.
- Provide universal access to quality ECD services for children younger than 5 by March 2023 by:
 - developing an ECD service delivery model that outlines government's approach to the delivery of ECD services and the role of each stakeholder
 - providing training to trainers of the parenting programme to empower parents and caregivers.
- Transform and standardise social welfare services by developing and coordinating overarching policies, legislative frameworks, and norms and standards that promote integrated, quality-driven, professional and accountable service delivery by March 2023.
- Ensure improved human capacity for the sector by supporting the training of social work professionals and facilitating their employment or absorption, and contributing to youth employment, by March 2023.
- Render uniform and standardised adoption services, in line with the draft Children's Amendment Bill, by providing training to social workers employed by provincial departments of social development by March 2023.
- Ensure that government continues to meet its obligations to observe, protect, realise and safeguard all children's rights and act in their best interests by finalising the amendment to the Children's Act (2007) by March 2023.
- Promote, coordinate, facilitate and monitor the implementation of children's constitutional rights through the Office on the Rights of the Child by March 2023.
- Facilitate the implementation of the guidelines on community-based prevention and early intervention services to vulnerable children by developing a monitoring tool and capacitating social workers and other stakeholders to render such services by March 2023.
- Regulate social service practices to ensure the delivery of professional and accountable social services and effective sector capability by finalising the draft bill for social service practitioners by March 2021.

- Create an improved, efficient and integrated social development service by facilitating the approval of the draft white paper on social development and the development of a draft social development bill by March 2021.
- Provide regulation and guidance for the sector, and outline various models for the provision of psychosocial services in different settings by developing a policy on the provision of psychosocial services by March 2021.
- Ensure that victims are moved from abusive environments to environments in which they can positively transform their and their dependants' lives by developing an intersectoral sheltering policy by March 2021.
- Reduce the high relapse rate and ultimately prevent the scourge of substance abuse in communities and families by capacitating social workers on the universal treatment curriculum for the treatment of substance abuse by March 2023.

Subprogrammes

- *Service Standards* ensures the transformation and standardisation of social welfare services through the development and coordination of overarching policies and legislation that promote integrated, quality-driven, professional and accountable service delivery.
- *Substance Abuse* develops, supports and monitors the implementation of policies, legislation, and norms and standards for combating substance abuse.
- *Older Persons* develops, supports and monitors the implementation of policies, legislation, and norms and standards for the provision of social welfare services to older people.
- *People with Disabilities* promotes the empowerment of people with disabilities by strengthening and standardising social welfare services for them. Part of this function has been shifted to the Department of Women, Youth and Persons with Disabilities through the national macro organisation of government.
- *Children* develops, supports and monitors the implementation of policies, legislation and norms and standards for the provision of social welfare services to children.
- *Families* develops, supports and monitors the implementation of policies, legislation and programmes for services aimed at strengthening families.
- *Social Crime Prevention and Victim Empowerment* develops, supports and monitors the implementation of policies, legislation and programmes aimed at protecting, empowering and supporting victims of crime and violence.
- *Youth* develops and facilitates the implementation of policies, legislation and programmes aimed at mobilising, developing skills among and protecting vulnerable young people.
- *HIV and AIDS* develops, supports and monitors the implementation of policies, programmes and guidelines aimed at preventing and mitigating the impact of HIV and AIDS, in line with the 2017-2022 national strategic plan for HIV, sexually transmitted infections and TB.
- *Social Worker Scholarships* provides full scholarships for social work students.
- *Programme Management* provides for deputy director-general expenses related to social welfare services.

Expenditure trends and estimates

Table 19.9 Welfare Services Policy Development and Implementation Support expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/Total (%)
R million											
Service Standards	23.1	22.9	22.9	32.5	12.0%	2.5%	31.9	34.9	36.8	4.2%	2.6%
Substance Abuse	103.8	42.0	104.8	20.9	-41.4%	6.8%	22.0	23.4	24.3	5.1%	1.7%
Older Persons	16.0	20.1	16.5	20.5	8.6%	1.8%	19.4	21.6	22.4	3.0%	1.6%
People with Disabilities	11.1	10.8	11.7	12.4	3.6%	1.2%	13.4	14.9	15.4	7.5%	1.1%
Children	75.5	390.7	575.9	605.5	100.2%	41.3%	1 008.3	1 156.7	1 295.7	28.9%	77.7%
Families	9.6	10.0	9.0	10.4	2.6%	1.0%	11.1	11.8	12.2	5.5%	0.9%
Social Crime Prevention and Victim Empowerment	65.6	74.1	67.7	162.6	35.3%	9.3%	74.3	79.0	81.9	-20.4%	7.6%
Youth	17.0	18.0	15.6	14.3	-5.6%	1.6%	12.8	14.6	15.1	1.9%	1.1%
HIV and AIDS	80.3	97.1	111.6	95.0	5.8%	9.6%	35.9	28.5	28.7	-32.9%	3.6%
Social Worker Scholarships	290.8	305.3	322.2	58.5	-41.4%	24.5%	22.9	3.6	5.4	-54.7%	1.7%
Programme Management	4.3	4.4	4.6	4.5	1.0%	0.4%	4.8	5.0	5.2	5.5%	0.4%
Total	697.1	995.6	1 262.5	1 037.1	14.2%	100.0%	1 256.7	1 393.9	1 543.1	14.2%	100.0%
Change to 2019 Budget estimate				(28.8)			123.9	189.9	286.1		
Economic classification											
Current payments	237.6	245.5	256.0	361.5	15.0%	27.6%	272.6	295.0	307.3	-5.3%	23.6%
Compensation of employees	130.8	136.4	139.7	144.3	3.3%	13.8%	154.2	164.4	171.5	5.9%	12.1%
Goods and services ¹	106.8	109.1	116.3	217.2	26.7%	13.8%	118.4	130.7	135.7	-14.5%	11.5%
of which:											
Administrative fees	1.0	1.6	4.2	5.5	74.7%	0.3%	5.8	6.1	8.0	13.7%	0.5%
Advertising	14.1	12.6	7.8	25.3	21.5%	1.5%	14.9	15.7	16.2	-13.7%	1.4%
Catering: Departmental activities	6.5	10.0	7.1	5.5	-5.4%	0.7%	4.5	4.8	5.0	-3.1%	0.4%
Consultants: Business and advisory services	23.2	15.0	16.3	96.0	60.4%	3.8%	21.2	23.2	23.8	-37.1%	3.1%
Travel and subsistence	24.6	33.1	34.1	35.4	13.0%	3.2%	32.4	37.8	38.9	3.1%	2.8%
Venues and facilities	18.5	13.5	20.7	21.7	5.5%	1.9%	21.3	24.3	24.3	3.9%	1.8%
Transfers and subsidies¹	458.1	749.4	1 005.8	670.6	13.5%	72.2%	978.8	1 093.3	1 230.0	22.4%	75.9%
Provinces and municipalities	85.5	524.4	776.9	518.2	82.3%	47.7%	915.1	1 056.7	1 191.9	32.0%	70.4%
Higher education institutions	—	0.5	—	—	—	—	—	—	—	—	—
Foreign governments and international organisations	0.6	0.6	1.2	0.8	10.5%	0.1%	0.9	0.9	1.0	4.7%	0.1%
Non-profit institutions	80.3	99.3	104.4	95.6	6.0%	9.5%	42.6	35.0	36.4	-27.6%	4.0%
Households	291.7	124.7	123.3	55.9	-42.4%	14.9%	20.2	0.7	0.7	-76.5%	1.5%
Payments for capital assets	1.3	0.6	0.7	5.0	55.1%	0.2%	5.3	5.6	5.9	5.6%	0.4%
Machinery and equipment	1.3	0.6	0.7	5.0	56.0%	0.2%	5.3	5.6	5.9	5.6%	0.4%
Total	697.1	995.6	1 262.5	1 037.1	14.2%	100.0%	1 256.7	1 393.9	1 543.1	14.2%	100.0%
Proportion of total programme expenditure to vote expenditure	0.5%	0.6%	0.7%	0.6%	—	—	0.6%	0.7%	0.7%	—	—
Details of selected transfers and subsidies											
Non-profit institutions	76.2	98.4	104.4	95.6	7.9%	9.4%	42.6	35.0	36.4	-27.6%	4.0%
Current	76.2	98.4	104.4	95.6	7.9%	9.4%	42.6	35.0	36.4	-27.6%	4.0%
South African National AIDS Council	—	15.0	30.0	31.7	—	1.9%	10.0	—	—	-100.0%	0.8%
South African Federation for Mental Health	0.4	1.0	0.4	0.8	33.9%	0.1%	0.9	1.0	1.0	5.5%	0.1%
South African National Council on Alcoholism and Drug Dependence	1.5	1.5	1.6	1.7	5.1%	0.2%	1.8	1.9	2.0	5.6%	0.1%
South African Depression and Anxiety Group	1.6	1.6	1.6	1.7	2.7%	0.2%	1.8	1.9	2.0	5.6%	0.1%
South African Council for Social Service Professions	—	—	1.9	2.1	—	0.1%	2.2	2.3	2.4	5.6%	0.2%
South African Older Persons Forum	1.5	1.4	1.5	1.6	2.8%	0.2%	1.7	1.9	1.9	5.5%	0.1%
Family and Marriage Society South Africa	—	0.7	—	0.8	—	—	0.9	0.9	1.0	5.8%	0.1%
HIV and AIDS organisations	56.3	59.1	52.1	33.1	-16.3%	5.0%	—	—	—	-100.0%	0.6%
South African National Deaf Association	0.4	—	0.6	0.6	21.9%	—	0.7	0.7	0.7	5.6%	0.1%
Disabled Children's Action Group	1.2	—	0.5	0.7	-14.8%	0.1%	0.8	0.8	0.9	5.6%	0.1%
Deafblind South Africa	0.2	0.7	0.3	0.6	37.5%	—	0.7	0.7	0.7	5.6%	0.1%

Table 19.9 Welfare Services Policy Development and Implementation Support expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Autism South Africa	–	1.7	0.5	1.0	–	0.1%	1.0	1.1	1.1	5.6%	0.1%
Albinism Society of South Africa	1.0	0.7	0.4	0.8	-5.5%	0.1%	0.9	1.0	1.0	5.5%	0.1%
ChildLine South Africa	1.0	1.0	1.1	1.1	4.8%	0.1%	1.2	1.3	1.3	5.6%	0.1%
South African Congress for Early Childhood Development	0.6	0.9	0.7	0.7	5.4%	0.1%	0.8	0.8	0.9	5.6%	0.1%
Abba Specialist Adoptions and Social Services	–	1.0	1.2	1.3	–	0.1%	1.3	1.4	1.5	5.6%	0.1%
Ntataise	–	1.8	1.1	1.2	–	0.1%	1.2	1.3	1.4	5.6%	0.1%
AFM Executive Welfare Council	–	–	0.5	0.5	–	–	0.6	0.6	0.6	5.6%	–
Centre for Early Childhood Development	0.7	1.1	0.7	–	-100.0%	0.1%	–	–	–	–	–
Child Welfare South Africa	1.9	–	–	–	-100.0%	–	–	–	–	–	–
Humana People to People South Africa	–	–	1.2	1.3	–	0.1%	1.3	1.4	1.5	5.6%	0.1%
Uhambo Foundation	–	–	1.6	1.7	–	0.1%	1.8	1.9	2.0	5.5%	0.1%
National Institute Community Development and Management (victim empowerment)	–	1.7	1.5	1.6	–	0.1%	1.7	1.8	1.9	5.6%	0.1%
LifeLine South Africa	1.3	–	0.9	0.9	-12.1%	0.1%	1.0	1.0	1.1	5.6%	0.1%
National Shelter Movement of South Africa	0.8	1.7	0.3	0.7	-6.3%	0.1%	0.7	0.7	0.8	5.5%	0.1%
National Peace Accord Trust	0.9	1.3	0.6	0.7	-10.5%	0.1%	0.7	0.7	0.8	5.5%	0.1%
Khulisa Social Solutions	0.8	1.4	–	1.5	22.7%	0.1%	1.6	1.7	1.7	5.6%	0.1%
National Institute for Crime Prevention and the Reintegration of Offenders	1.1	–	–	1.5	12.5%	0.1%	1.6	1.7	1.8	5.5%	0.1%
National Institute Community Development and Management - older people	1.0	1.2	–	1.3	9.7%	0.1%	1.4	1.5	1.6	5.6%	0.1%
Suid-Afrikaanse Vrouefederasie - families	–	0.8	0.8	0.8	–	0.1%	0.9	0.9	1.0	5.4%	0.1%
Suid-Afrikaanse Vrouefederasie - children	0.8	–	–	0.7	-1.0%	–	0.8	0.8	0.9	5.6%	0.1%
Afrikaanse Christlike Vrouefederasie	1.3	1.1	0.8	0.8	-13.3%	0.1%	0.9	0.9	1.0	5.6%	0.1%
Households											
Other transfers to households											
Current	290.8	123.5	123.1	55.3	-42.5%	14.8%	19.5	–	–	-100.0%	1.4%
National Student Financial Aid Scheme	290.8	123.5	123.1	55.3	-42.5%	14.8%	19.5	–	–	-100.0%	1.4%
Foreign governments and international organisations											
Current	0.6	0.6	1.2	0.8	9.8%	0.1%	0.8	0.9	0.9	4.9%	0.1%
Namibian government	0.3	0.3	0.9	0.4	7.0%	0.1%	0.4	0.4	0.5	4.9%	–
International Social Service	0.3	0.2	0.3	0.4	13.0%	–	0.4	0.4	0.4	4.9%	–
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	–	499.4	687.6	518.2	–	42.7%	915.1	1 056.7	1 191.9	32.0%	70.4%
Early childhood development grant	–	317.6	490.8	518.2	–	33.2%	915.1	1 056.7	1 191.9	32.0%	70.4%
Social worker employment grant	–	181.8	196.8	–	–	9.5%	–	–	–	–	–
Capital	85.5	24.9	89.3	–	-100.0%	5.0%	–	–	–	–	–
Substance abuse treatment grant	85.5	24.9	89.3	–	-100.0%	5.0%	–	–	–	–	–

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: Social Policy and Integrated Service Delivery

Programme purpose

Support community development and promote evidence-based policy making in the department and the social development sector.

Objectives

- Increase public trust and confidence through the effective, fair regulation of non-profit organisations over the medium term by:
 - administering the Nonprofit Organisations Act (1997)
 - developing a policy framework for non-profit organisations
 - improving turnaround times for the registration of non-profit organisations
 - monitoring the compliance of non-profit organisations
 - facilitating the implementation of the funding policy and partnership model for non-profit organisations to ensure uniformity in the sector.
- Standardise the implementation of community development in South Africa by developing an overarching

community development policy and framework by March 2023.

- Empower and strengthen the sector to deliver quality services to vulnerable and poor communities and improve their quality of life by developing education and awareness programmes for non-profit organisations by March 2021.
- Coordinate food and nutrition interventions, including centre-based feeding programmes, by providing nutritious food to the poor and vulnerable in partnership with civil society organisations, social partners and social agencies over the medium term.

Subprogrammes

- *Social Policy Research and Development* provides strategic guidance through evidence-based social policy development, coordination and evaluation.
- *Special Projects and Innovation* provides for the coordination, incubation and innovation of departmental and social cluster initiatives such as the expanded public works programme.
- *Population Policy Promotion* supports, monitors and evaluates the implementation of the 1998 White Paper on Population Policy for South Africa by conducting research on the country's population trends and dynamics; raising awareness on population and development concerns; and supporting and building the technical capacity of national, provincial and local government and other stakeholders to implement population policy strategies.
- *Registration and Monitoring of Non-profit Organisations* registers and monitors non-profit organisations in terms of the Nonprofit Organisations Act.
- *Substance Abuse Advisory Services and Oversight* monitors the implementation of policies, legislation, and norms and standards aimed at combating substance abuse.
- *Community Development* develops and facilitates the implementation of policies, guidelines, and norms and standards for ensuring the effective and efficient delivery of community development services and programmes.
- *National Development Agency* provides grants to civil society organisations to implement sustainable community-driven projects that address food security, and create employment and income opportunities.
- *Programme Management* provides for deputy director-general expenses related to social policy and community development initiatives.

Expenditure trends and estimates

Table 19.10 Social Policy and Integrated Service Delivery 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Social Policy Research and Development	6.1	4.9	6.4	6.3	1.5%	1.5%	6.8	7.2	7.5	5.7%	1.8%
Special Projects and Innovation	10.7	10.2	6.8	11.8	3.1%	2.5%	12.6	13.4	13.9	5.6%	3.3%
Population Policy Promotion	33.8	35.4	33.6	36.9	3.0%	8.9%	39.4	42.0	43.6	5.7%	10.3%
Registration and Monitoring of Non-Profit Organisations	35.7	36.7	36.8	40.1	4.0%	9.5%	42.8	45.5	47.2	5.6%	11.2%
Substance Abuse Advisory Services and Oversight	5.9	3.6	4.8	6.6	3.8%	1.3%	7.0	7.4	7.7	5.2%	1.8%
Community Development	93.2	91.4	95.2	95.5	0.8%	23.9%	30.0	33.1	33.3	-29.6%	12.2%
National Development Agency	194.2	200.9	202.6	212.4	3.0%	51.5%	224.5	236.9	245.7	5.0%	58.4%
Programme Management	3.7	3.4	4.3	3.7	0.3%	1.0%	3.9	4.2	4.4	5.6%	1.0%
Total	383.2	386.6	390.3	413.3	2.5%	100.0%	367.2	389.6	403.1	-0.8%	100.0%
Change to 2019 Budget estimate				–			(3.0)	(3.0)	(4.2)		

Table 19.10 Social Policy and Integrated Service Delivery expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	132.2	126.5	125.7	134.5	0.6%	33.0%	139.6	149.5	154.0	4.6%	36.7%
Compensation of employees	80.9	80.7	84.6	86.4	2.2%	21.1%	92.9	98.9	102.6	5.9%	24.2%
Goods and services ¹	51.3	45.8	41.2	48.1	-2.1%	11.8%	46.7	50.6	51.4	2.3%	12.5%
of which:											
Administrative fees	1.3	1.3	1.9	1.4	2.8%	0.4%	1.5	1.7	1.7	7.6%	0.4%
Advertising	0.3	1.5	0.4	3.1	125.3%	0.3%	3.3	3.5	3.6	4.9%	0.9%
Consultants: Business and advisory services	9.0	7.7	6.2	6.3	-11.4%	1.9%	6.3	6.7	6.9	3.3%	1.7%
Consumables: Stationery, printing and office supplies	0.6	0.7	0.4	3.1	70.1%	0.3%	3.3	3.5	3.6	4.9%	0.9%
Travel and subsistence	25.4	23.1	18.4	17.8	-11.2%	5.4%	15.0	17.1	16.7	-2.1%	4.2%
Venues and facilities	4.9	3.5	5.7	10.7	29.6%	1.6%	11.3	11.9	12.4	4.9%	2.9%
Transfers and subsidies ¹	250.5	260.0	264.4	278.0	3.5%	66.9%	226.7	239.2	248.1	-3.7%	63.0%
Departmental agencies and accounts	194.2	200.9	202.6	212.4	3.0%	51.5%	224.5	236.9	245.7	5.0%	58.4%
Higher education institutions	0.4	—	—	—	-100.0%	—	—	—	—	—	—
Foreign governments and international organisations	1.8	1.9	1.6	1.9	0.6%	0.5%	2.0	2.1	2.2	4.6%	0.5%
Non-profit institutions	29.3	30.8	59.9	34.4	5.6%	9.8%	—	—	—	-100.0%	2.2%
Households	24.8	26.4	0.2	29.3	5.7%	5.1%	0.2	0.2	0.2	-80.9%	1.9%
Payments for capital assets	0.6	0.1	0.2	0.9	12.4%	0.1%	0.9	1.0	1.0	5.6%	0.2%
Buildings and other fixed structures	0.1	—	—	—	-100.0%	—	—	—	—	—	—
Machinery and equipment	0.5	0.1	0.2	0.9	17.4%	0.1%	0.9	1.0	1.0	5.6%	0.2%
Total	383.2	386.6	390.3	413.3	2.5%	100.0%	367.2	389.6	403.1	-0.8%	100.0%
Proportion of total programme expenditure to vote expenditure	0.3%	0.2%	0.2%	0.2%	—	—	0.2%	0.2%	0.2%	—	—
Details of selected transfers and subsidies											
Non-profit institutions											
Current	29.3	30.8	59.9	34.4	5.6%	9.8%	—	—	—	-100.0%	2.2%
Population Association of Southern Africa	0.2	0.2	—	0.3	7.7%	—	—	—	—	-100.0%	—
Food relief	29.1	30.6	59.9	34.2	5.5%	9.8%	—	—	—	-100.0%	2.2%
Households											
Other transfers to households											
Current	24.7	26.1	—	29.1	5.6%	5.1%	—	—	—	-100.0%	1.9%
Food relief	24.7	26.1	—	29.1	5.6%	5.1%	—	—	—	-100.0%	1.9%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	194.2	200.9	202.6	212.4	3.0%	51.5%	224.5	236.9	245.7	5.0%	58.4%
National Development Agency	194.2	200.9	202.6	212.4	3.0%	51.5%	224.5	236.9	245.7	5.0%	58.4%
Foreign governments and international organisations											
Current	1.5	1.6	1.4	1.9	8.2%	0.4%	2.0	2.1	2.2	4.6%	0.5%
United Nations Population Fund	0.5	0.5	0.6	0.6	5.4%	0.1%	0.6	0.7	0.7	4.9%	0.2%
Partners in Population and Development	1.0	0.8	0.8	1.0	0.3%	0.2%	1.0	1.1	1.1	4.9%	0.3%
Leadership for Environment and Development Southern and Eastern Africa	—	0.3	—	0.3	—	—	0.3	0.3	0.3	3.0%	0.1%

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

Entity

South African Social Security Agency

Selected performance indicators

Table 19.11 South African Social Security Agency performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Average cost of administering social assistance per month	Benefits administration support	Priority 5: Social cohesion and safe communities	R35	R34	R31	R36	R37	R37	R36
Administration cost as a percentage of social assistance transfers budget per year	Benefits administration support		5.2% (R7.2bn/ R138.9bn)	4.8% (R7.2bn/ R150.3bn)	4.0% (R6.6bn/ R162.7bn)	4.4%	4.4%	4.2%	3.9%
Number of community outreach programmes conducted per year	Benefits administration support		631	685	317	400	400	400	400
Percentage of new grant applications per year processed within target working days per year	Benefits administration support		90.4% (1.9 million/ 2.1 million) within 10 days	94.1% (2 million/ 2.1 million) within 10 days	98.9% (1.62 million/ 1.64 million) within 10 days	95% within 10 days	95% within 10 days	95% within 5 days	95% within 5 days

Entity overview

The South African Social Security Agency Act (2004) provides for the establishment of the South African Social Security Agency, the objectives of which are to ensure the effective and efficient administration, management and payment of social assistance. The agency's core business is to administer and pay social assistance transfers. It has a large network of centres where citizens can apply for social grants and manages a large system of payment services.

The agency provides social assistance to about 18 million poor South Africans through social grants. Since its inception in 1998/99, the *child support grant* has grown from supporting 70 000 beneficiaries to more than 12 million in 2018/19, accounting for an estimated two-thirds of the total number of grants administered by the department. To optimise the delivery of services to the recipients of grants over the medium term, the agency will focus on investing in ICT infrastructure, particularly biometric and business intelligence solutions, and reviewing its business model.

The agency plans to roll out a biometric solution to reduce fraud by strengthening beneficiary verification mechanisms and authentication. The planned upgrades will include facial recognition as an additional biometric identifier, and high-performance search and matching capabilities to efficiently scan an estimated 220 million beneficiary fingerprints in the database to identify potential duplicates. Eliminating the use of passwords to log into the grant application and payment system will further reduce the risk of fraud. Rollout is set to be completed in 2020/21 at a projected cost of R17.5 million.

To improve the quality of its financial reporting, the agency will invest in a business intelligence solution to verify that all payments to grant recipient bank accounts were successful and match claims from the South African Post Office. This solution is expected to allow data to be profiled comprehensively and effectively to support transactional, operational and analytical workloads regardless of source, volume or latency. To implement the solution, and for deployment costs and post-implementation support and maintenance, R155.5 million has been set aside over the medium term.

The agency plans to conduct a business review to assess whether processes, structures and systems are appropriately configured to deliver on its mandate. This review is critical in light of recent developments such as a review of the grants value chain and the insourcing of some of the functions that were performed by the previous payment service provider. It is envisaged that the review will be concluded by 2021/22.

As administering grants is labour intensive, spending on compensation of employees comprises an estimated

46.7 per cent (R11.7 billion) of the agency's total expenditure over the medium term, increasing from R3.7 billion in 2019/20 to R4 billion in 2022/23 at an average annual rate of 3 per cent. The remainder goes towards goods and services, for essential operational requirements such as building leases, security, cleaning and computer services.

The agency derives 99.9 per cent of its revenue through transfers from the department. These are expected to increase from R7.6 billion in 2019/20 to R8.3 billion in 2022/23 at an average annual rate of 3.2 per cent.

Programmes/Objectives/Activities

Table 19.12 South African Social Security Agency 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 (%)
	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Administration	2 581.4	2 593.6	2 886.2	3 002.1	5.2%	38.6%	3 648.6	3 647.1	3 361.5	3.8%	41.4%
Benefits administration support	4 643.6	4 623.4	3 664.0	4 755.7	0.8%	61.4%	4 709.5	4 829.2	4 963.2	1.4%	58.6%
Total	7 225.0	7 217.0	6 550.2	7 757.8	2.4%	100.0%	8 358.1	8 476.3	8 324.6	2.4%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 19.13 South African Social Security Agency statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Revenue									
Non-tax revenue	4.2	13.4	4.4	7.9	6.3	19.9	6.7	6.7	221.1%
Sale of goods and services other than capital assets	—	5.3	0.0	1.8	0.6	0.6	0.6	0.6	655.6%
of which:									
Administrative fees	—	0.2	—	0.2	0.2	0.2	0.2	0.2	206.5%
Sales by market establishment	—	5.1	—	1.6	0.4	0.4	0.5	0.5	855.0%
Other sales	—	—	0.0	0.0	0.0	0.0	0.0	0.0	100.0%
Other non-tax revenue	4.2	8.1	4.4	6.1	5.7	19.3	6.1	6.1	194.0%
Transfers received	6 908.9	6 908.9	7 206.1	7 206.1	7 762.9	7 762.9	7 621.8	7 561.8	99.8%
Total revenue	6 913.1	6 922.3	7 210.5	7 213.9	7 769.2	7 782.8	7 628.5	7 568.5	99.9%
Expenses									
Current expenses	7 545.1	7 194.6	7 684.6	7 180.8	8 149.2	6 511.2	7 786.1	7 726.1	91.8%
Compensation of employees	3 034.3	2 895.7	3 242.2	3 027.3	3 464.0	3 173.4	3 657.9	3 657.9	95.2%
Goods and services	4 480.3	4 184.9	4 409.9	4 031.6	4 677.1	3 219.6	4 080.7	4 020.7	87.6%
Depreciation	30.6	114.0	32.5	121.9	8.1	118.2	47.5	47.5	338.5%
Transfers and subsidies	27.0	30.4	28.3	36.2	30.3	38.9	31.6	31.6	117.0%
Total expenses	7 572.1	7 225.0	7 712.9	7 217.0	8 179.4	6 550.2	7 817.8	7 757.8	91.9%
Surplus/(Deficit)	(659.0)	(302.7)	(502.4)	(3.1)	(410.2)	1 232.6	(189.3)	(189.3)	
Cash flow statement									
Cash flow from operating activities	(628.4)	(285.4)	(779.8)	64.9	(441.5)	2 012.1	(206.9)	(206.9)	-77.1%
Receipts									
Non-tax receipts	4.2	12.1	4.4	6.6	6.3	3.6	6.7	6.7	133.9%
Sales of goods and services other than capital assets	4.2	11.5	4.4	5.4	5.6	2.9	6.0	6.0	127.5%
Administrative fees	—	0.2	—	0.2	0.2	0.2	0.2	0.2	206.5%
Sales by market establishment	—	5.1	—	0.4	0.4	0.4	0.5	0.5	717.5%
Other sales	4.2	6.3	4.4	4.8	5.1	2.3	5.3	5.3	98.6%
Other tax receipts	—	0.5	—	1.3	0.7	0.7	0.7	0.7	224.5%
Transfers received	6 908.9	6 908.9	7 206.1	7 206.1	7 762.9	7 762.9	7 621.8	7 561.8	99.8%
Total receipts	6 913.1	6 921.0	7 210.5	7 212.7	7 769.2	7 766.5	7 628.5	7 568.5	99.8%
Payment									
Current payments	7 514.5	7 176.0	7 962.0	7 111.5	8 180.8	5 715.5	7 803.7	7 743.7	88.2%
Compensation of employees	3 034.3	2 895.7	3 250.4	3 027.3	3 464.0	2 584.0	3 657.9	3 657.9	90.7%
Goods and services	4 480.3	4 280.3	4 711.5	4 084.2	4 716.8	3 131.5	4 145.7	4 085.7	86.3%
Transfers and subsidies	27.0	30.4	28.3	36.2	30.0	38.9	31.7	31.7	117.3%
Total payments	7 541.5	7 206.4	7 990.3	7 147.7	8 210.8	5 754.4	7 835.3	7 775.3	88.3%
Net cash flow from investing activities	(148.9)	(164.7)	(152.0)	(101.7)	(160.8)	(595.1)	(160.8)	(160.8)	164.3%
Acquisition of property, plant, equipment and intangible assets	(79.7)	(166.2)	(79.3)	(78.8)	(83.9)	(46.6)	(83.9)	(83.9)	114.9%
Acquisition of software and other intangible assets	(70.0)	—	(73.4)	(24.1)	(77.7)	(8.3)	(77.7)	(77.7)	36.8%
Proceeds from the sale of property, plant, equipment and intangible assets	—	—	—	—	—	0.9	—	—	—
Other flows from investing activities	0.7	1.5	0.8	1.1	0.8	(541.0)	0.8	0.8	-16 824.5%
Net cash flow from financing activities	(4.9)	(0.3)	(5.4)	(232.7)	(5.7)	(0.2)	(5.7)	(5.7)	1 095.8%
Repayment of finance leases	(4.3)	(0.2)	(4.7)	(0.1)	(5.0)	(0.2)	(5.0)	(5.0)	28.5%
Other flows from financing activities	(0.7)	(0.1)	(0.7)	(232.6)	(0.8)	(0.0)	(0.8)	(0.8)	8 038.6%
Net increase/(decrease) in cash and cash equivalents	(782.2)	(450.4)	(937.2)	(269.5)	(608.0)	1 416.8	(373.4)	(373.4)	

Table 19.13 South African Social Security Agency statements of historical financial performance, cash flow and financial position

Statement of financial position									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	2016/17 - 2019/20
R million	2016/17		2017/18		2018/19		2019/20		
Carrying value of assets	785.3	858.3	824.6	821.8	865.9	749.7	912.4	912.4	98.6%
Acquisition of assets	(79.7)	(166.2)	(79.3)	(78.8)	(83.9)	(46.6)	(83.9)	(83.9)	114.9%
Inventory	34.0	15.5	35.7	16.5	17.4	15.0	18.3	18.3	61.9%
Loans	—	—	—	—	—	411.9	—	—	—
Receivables and prepayments	17.7	27.6	18.6	26.6	29.0	14.9	30.6	30.6	103.9%
Cash and cash equivalents	892.8	777.4	522.2	509.2	536.2	1 927.2	564.6	564.6	150.2%
Total assets	1 729.8	1 678.7	1 401.1	1 374.1	1 448.5	3 118.7	1 525.9	1 525.9	126.1%
Accumulated surplus/(deficit)	625.3	981.6	122.9	746.0	333.5	1 978.5	144.2	144.2	314.1%
Finance lease	0.3	—	0.3	0.4	0.3	0.2	0.3	0.3	73.5%
Trade and other payables	751.4	406.6	907.5	335.1	806.5	850.9	1 056.8	1 056.8	75.2%
Provisions	352.8	290.5	370.5	292.7	308.2	289.0	324.5	324.5	88.3%
Total equity and liabilities	1 729.8	1 678.7	1 401.1	1 374.1	1 448.5	3 118.7	1 525.9	1 525.9	126.1%

Statements of estimates of financial performance, cash flow and financial position**Table 19.14 South African Social Security Agency statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance			Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate	Average growth rate (%)	Total (%)					
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Revenue								
Non-tax revenue	6.7	-20.7%	0.2%	7.1	7.5	7.8	5.3%	0.1%
Sale of goods and services other than capital assets	0.6	-50.4%	0.0%	0.7	0.7	0.7	5.3%	0.0%
Administrative fees	0.2	-5.4%	0.0%	0.2	0.2	0.2	5.3%	0.0%
Sales by market establishment	0.5	-55.2%	0.0%	0.5	0.5	0.5	5.2%	0.0%
Other sales	0.0	—	0.0%	0.0	0.0	0.0	5.9%	0.0%
Other non-tax revenue	6.1	-9.4%	0.1%	6.4	6.7	7.1	5.3%	0.1%
Transfers received	7 561.8	3.1%	99.8%	7 718.4	8 104.8	8 316.8	3.2%	99.9%
Total revenue	7 568.5	3.0%	100.0%	7 725.5	8 112.2	8 324.6	3.2%	100.0%
Current expenses	7 726.1	2.4%	99.5%	8 324.9	8 441.2	8 288.5	2.4%	99.6%
Compensation of employees	3 657.9	8.1%	44.4%	3 830.1	3 883.0	3 999.5	3.0%	46.7%
Goods and services	4 020.7	-1.3%	53.7%	4 444.7	4 505.4	4 234.6	1.7%	52.3%
Depreciation	47.5	-25.3%	1.4%	50.1	52.9	54.4	4.7%	0.6%
Transfers and subsidies	31.6	1.3%	0.5%	33.2	35.1	36.1	4.5%	0.4%
Total expenses	7 757.8	2.4%	100.0%	8 358.1	8 476.3	8 324.6	2.4%	100.0%
Surplus/(Deficit)	(189.3)			(632.6)	(364.1)	—		
Cash flow statement								
Cash flow from operating activities	(206.9)	-10.2%	0.3%	(653.2)	(385.9)	(115.7)	26.7%	0.3%
Receipts								
Non-tax receipts	6.7	-17.8%	0.1%	7.1	7.5	7.8	5.2%	0.1%
Sales of goods and services other than capital assets	6.0	-19.7%	0.1%	6.3	6.6	6.9	5.2%	0.1%
Administrative fees	0.2	-5.4%	0.0%	0.2	0.2	0.2	5.7%	0.0%
Sales by market establishment	0.5	-55.2%	0.0%	0.5	0.5	0.5	5.3%	0.0%
Other sales	5.3	-5.2%	0.1%	5.6	5.9	6.2	5.2%	0.1%
Other tax receipts	0.7	11.9%	0.0%	0.8	0.8	0.9	5.2%	0.0%
Transfers received	7 561.8	3.1%	99.9%	7 718.4	8 104.8	8 316.8	3.2%	99.9%
Total receipts	7 568.5	3.0%	100.0%	7 725.5	8 112.2	8 324.6	3.2%	100.0%
Current payments	7 743.7	2.6%	96.2%	8 345.5	8 463.0	8 403.6	2.8%	99.6%
Compensation of employees	3 657.9	8.1%	42.2%	3 830.1	3 883.0	4 069.4	3.6%	46.7%
Goods and services	4 085.7	-1.5%	54.1%	4 515.4	4 580.0	4 334.2	2.0%	52.9%
Transfers and subsidies	31.7	1.3%	0.5%	33.2	35.1	36.7	5.1%	0.4%
Total payment	7 775.3	2.6%	100.0%	8 378.7	8 498.1	8 440.3	2.8%	100.0%
Net cash flow from investing activities	(160.8)	-0.8%	100.0%	(169.6)	(178.9)	(187.5)	5.3%	100.0%
Acquisition of property, plant, equipment and intangible assets	(83.9)	-20.4%	59.6%	(88.5)	(93.4)	(97.9)	5.3%	52.2%
Acquisition of software and other intangible assets	(77.7)	—	18.3%	(82.0)	(86.5)	(90.6)	5.3%	48.3%
Other flows from investing activities	0.8	-18.4%	22.1%	0.9	0.9	1.0	5.3%	-0.5%
Net cash flow from financing activities	(5.7)	177.4%	100.0%	(6.0)	(6.4)	(6.7)	5.3%	100.0%
Repayment of finance leases	(5.0)	192.7%	60.8%	(5.2)	(5.5)	(5.8)	5.3%	86.8%
Other flows from financing activities	(0.8)	120.9%	39.2%	(0.8)	(0.8)	(0.9)	5.2%	13.2%
Net increase/(decrease) in cash and cash equivalents	(373.4)	-6.1%	100.0%	(828.9)	(571.2)	(309.9)	-6.0%	100.0%
Statement of financial position								
Carrying value of assets	912.4	2.1%	48.7%	974.4	1 028.0	1 077.3	5.7%	60.0%
Acquisition of assets	(83.9)	-20.4%	-5.7%	(88.5)	(93.4)	(97.9)	5.3%	-5.5%
Inventory	18.3	5.8%	1.0%	19.3	20.4	21.4	5.3%	1.2%
Receivables and prepayments	30.6	3.4%	1.5%	32.2	34.0	35.6	5.3%	2.0%
Cash and cash equivalents	564.6	-10.1%	45.5%	595.6	628.4	658.5	5.3%	36.8%
Total assets	1 525.9	-3.1%	100.0%	1 621.6	1 710.8	1 792.9	5.5%	100.0%
Accumulated surplus/(deficit)	144.2	-47.2%	46.4%	632.6	364.1	—	-100.0%	17.4%
Finance lease	0.3	—	0.0%	0.4	0.4	0.4	5.2%	0.0%
Trade and other payables	1 056.8	37.5%	36.3%	646.2	985.1	1 413.9	10.2%	61.4%
Provisions	324.5	3.8%	17.3%	342.4	361.2	378.6	5.3%	21.2%
Total equity and liabilities	1 525.9	-3.1%	100.0%	1 621.6	1 710.8	1 792.9	5.5%	100.0%

Personnel information

Table 19.15 South African Social Security Agency personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost	Unit cost
South African Social Security Agency																			
Salary level	9 794	18 834	8 269	3 173.4	0.4	8 732	3 657.9	0.4	9 794	3 830.1	0.4	9 794	3 883.0	0.4	9 794	3 999.5	0.4	3.0%	100.0%
1 – 6	6 152	10 596	5 044	1 351.4	0.3	5 343	1 497.0	0.3	6 152	1 558.7	0.3	6 152	1 570.5	0.3	6 152	1 595.5	0.3	2.1%	62.4%
7 – 10	2 879	6 966	2 564	1 167.6	0.5	2 719	1 357.8	0.5	2 879	1 428.0	0.5	2 879	1 448.1	0.5	2 879	1 504.1	0.5	3.5%	29.8%
11 – 12	527	942	473	422.8	0.9	470	475.9	1.0	527	500.0	0.9	527	510.6	1.0	527	529.0	1.0	3.6%	5.4%
13 – 16	235	329	188	231.5	1.2	199	325.0	1.6	235	341.1	1.5	235	351.4	1.5	235	368.4	1.6	4.3%	2.4%
17 – 22	1	1	–	–	–	1	2.2	2.2	1	2.3	2.3	1	2.4	2.4	1	2.5	2.5	3.9%	0.0%

1. Rand million.

Other entity

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

- The primary focus of the **National Development Agency** is on strengthening the institutional capacity of civil society organisations that provide services to poor communities. The agency also promotes consultation and dialogue between civil society and the state, debates policy development, and conducts research. The agency's projected expenditure for 2020/21 is R226.9 million.

Vote 20

Women, Youth and Persons with Disabilities

Budget summary

	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
R million						
MTEF allocation						
Administration	93.3	91.2	0.0	2.1	98.6	101.8
Social Transformation and Economic Empowerment	124.8	34.5	89.9	0.4	132.4	137.4
Policy, Stakeholder Coordination and Knowledge Management	49.2	48.3	–	0.8	51.6	54.6
Rights of Persons with Disabilities	19.9	19.4	0.2	0.3	21.5	22.5
National Youth Development	491.3	12.6	478.7	0.0	517.3	536.8
Total expenditure estimates	778.5	206.0	568.8	3.7	821.5	853.0

Executive authority Minister of Women, Youth and Persons with Disabilities
 Accounting officer Director-General of Women, Youth and Persons with Disabilities
 Website www.women.gov.za

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Lead, coordinate and oversee the transformation agenda for the socioeconomic empowerment, rights and equal treatment of women, youth and persons with disabilities.

Mandate

The Department of Women, Youth and Persons with Disabilities derives its mandate from section 9(3) of the Constitution. The department is required to champion socioeconomic transformation and the empowerment and participation of women, youth and people with disabilities through mainstreaming, advocacy, and monitoring and evaluation.

Selected performance indicators

Table 20.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Number of interventions to support economic empowerment, participation and ownership for women, youth and people with disabilities per year	Social Transformation and Economic Empowerment	Priority 1: Economic transformation and job creation	– ¹	– ¹	– ¹	4	4	4	4
Number of interventions to increase access and participation of young women and girls in science, engineering, technology and mathematics-related disciplines per year	Social Transformation and Economic Empowerment	Priority 5: Social cohesion and safe communities	– ¹	– ¹	– ¹	4	4	4	4
Number of research reports produced on government priorities per year	Policy, Stakeholder Coordination and Knowledge Management	Priority 6: A capable, ethical and developmental state	– ¹	– ¹	– ¹	1	1	1	1

Table 20.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of research reports on policy implementation for women's socioeconomic empowerment	Policy, Stakeholder Coordination and Knowledge Management	Priority 5: Social cohesion and safe communities	1	1	1	— ²	— ²	— ²	— ²
Number of reports on the compliance of government commitments on international instruments produced per year	Policy, Stakeholder Coordination and Knowledge Management		4	4	2	2	2	3	3
Number of public participation and outreach initiatives on women's empowerment, including girls and young women, conducted per year	Policy, Stakeholder Coordination and Knowledge Management		10	10	13	10	12	12	12
Number of community mobilisation initiatives aimed at fostering the social and economic inclusion of women, youth and people with disabilities per year	Policy, Stakeholder Coordination and Knowledge Management		4	4	3	4	4	4	4

1. No historical data available.

2. Indicator discontinued.

Expenditure analysis

Chapter 15 of the National Development Plan envisages economic participation, education and skills development for women and other vulnerable groups, and the elimination of violence against women and children. This vision is given expression by priority 1 (economic transformation and job creation), priority 5 (social cohesion and safe communities) and priority 6 (a capable, ethical and developmental state) of government's 2019-2024 medium-term strategic framework. The work of the Department of Women, Youth and Persons with Disabilities is directly aligned with these priorities through facilitating the planning, budgeting, monitoring and evaluation, and auditing processes responsive to gender, youth and disability rights across the state. Accordingly, over the medium term, the department intends to focus on: reducing gender-based violence and femicide, and strengthening the national gender machinery; making interventions for economic empowerment; engaging in responsive government-wide planning, budgeting, monitoring and evaluation; ensuring compliance with international commitments; promoting the rights of people with disabilities; and supporting the development of young people.

The department's budget structure has changed to align with the reconfigured department following the incorporation of the *National Youth Development Programme* from the Department of Planning, Monitoring and Evaluation, and the *Rights of Persons with Disabilities* subprogramme from the Department of Social Development. Expenditure is expected to increase at an average annual rate of 4.9 per cent, from R738 million in 2019/20 to R853 million in 2022/23. Transfers and subsidies account for an estimated 73 per cent (R1.8 billion) of the department's total budget over the MTEF period. The department is set to receive additional allocations in the *Social Transformation and Economic Empowerment* programme amounting to R15 million over the medium term for the establishment of a national council on gender-based violence and femicide.

Eradicating gender-based violence and femicide, and strengthening the national gender machinery

In response to the high prevalence of gender-based violence and femicide in South Africa, the department plans to carry out work in two strategic areas: facilitating interventions to eradicate gender-based violence and femicide; and revitalising and strengthening the national gender machinery, a set of integrated structures meant to promote gender equality, as proposed in the South African policy framework for women's empowerment and gender equality. Activities related to these measures are carried out in the *Governance Transformation, Justice and Security* subprogramme, which is allocated R43.6 million over the MTEF period.

Making interventions for economic empowerment

Over the medium term, the department will seek to explore partnerships with economic cluster departments, agencies and businesses in priority sectors to establish models and support systems to maximise the economic inclusion and empowerment of women, young people and people with disabilities. Related activities such as advocacy campaigns and meetings will be carried out in the *Social Empowerment and Transformation* subprogramme in the *Social Transformation and Economic Empowerment* programme, which is allocated R29.5 million over the medium term.

Engaging in responsive government-wide planning, budgeting, and monitoring and evaluation

The work of the department's *Policy, Stakeholder Coordination and Knowledge Management* programme is integral in advocating for and safeguarding the rights of the department's core constituents. In each year over the medium term, the department plans to conduct 12 public participation initiatives and 4 community mobilisation events to assist government in identifying gaps and advising on how services should be structured to respond to citizen concerns and contribute to the realisation of equal and entrenched rights for women, young people and people with disabilities. Expenditure for these initiatives and events is within an allocation of R51.7 million in the programme's *Stakeholder Coordination and Outreach* subprogramme.

Cabinet adopted the framework on gender-responsive planning, budgeting, monitoring and evaluation, and auditing in 2018/19. Over the medium term, the department will continue to increase awareness of and build capacity for implementing the framework, and provide strategic guidance to other departments to coordinate its implementation through an allocation of R3.7 million also in the *Policy, Stakeholder Coordination and Knowledge Management* programme. When the department's knowledge hub, which was launched in 2019/20, is fully operational, it will be a central repository of research and information on gender, and thereby contribute to the framework's successful implementation. For this purpose, R1.3 million is allocated over the MTEF period, also in the *Policy, Stakeholder Coordination and Knowledge Management* programme.

Ensuring compliance with international commitments

Over the period ahead, the department plans to facilitate South Africa's participation in multilateral platforms that advance the inclusion of women, youth and people with disabilities. Related activities include supporting compliance with international commitments and obligations, establishing partnerships and collaborations to mobilise resources, and preparing country reports. These are carried out in the *International Relations* subprogramme in the *Policy, Stakeholder Coordination and Knowledge Management* programme at an estimated cost of R17.3 million over the MTEF period. Key engagements over the medium term include the 64th session of the United Nations Commission on the Status of Women, the 25th anniversary of the Beijing Declaration and Platform for Action, and relevant structures of the African Union and Southern African Development Community.

Promoting the rights of people with disabilities

Activities in the *Rights of Persons with Disabilities* programme are focused on developing, supporting and monitoring the implementation of policies; and coordinating government's implementation of the 2015 White Paper on the Rights of Persons with Disabilities. Over the medium term, the department will oversee the implementation of programmes pertaining to the rights of people with disabilities, develop advocacy strategies and mainstreaming guidelines to advance rights of people with disabilities, standardise the measure of disability in partnership with Statistics South Africa to ensure the quality of disability data in administrative systems, and integrate reporting obligations into a consolidated monitoring framework for disability rights. These goals are set to be achieved through an allocation of R63.9 million over the MTEF period in the *Rights of Persons with Disabilities* programme.

Supporting the development of young people

The department oversees the development of youth policy and the National Youth Development Agency, and implements and monitors initiatives targeted at the development of young people. To this end, the department has embarked on a review of the national youth policy with the aim of producing a new policy for the period

2020-2030. The review of the policy will run concurrently with the policy's monitoring and evaluation framework to enable adequate reporting and accountability on policy pillars. To carry out these activities, R40 million over the MTEF period is allocated to the Management: *National Youth Development subprogramme*.

Expenditure trends and estimates

Table 20.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Social Transformation and Economic Empowerment											
3. Policy, Stakeholder Coordination and Knowledge Management											
4. Rights of Persons with Disabilities											
5. National Youth Development											
Programme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	90.1	84.3	90.0	93.3	1.2%	13.0%	93.3	98.6	101.8	2.9%	12.1%
Programme 2	79.5	94.2	102.4	112.9	12.4%	14.2%	124.8	132.4	137.4	6.7%	15.9%
Programme 3	26.7	27.9	31.9	43.5	17.6%	4.7%	49.2	51.6	54.6	7.8%	6.2%
Programme 4	16.0	15.8	15.3	18.8	5.4%	2.4%	19.9	21.5	22.5	6.2%	2.6%
Programme 5	411.1	437.6	484.3	469.5	4.5%	65.7%	491.3	517.3	536.8	4.6%	63.1%
Total	623.5	659.8	723.9	738.0	5.8%	100.0%	778.5	821.5	853.0	4.9%	100.0%
Change to 2019 Budget estimate				(1.3)			(3.7)	(4.2)	(3.8)		
Economic classification											
Current payments	143.9	146.0	161.9	188.0	9.3%	23.3%	206.0	218.2	227.3	6.5%	26.3%
Compensation of employees	84.0	86.6	93.9	112.5	10.3%	13.7%	121.2	128.9	134.8	6.2%	15.6%
Goods and services ¹	59.9	59.3	68.0	75.5	8.0%	9.6%	84.8	89.3	92.5	7.0%	10.7%
of which:											
Audit costs: External	3.9	3.8	4.0	3.2	-6.5%	0.5%	4.3	4.5	4.7	13.4%	0.5%
Consultants: Business and advisory services	1.5	6.4	3.0	7.3	68.6%	0.7%	15.4	16.3	16.6	31.2%	1.7%
Property payments	11.7	11.6	13.3	17.8	14.9%	2.0%	18.8	19.3	20.1	4.1%	2.4%
Travel and subsistence	21.0	15.9	20.1	24.0	4.5%	2.9%	19.5	21.4	21.3	-3.8%	2.7%
Operating payments	3.1	2.5	2.5	2.7	-4.6%	0.4%	4.5	4.6	4.7	20.9%	0.5%
Venues and facilities	2.2	1.4	3.6	3.5	17.0%	0.4%	5.4	5.7	6.0	19.7%	0.6%
Transfers and subsidies ¹	476.0	511.4	559.3	546.0	4.7%	76.2%	568.8	599.4	621.7	4.4%	73.2%
Provinces and municipalities	0.0	0.0	0.0	0.0	18.6%	0.0%	0.0	0.0	0.0	21.6%	0.0%
Departmental agencies and accounts	475.7	511.1	557.9	544.8	4.6%	76.1%	568.6	599.1	621.4	4.5%	73.1%
Households	0.4	0.3	1.5	1.2	47.8%	0.1%	0.2	0.2	0.2	-44.0%	0.1%
Payments for capital assets	3.5	2.5	2.5	3.5	0.4%	0.4%	3.7	3.9	4.1	4.8%	0.5%
Machinery and equipment	3.5	2.5	1.9	2.6	-9.4%	0.4%	2.7	2.9	3.0	5.1%	0.4%
Software and other intangible assets	–	–	0.5	0.9	0.0%	0.1%	1.0	1.0	1.1	4.2%	0.1%
Payments for financial assets	0.1	–	0.2	0.4	89.3%	0.0%	–	–	–	-100.0%	0.0%
Total	623.5	659.8	723.9	738.0	5.8%	100.0%	778.5	821.5	853.0	4.9%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 20.3 Vote transfers and subsidies trends and estimates

				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							Medium-term expenditure estimate				
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	475 657	511 072	557 880	544 754	4.6%	99.8%	568 563	599 126	621 435	4.5%	99.9%
Commission for Gender Equality	69 891	78 266	80 735	85 177	6.8%	15.0%	89 861	95 144	98 683	5.0%	15.8%
National Youth Development Agency	405 766	432 806	477 145	459 577	4.2%	84.8%	478 702	503 982	522 752	4.4%	84.1%
Households											
Social benefits											
Current	382	187	410	1 233	47.8%	0.1%	202	216	216	-44.0%	0.1%
Employee social benefits	382	87	410	1 233	47.8%	0.1%	202	216	216	-44.0%	0.1%
CEO Sleep Out Trust	–	100	–	–	–	–	–	–	–	–	–
Households											
Other transfers to households											
Current	–	100	1 046	–	–	0.1%	–	–	–	–	–
Employee social benefits	–	100	1 046	–	–	0.1%	–	–	–	–	–
Total	476 039	511 359	559 336	545 987	4.7%	100.0%	568 765	599 342	621 651	4.4%	100.0%

Personnel information

Table 20.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Social Transformation and Economic Empowerment																			
3. Policy, Stakeholder Coordination and Knowledge Management																			
4. Rights of Persons with Disabilities																			
5. National Youth Development																			
Number of posts estimated for 31 March 2020			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								Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)			
			Actual			Revised estimate													
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
Women, Youth and Persons with Disabilities			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	123	11	148	93.9	0.6	152	112.5	0.7	154	121.2	0.8	153	128.9	0.8	151	134.8	0.9	-0.2%	100.0%
1 – 6	21	4	34	8.3	0.2	35	9.8	0.3	35	10.5	0.3	34	10.9	0.3	33	11.3	0.3	-1.9%	22.5%
7 – 10	37	4	45	18.3	0.4	39	18.3	0.5	39	19.6	0.5	39	21.0	0.5	39	22.4	0.6	–	25.6%
11 – 12	22	2	23	17.3	0.8	26	21.5	0.8	28	24.3	0.9	28	25.9	0.9	28	27.5	1.0	2.5%	18.0%
13 – 16	40	1	44	46.3	1.1	48	55.4	1.2	48	58.7	1.2	48	62.6	1.3	47	64.4	1.4	-0.7%	31.3%
Other	3	–	2	3.7	1.9	4	7.6	1.9	4	8.1	2.0	4	8.6	2.1	4	9.1	2.3	–	2.6%
Programme	123	11	148	93.9	0.6	152	112.5	0.7	154	121.2	0.8	153	128.9	0.8	151	134.8	0.9	-0.2%	100.0%
Programme 1	61	8	77	47.8	0.6	79	55.4	0.7	76	56.0	0.7	75	59.3	0.8	73	60.9	0.8	-2.6%	49.7%
Programme 2	20	–	26	15.8	0.6	21	15.2	0.7	21	16.0	0.8	21	17.2	0.8	21	18.3	0.9	–	13.8%
Programme 3	20	3	27	16.6	0.6	30	24.2	0.8	35	30.5	0.9	35	32.4	0.9	35	34.5	1.0	5.3%	22.1%
Programme 4	14	–	11	9.4	0.9	14	10.8	0.8	14	11.4	0.8	14	12.0	0.9	14	12.7	0.9	–	9.2%
Programme 5	8	–	7	4.4	0.6	8	6.9	0.9	8	7.4	0.9	8	7.8	1.0	8	8.3	1.0	–	5.2%

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

2. Rand million.

Departmental receipts

Table 20.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
Departmental receipts	576	31	120	120	120	-40.7%	100.0%	52	55	58	-21.5%	100.0%
Sales of goods and services produced by department	21	30	54	120	120	78.8%	26.6%	52	55	58	-21.5%	100.0%
Sales by market establishments	21	30	54	49	120	78.8%	26.6%	52	55	58	-21.5%	100.0%
of which:												
Sales market establishments	21	30	54	49	120	78.8%	26.6%	52	55	58	-21.5%	100.0%
Other sales	–	–	–	71	–	–	–	–	–	–	–	–
of which:												
Salary claim	–	–	–	71	–	–	–	–	–	–	–	–
Interest, dividends and rent on land	–	–	2	–	–	–	0.2%	–	–	–	–	–
Interest	–	–	2	–	–	–	0.2%	–	–	–	–	–
Sales of capital assets	298	–	–	–	–	-100.0%	35.2%	–	–	–	–	–
Transactions in financial assets and liabilities	257	1	64	–	–	-100.0%	38.0%	–	–	–	–	–
Total	576	31	120	120	120	-40.7%	100.0%	52	55	58	-21.5%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 20.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
R million											
Ministry	21.3	20.2	21.0	21.2	-0.2%	23.4%	18.8	20.3	21.3	0.1%	21.1%
Departmental Management	24.1	18.0	16.4	17.5	-10.2%	21.2%	17.8	19.0	19.4	3.7%	19.0%
Corporate Services	20.5	21.3	24.4	22.5	3.3%	24.8%	23.0	24.2	24.7	3.1%	24.4%
Financial Management	12.6	13.3	15.0	14.6	4.9%	15.5%	15.6	16.1	16.5	4.2%	16.2%
Office Accommodation	11.6	11.5	13.2	17.6	14.8%	15.1%	18.2	19.1	19.9	4.2%	19.3%
Total	90.1	84.3	90.0	93.3	1.2%	100.0%	93.3	98.6	101.8	2.9%	100.0%
Change to 2019				9.0			1.8	1.8	1.3		
Budget estimate											
Economic classification											
Current payments	86.7	81.8	86.3	89.9	1.2%	96.3%	91.2	96.4	99.5	3.4%	97.4%
Compensation of employees	50.7	49.9	47.8	55.4	3.0%	56.9%	56.0	59.3	60.9	3.2%	59.8%
Goods and services ¹	36.0	32.0	38.5	34.5	-1.5%	39.4%	35.3	37.1	38.6	3.8%	37.6%
of which:											
Audit costs: External	3.9	3.8	4.0	3.2	-6.5%	4.2%	4.3	4.5	4.7	13.4%	4.3%
Communication	2.1	2.5	1.8	1.9	-2.8%	2.3%	2.4	3.0	3.2	17.7%	2.7%
Computer services	3.7	2.5	3.8	1.0	-35.9%	3.1%	1.0	1.0	1.0	2.5%	1.0%
Property payments	11.7	11.5	13.3	17.8	15.1%	15.2%	18.4	19.3	20.1	4.1%	19.5%
Travel and subsistence	7.1	6.0	8.7	5.7	-7.1%	7.7%	4.0	4.3	4.2	-9.6%	4.7%
Training and development	0.4	0.4	0.1	0.9	36.4%	0.5%	1.0	1.0	1.0	4.1%	1.0%
Transfers and subsidies¹	0.2	0.1	1.3	1.0	59.4%	0.7%	0.0	0.0	0.0	-66.9%	0.3%
Provinces and municipalities	0.0	0.0	0.0	0.0	18.6%	—	0.0	0.0	0.0	21.6%	—
Households	0.2	0.1	1.3	1.0	60.2%	0.7%	0.0	0.0	0.0	-73.6%	0.3%
Payments for capital assets	3.1	2.4	2.3	2.1	-12.7%	2.7%	2.1	2.2	2.3	3.4%	2.2%
Machinery and equipment	3.1	2.4	1.8	1.1	-28.8%	2.3%	1.1	1.1	1.2	2.8%	1.2%
Software and other intangible assets	—	—	0.5	0.9	—	0.4%	1.0	1.0	1.1	4.2%	1.0%
Payments for financial assets	0.1	—	0.2	0.4	89.3%	0.2%	—	—	—	-100.0%	0.1%
Total	90.1	84.3	90.0	93.3	1.2%	100.0%	93.3	98.6	101.8	2.9%	100.0%
Proportion of total programme expenditure to vote expenditure	14.5%	12.8%	12.4%	12.6%	—	—	12.0%	12.0%	11.9%	—	—

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

Programme 2: Social Transformation and Economic Empowerment

Programme purpose

Manage policies and programmes that mainstream the social transformation and economic empowerment of women in South Africa.

Objectives

- Advance the socioeconomic empowerment of women on an ongoing basis by:
 - promoting the social empowerment and participation of women through national dialogues on violence against women and children, and social upliftment programmes for women
 - proposing and developing interventions for the socioeconomic empowerment and participation of women
 - developing interventions to advance gender equality, and establishing a just and safe society.

Subprogrammes

- *Management: Social Transformation and Economic Empowerment* provides overall strategic leadership and management to the programme.
- *Social Empowerment and Transformation* provides intervention mechanisms on policies and programme implementation for mainstreaming the social empowerment and participation of women towards social transformation.

- *Governance Transformation, Justice and Security* provides guidance for enhancing existing systems and procedures, addresses barriers to the equal participation of women in the public and private sectors, and contributes to the elimination of gender-based violence.
- *Economic Empowerment and Participation* provides intervention mechanisms on policies and programme implementation for mainstreaming the economic empowerment and participation of women towards economic transformation and development.
- *Commission for Gender Equality* facilitates transfer payments to the Commission for Gender Equality, which promotes gender equality and respect for women's rights.

Expenditure trends and estimates

Table 20.7 Social Transformation and Economic Empowerment 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Management: Social Transformation and Economic Empowerment	3.8	3.5	4.0	6.6	20.4%	4.6%	6.7	7.3	7.8	5.7%	5.6%
Social Empowerment and Transformation	2.8	3.8	7.8	7.9	40.8%	5.8%	9.2	10.0	10.4	9.4%	7.4%
Governance Transformation, Justice and Security	1.7	6.5	6.9	8.5	69.4%	6.1%	14.0	14.6	14.9	20.8%	10.3%
Economic Empowerment and Participation	1.3	2.1	3.0	4.7	54.0%	2.9%	5.0	5.4	5.6	5.5%	4.1%
Commission for Gender Equality	69.9	78.3	80.7	85.2	6.8%	80.7%	89.9	95.1	98.7	5.0%	72.7%
Total	79.5	94.2	102.4	112.9	12.4%	100.0%	124.8	132.4	137.4	6.7%	100.0%
Change to 2019 Budget estimate				3.8			8.7	9.7	10.0		
Economic classification											
Current payments	9.5	15.9	21.6	27.3	42.4%	19.1%	34.5	36.8	38.2	11.8%	27.0%
Compensation of employees	7.3	9.0	15.8	15.2	27.7%	12.2%	16.0	17.2	18.3	6.4%	13.1%
Goods and services ¹	2.2	6.9	5.8	12.2	77.9%	6.9%	18.5	19.6	19.9	17.8%	13.8%
of which:											
Consultants: Business and advisory services	—	3.0	1.4	2.3	—	1.7%	8.5	8.7	9.2	59.7%	5.6%
Consumable supplies	0.0	0.0	0.0	0.1	157.1%	—	0.4	0.4	0.4	98.5%	0.2%
Consumables: Stationery, printing and office supplies	0.0	0.0	0.1	0.1	54.4%	0.1%	0.6	0.6	0.7	97.4%	0.4%
Travel and subsistence	1.1	3.2	1.8	9.0	98.6%	3.9%	5.7	6.4	5.9	-13.2%	5.3%
Operating payments	0.0	0.0	0.0	—	-100.0%	—	1.4	1.5	1.5	—	0.9%
Venues and facilities	0.6	0.2	0.5	0.3	-18.4%	0.4%	1.3	1.4	1.5	66.0%	0.9%
Transfers and subsidies¹	70.0	78.3	80.7	85.2	6.8%	80.8%	89.9	95.1	98.7	5.0%	72.7%
Departmental agencies and accounts	69.9	78.3	80.7	85.2	6.8%	80.7%	89.9	95.1	98.7	5.0%	72.7%
Households	0.1	—	—	0.0	-24.9%	—	—	—	—	-100.0%	—
Payments for capital assets	0.1	—	0.0	0.4	42.3%	0.1%	0.4	0.5	0.5	9.3%	0.3%
Machinery and equipment	0.1	—	0.0	0.4	42.3%	0.1%	0.4	0.5	0.5	9.3%	0.3%
Total	79.5	94.2	102.4	112.9	12.4%	100.0%	124.8	132.4	137.4	6.7%	100.0%
Proportion of total programme expenditure to vote expenditure	12.8%	14.3%	14.1%	15.3%	—	—	16.0%	16.1%	16.1%	—	—
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	69.9	78.3	80.7	85.2	6.8%	80.7%	89.9	95.1	98.7	5.0%	72.7%
Commission for Gender Equality	69.9	78.3	80.7	85.2	6.8%	80.7%	89.9	95.1	98.7	5.0%	72.7%

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

Programme 3: Policy, Stakeholder Coordination and Knowledge Management

Programme purpose

Ensure policy and stakeholder coordination and knowledge management for the social transformation of

women in South Africa.

Objectives

- Inform decision-making, policy development and implementation on the socioeconomic empowerment of women in South Africa in line with national, regional, continental and global development goals by generating, accessing and analysing available knowledge, research and information on the implementation of policy and international commitments on an ongoing basis.
- Ensure that government departments improve their contribution to the socioeconomic empowerment of women by improving the mainstreaming of gender equality within government's planning, monitoring and evaluation systems on an ongoing basis.
- Improve gender-sensitive planning, monitoring and evaluation systems by analysing other departments' plans and performance against priority indicators and targets for gender development, facilitating the evaluation of key gender policies and programmes, and making recommendations for improvement on an ongoing basis.
- Position the department as an effective information and knowledge hub on the socioeconomic empowerment of women and gender equality by developing a central national gender information system to enable stakeholders to contribute to and access gender knowledge and information over the medium term.
- Enable the fulfilment of commitments to and effective participation in international multilateral forums on the empowerment of women and gender equality by instituting timely reporting and convening consultative workshops with relevant stakeholders annually.

Subprogrammes

- *Management: Policy Coordination and Knowledge Management* provides overall strategic leadership and management to the programme.
- *Research, Policy Analysis and Knowledge Management* promotes the development of gender-sensitive research and knowledge, and conducts policy analysis to effect transformation for the empowerment of women and gender equality.
- *International Relations* promotes international engagements on women and South Africa's compliance with international treaties on women.
- *Stakeholder Coordination and Outreach* conducts public participation and outreach initiatives to promote the empowerment of women and gender equality.
- *Monitoring and Evaluation* monitors and evaluates progress on the socioeconomic empowerment of women in line with national laws, and regional, continental and international treaties and commitments.

Expenditure trends and estimates

Table 20.8 Policy, Stakeholder Coordination and Knowledge 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million					2016/17 - 2019/20					2019/20 - 2022/23	
Management: Policy Coordination and Knowledge Management	5.4	3.9	4.0	4.9	-3.0%	13.9%	6.6	6.6	6.8	11.8%	12.5%
Research, Policy Analysis and Knowledge Management	4.1	5.5	5.4	9.2	31.4%	18.5%	9.7	10.4	10.8	5.6%	20.2%
International Relations	—	—	2.2	5.6	—	6.0%	6.4	7.4	8.0	12.7%	13.8%
Stakeholder Coordination and Outreach	13.3	14.5	16.2	15.5	5.3%	45.7%	16.5	16.6	18.6	6.3%	33.8%
Monitoring and Evaluation	4.0	4.0	4.3	8.3	27.4%	15.8%	10.0	10.6	10.3	7.4%	19.7%
Total	26.7	27.9	31.9	43.5	17.6%	100.0%	49.2	51.6	54.6	7.8%	100.0%
Change to 2019				(7.4)			(2.9)	(3.7)	(2.8)		
Budget estimate											

Table 20.8 Policy, Stakeholder Coordination and Knowledge Management expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	26.6	27.8	31.7	42.7	17.0%	99.0%	48.3	50.7	53.7	7.9%	98.3%
Compensation of employees	14.3	15.4	16.6	24.2	19.2%	54.2%	30.5	32.4	34.5	12.6%	61.2%
Goods and services ¹	12.3	12.3	15.1	18.5	14.4%	44.8%	17.9	18.3	19.1	1.2%	37.1%
of which:											
Catering: Departmental activities	0.4	2.8	3.1	2.1	79.2%	6.4%	2.1	2.2	2.3	3.7%	4.4%
Consultants: Business and advisory services	0.0	1.7	0.8	2.0	345.5%	3.5%	2.6	3.1	2.8	10.7%	5.3%
Rental and hiring	0.1	0.1	0.3	0.8	120.1%	1.0%	0.8	0.8	0.9	2.6%	1.7%
Transport provided:	–	0.9	1.5	2.9	–	4.0%	1.9	1.7	2.2	-8.6%	4.3%
Departmental activity											
Travel and subsistence	8.9	3.8	5.3	5.5	-14.6%	18.0%	5.7	5.9	6.3	4.4%	11.7%
Venues and facilities	0.5	0.3	2.1	1.8	56.3%	3.6%	1.9	2.0	2.1	6.8%	4.0%
Transfers and subsidies ¹	0.0	0.1	0.2	0.0	6.3%	0.3%	–	–	–	-100.0%	–
Households	0.0	0.1	0.2	0.0	6.3%	0.3%	–	–	–	-100.0%	–
Payments for capital assets	0.1	0.0	0.0	0.8	111.6%	0.7%	0.8	0.9	0.9	4.9%	1.7%
Machinery and equipment	0.1	0.0	0.0	0.8	111.6%	0.7%	0.8	0.9	0.9	4.9%	1.7%
Total	26.7	27.9	31.9	43.5	17.6%	100.0%	49.2	51.6	54.6	7.8%	100.0%
Proportion of total programme expenditure to vote expenditure	4.3%	4.2%	4.4%	5.9%	–	–	6.3%	6.3%	6.4%	–	–

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

Programme 4: Rights of Persons with Disabilities

Programme purpose

Oversee the implementation of programmes pertaining to the rights of persons with disabilities.

Objective

- Support and monitor the implementation of policies, and coordinate government's implementation of the 2015 White Paper on the Rights of Persons with Disabilities on an ongoing basis.

Subprogramme

- Rights of Persons with Disabilities* maintains and implements advocacy and mainstreaming guidelines and frameworks for the rights of people with disabilities.

Expenditure trends and estimates

Table 20.9 Rights of Persons with Disabilities expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Rights of Persons with Disabilities	16.0	15.8	15.3	18.8	5.4%	100.0%	19.9	21.5	22.5	6.2%	100.0%
Total	16.0	15.8	15.3	18.8	5.4%	100.0%	19.9	21.5	22.5	6.2%	100.0%
Change to 2019 Budget estimate				18.8			19.9	21.5	22.5		

Table 20.9 Rights of Persons with Disabilities expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	15.8	15.7	15.3	18.3	4.9%	98.7%	19.4	21.0	21.9	6.2%	97.5%
Compensation of employees	9.1	9.7	9.4	10.8	6.0%	59.3%	11.4	12.0	12.7	5.4%	56.9%
Goods and services ¹	6.7	6.0	5.9	7.4	3.4%	39.4%	8.0	8.9	9.2	7.4%	40.6%
of which:											
Catering: Departmental activities	0.1	0.1	0.2	0.2	12.9%	1.0%	0.2	0.2	0.2	6.1%	1.0%
Consultants: Business and advisory services	0.5	1.1	0.5	1.8	54.3%	6.0%	1.9	2.0	2.1	4.9%	9.5%
Contractors	0.0	0.0	–	0.3	140.2%	0.5%	0.3	0.3	0.3	4.8%	1.5%
Consumables: Stationery, printing and office supplies	0.4	0.1	0.2	0.2	-13.6%	1.3%	0.3	0.3	0.3	4.8%	1.3%
Travel and subsistence	2.9	2.7	3.7	3.2	3.4%	19.0%	3.6	4.3	4.4	10.5%	18.8%
Venues and facilities	1.0	0.4	0.8	1.1	1.1%	5.0%	1.1	1.2	1.2	4.9%	5.5%
Transfers and subsidies ¹	0.0	0.1	0.0	0.2	67.9%	0.5%	0.2	0.2	0.2	4.2%	0.9%
Households	0.0	0.1	0.0	0.2	67.9%	0.5%	0.2	0.2	0.2	4.2%	0.9%
Payments for capital assets	0.2	0.0	0.0	0.3	23.5%	0.8%	0.3	0.3	0.4	5.3%	1.6%
Machinery and equipment	0.2	0.0	0.0	0.3	23.5%	0.8%	0.3	0.3	0.4	5.3%	1.6%
Total	16.0	15.8	15.3	18.8	5.4%	100.0%	19.9	21.5	22.5	6.2%	100.0%
Proportion of total programme expenditure to vote expenditure	2.6%	2.4%	2.1%	2.5%	–	–	2.6%	2.6%	2.6%	–	–

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

Programme 5: National Youth Development

Programme purpose

Oversee the implementation of national youth development programmes.

Objective

Promote the development and empowerment of young people by reviewing the legislative framework and other interventions to advance youth rights over the medium term.

Subprogrammes

- *Management: National Youth Development* facilitates the development and implementation of national strategies and policies aimed at young people.
- *Youth Development Programmes* oversees the transfer of funds to the National Youth Development Agency.

Expenditure trends and estimates

Table 20.10 National Youth Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Management: National Youth Development	5.3	4.8	7.1	9.9	23.0%	1.5%	12.6	13.3	14.1	12.5%	2.5%
Youth Development Programmes	405.8	432.8	477.1	459.6	4.2%	98.5%	478.7	504.0	522.8	4.4%	97.5%
Total	411.1	437.6	484.3	469.5	4.5%	100.0%	491.3	517.3	536.8	4.6%	100.0%
Change to 2019 Budget estimate				469.5			491.3	517.3	536.8		

Table 20.10 National Youth Development expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	5.3	4.7	7.1	9.9	23.2%	1.5%	12.6	13.3	14.0	12.4%	2.5%
Compensation of employees	2.6	2.6	4.4	6.9	38.2%	0.9%	7.4	7.8	8.3	6.5%	1.5%
Goods and services ¹	2.7	2.1	2.7	3.0	3.6%	0.6%	5.2	5.4	5.7	24.1%	1.0%
of which:											
Catering: Departmental activities	0.1	0.1	0.1	0.0	-27.3%	–	0.1	0.1	0.1	43.6%	–
Communication	0.0	0.0	0.1	0.0	-11.3%	–	0.1	0.1	0.1	51.3%	–
Consultants: Business and advisory services	–	–	–	0.7	–	–	1.7	1.8	1.9	38.9%	0.3%
Travel and subsistence	0.9	0.2	0.7	0.5	-18.8%	0.1%	0.5	0.6	0.6	4.6%	0.1%
Operating payments	1.6	1.5	1.8	1.6	1.2%	0.4%	1.7	1.8	1.9	5.3%	0.3%
Venues and facilities	0.0	0.2	0.0	0.1	31.5%	–	1.0	1.0	1.1	179.2%	0.2%
Transfers and subsidies ¹	405.8	432.8	477.1	459.6	4.2%	98.5%	478.7	504.0	522.8	4.4%	97.5%
Departmental agencies and accounts	405.8	432.8	477.1	459.6	4.2%	98.5%	478.7	504.0	522.8	4.4%	97.5%
Payments for capital assets	0.0	0.0	0.1	0.0	-27.0%	–	0.0	0.0	0.0	48.7%	–
Machinery and equipment	0.0	0.0	0.1	0.0	-27.0%	–	0.0	0.0	0.0	48.7%	–
Total	411.1	437.6	484.3	469.5	4.5%	100.0%	491.3	517.3	536.8	4.6%	100.0%
Proportion of total programme expenditure to vote expenditure	65.9%	66.3%	66.9%	63.6%	–	–	63.1%	63.0%	62.9%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	405.8	432.8	477.1	459.6	4.2%	98.5%	478.7	504.0	522.8	4.4%	97.5%
National Youth Development Agency	405.8	432.8	477.1	459.6	4.2%	98.5%	478.7	504.0	522.8	4.4%	97.5%

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

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 **Commission for Gender Equality** promotes respect for gender equality, and engages in advocacy and education initiatives to raise awareness and challenge patriarchal stereotypes. It seeks to protect and enforce gender rights by investigating complaints made by members of the public and sanctioning appropriate remedies in line with legislation. The commission's projected expenditure for 2020/21 is R89.9 million.
- The **National Youth Development Agency** was established in 2009 through the merger of the National Youth Commission and the Umsobomvu Youth Fund. Its main role is to initiate, implement, facilitate and monitor youth development interventions aimed at reducing unemployment among young people and promoting social cohesion. The agency's projected expenditure for 2020/21 is R537.8 million.

Vote 21

Civilian Secretariat for the Police Service

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	69.4	68.4	0.2	0.8	74.0	77.2
Intersectoral Coordination and Strategic Partnerships	26.7	26.4	–	0.3	28.4	29.9
Legislation and Policy Development	24.8	24.5	–	0.3	26.4	26.5
Civilian Oversight, Monitoring and Evaluations	35.4	34.9	–	0.4	37.6	39.7
Total expenditure estimates	156.3	154.3	0.2	1.8	166.3	173.3
Executive authority	Minister of Police					
Accounting officer	Secretary for the Police Service					
Website	www.policesecretariat.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Provide strategic advice and support to the Minister of Police. Exercise civilian oversight of the South African Police Service to ensure a transformed and accountable police service that reflects the values of a developmental state.

Mandate

The Civilian Secretariat for the Police Service was established in terms of the Civilian Secretariat for Police Service Act (2011) and section 208 of the Constitution, which provides for the establishment of a civilian secretariat for the police service to function under the direction of the Minister of Police. In terms of the act, the secretariat's mandate is to conduct civilian oversight of the police service and provide policy and strategic support to the minister, including administrative support in relation to his international obligations. The act also mandates responsibility on the secretariat to monitor the implementation of the Domestic Violence Act (1998) by the South African Police Service.

Selected performance indicators

Table 21.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of anti-crime campaigns conducted per year	Intersectoral Coordination and Strategic Partnerships	Priority 5: Social cohesion and safe communities	1	3	4	3	3	3	3
Number of policies on policing submitted to the Secretary for the Police Service for approval per year	Legislation and Policy Development		2	2	3	2	2	1	1
Number of bills submitted to the minister for approval per year	Legislation and Policy Development		1	4	3	1	2	2	2

Table 21.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of reports on oversight visits conducted in police stations approved by the Secretary for the Police Service per year	Civilian Oversight, Monitoring and Evaluations	Priority 5: Social cohesion and safe communities	— ¹	— ¹	1	2	2	2	2
Number of monitoring reports on the compliance and implementation of the Domestic Violence Act (1998) by the South African Police Service approved by the Secretary for the Police Service per year	Civilian Oversight, Monitoring and Evaluations		2	2	2	2	2	2	2

1. No historical data available.

Expenditure analysis

Chapter 12 of the National Development Plan sets out a vision for building safer communities by adopting a holistic approach to safety and security. This vision is expressed in terms of priority 5 (social cohesion and safe communities) of government's 2019-2024 medium-term strategic framework, with which the work of the Civilian Secretariat for the Police Service is closely aligned. Over the medium term, the department will focus on: strengthening community participation in the fight against crime by implementing crime prevention campaigns, hosting provincial imbizos and establishing additional community safety forums at the municipal level; strengthening regulation by developing new policies and legislation for the police sector; and monitoring the performance of the police service through oversight visits to police stations.

Expenditure increases at an average annual rate of 6.6 per cent, from R143.1 million in 2019/20 to R173.3 million in 2022/23. Spending on compensation of employees accounts for 71.5 per cent (R355.9 million) of total expenditure over the medium term. However, allocations for compensation of employees have been reduced by R676 000 in 2020/21 and R720 000 in 2021/22 in line with government's expenditure ceiling for compensation of employees. Despite these reductions, the department's funded establishment will increase from 153 posts in 2019/20 to 156 posts in 2022/23, due to the planned filling of vacant funded posts.

Strengthening community participation in the fight against crime

The department recognises that community participation is critical to reducing crime and building a safe and cohesive society. A key vehicle for community participation is community safety forums, which are managed by communities and are responsible for coordinating the implementation of national and provincial community safety initiatives and priorities at the municipal level. In this regard, over the MTEF period the department, in collaboration with the Department of Cooperative Governance and provincial departments of community safety, plans to continue facilitating the establishment of community safety forums.

There were 42 functioning community safety forums across South Africa by the end of 2018/19 and the department plans to establish an additional 27 by 2022/23. Related activities are carried out in the *Intersectoral Coordination and Strategic Partnerships* programme, which has an allocation of R85.1 million over the medium term, accounting for 17.3 per cent of the department's total budget. Travel and subsistence is the largest cost associated with establishing community safety forums, spending on which constitutes 42.1 per cent (R10.2 million) of the programme's total expenditure on goods and services over the period.

Greater public awareness and educational campaigns were necessary in 2019/20 as reports of incidents of femicide and gender-based violence increased. As a result, the department increased its number of planned national crime prevention campaigns for the year from 3 to 5, during the year. Over the MTEF period the department will revert to implementing 3 crime prevention campaigns per year, in line with the available budget. The department hosts imbizos to allow communities to raise their concerns and make suggestions for improved service delivery directly with the Minister of Police. Over the medium term the department plans to hold 1 imbizo in 8 provinces per year. Related activities for imbizos and crime prevention campaigns are also

carried out in the *Intersectoral Coordination and Strategic Partnerships* programme. A portion of the programme's budget for travel and subsistence will be used for the 4 department officials who are responsible for implementing crime prevention campaigns and imbizos.

Strengthening regulation of the police service

Through its legislation unit, the department plans to finalise 2 bills per year over the medium term for submission to the Minister of Police. These bills include the Firearms Control Amendment Bill, the Second-hand Goods Amendment Bill, the Controlled Animals and Animal Products Bill, the Criminal Law (Forensic Procedures) Amendment Bill, the Independent Police Investigative Directorate Bill, and the Protection of Constitutional Democracy against Terrorist and Related Activities Amendment Bill. The department also plans to finalise 4 policies on policing and safety over the period ahead.

Among these policies is the implementation framework for the 2016 White Paper on Policing, which will outline policy proposals for professionalising the police service. Related activities are carried out in the *Legislation and Policy Development* programme, which accounts for 15.6 per cent (R77.7 million) of the department's total budget over the MTEF period. As these activities are labour intensive, spending on compensation of employees constitutes 76.3 per cent (R59.5 million) of the programme's total expenditure over the period.

Monitoring police performance

In line with its mandate to monitor the performance of the police service, over the MTEF period the department plans to prepare and finalise biannual reports on oversight visits to police stations. These reports enable the department to assess the overall effectiveness of policing programmes, including crime prevention initiatives, and compliance by the police service with policing regulations and legislation such as the Domestic Violence Act (1998). As the department monitors the work undertaken by provinces on its behalf regarding oversight visits, spending on travel and subsistence increases by 5.5 per cent over the medium term, accounting for 53.1 per cent (R13.6 million) of total spending on goods and services in the *Civilian Oversight, Monitoring and Evaluations* programme.

Expenditure trends and estimates

Table 21.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Intersectoral Coordination and Strategic Partnerships											
3. Legislation and Policy Development											
4. Civilian Oversight, Monitoring and Evaluations											
Programme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome										
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	40.5	52.0	53.1	63.8	16.3%	43.2%	69.4	74.0	77.2	6.6%	44.5%
Programme 2	22.0	20.9	22.0	24.9	4.2%	18.5%	26.7	28.4	29.9	6.4%	17.2%
Programme 3	13.4	18.6	20.4	21.9	17.9%	15.3%	24.8	26.4	26.5	6.5%	15.6%
Programme 4	23.5	26.8	28.4	32.5	11.3%	22.9%	35.4	37.6	39.7	6.9%	22.7%
Total	99.4	118.3	123.9	143.1	12.9%	100.0%	156.3	166.3	173.3	6.6%	100.0%
Change to 2019 Budget estimate				(3.6)			(0.7)	(0.7)	–		
Economic classification											
Current payments	98.3	114.3	122.8	140.9	12.8%	98.3%	154.3	164.2	171.1	6.7%	98.7%
Compensation of employees	66.3	82.7	91.4	101.0	15.1%	70.4%	112.0	119.3	124.5	7.2%	71.5%
Goods and services ¹	32.0	31.4	31.3	39.9	7.6%	27.8%	42.2	44.9	46.6	5.3%	27.2%
of which:											
Advertising	2.1	0.8	0.9	1.3	-14.4%	1.0%	2.5	1.5	1.6	7.1%	1.1%
Audit costs: External	1.9	2.1	2.2	3.0	15.6%	1.9%	2.0	2.9	3.0	0.5%	1.7%
Communication	1.6	1.3	1.4	1.9	7.6%	1.3%	2.1	2.0	2.1	2.3%	1.3%
Computer services	6.3	8.3	8.4	10.2	17.8%	6.9%	4.3	10.5	10.9	2.0%	5.6%
Operating leases	0.3	0.7	0.9	4.6	147.4%	1.3%	7.1	8.1	8.6	23.6%	4.4%
Travel and subsistence	10.4	9.4	11.0	10.6	0.8%	8.5%	15.2	12.1	12.3	5.0%	7.9%

Table 21.2 Vote expenditure trends and estimates by programme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Transfers and subsidies ¹	0.3	0.9	0.1	0.4	9.9%	0.4%	0.2	0.2	0.2	-19.2%	0.2%
Provinces and municipalities	0.0	0.0	0.0	0.0	14.5%	0.0%	0.0	0.0	0.0	0.0%	0.0%
Departmental agencies and accounts	–	–	0.1	0.2	0.0%	0.1%	0.2	0.2	0.2	3.9%	0.1%
Households	0.3	0.9	0.0	0.2	-10.8%	0.3%	–	–	–	-100.0%	0.0%
Payments for capital assets	0.9	3.1	1.0	1.7	26.2%	1.4%	1.8	1.9	2.0	5.4%	1.2%
Buildings and other fixed structures	0.0	–	–	–	-100.0%	0.0%	–	–	–	0.0%	0.0%
Machinery and equipment	0.8	2.4	0.9	1.4	19.4%	1.1%	1.8	1.6	1.7	5.5%	1.0%
Software and other intangible assets	–	0.7	0.1	0.3	0.0%	0.2%	0.1	0.3	0.3	4.9%	0.2%
Total	99.4	118.3	123.9	143.1	12.9%	100.0%	156.3	166.3	173.3	6.6%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 21.3 Vote transfers and subsidies trends and estimates

				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	–	–	102	189	–	16.4%	202	204	212	3.9%	78.7%
Safety and Security Sector	–	–	102	189	–	16.4%	202	204	212	3.9%	78.7%
Education and Training Authority											
Households											
Social benefits											
Current	307	329	19	218	-10.8%	49.2%	–	–	–	-100.0%	21.3%
Employee social benefits	307	329	19	218	-10.8%	49.2%	–	–	–	-100.0%	21.3%
Households											
Other transfers to households											
Current	–	612	–	–	–	34.5%	–	–	–	–	–
Other transfers to households	–	612	–	–	–	34.5%	–	–	–	–	–
Total	307	941	121	407	9.9%	100.0%	202	204	212	-19.5%	100.0%

Personnel information

Table 21.4 Vote personnel numbers and cost by salary level and programme¹

Programmes

- Administration
- Intersectoral Coordination and Strategic Partnerships
- Legislation and Policy Development
- Civilian Oversight, Monitoring and Evaluations

Number of posts estimated for 31 March 2020			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 (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Civilian Secretariat for the Police Service																			
Salary level	157	3	153	91.4	0.6	153	101.2	0.7	158	112.0	0.7	158	119.3	0.8	156	124.5	0.8	0.6%	100.0%
1 – 6	34	–	41	9.1	0.2	33	8.1	0.2	34	9.0	0.3	34	9.6	0.3	34	10.2	0.3	1.0%	21.6%
7 – 10	60	–	52	24.8	0.5	59	31.0	0.5	61	34.5	0.6	61	36.9	0.6	61	39.0	0.6	1.1%	38.7%
11 – 12	29	–	28	23.0	0.8	29	25.9	0.9	29	27.7	1.0	29	29.4	1.0	29	30.7	1.1	–	18.6%
13 – 16	32	1	30	34.3	1.1	30	36.0	1.2	32	40.7	1.3	32	43.3	1.4	31	44.5	1.4	1.1%	20.0%
Other	2	2	2	0.1	0.1	2	0.1	0.1	2	0.2	0.1	2	0.2	0.1	1	0.1	0.1	-20.6%	1.1%
Programme	157	3	153	91.4	0.6	153	101.2	0.7	158	112.0	0.7	158	119.3	0.8	156	124.5	0.8	0.6%	100.0%
Programme 1	75	2	71	39.5	0.6	74	43.1	0.6	75	47.5	0.6	75	50.6	0.7	74	52.9	0.7	–	47.7%
Programme 2	21	–	19	15.4	0.8	21	17.6	0.8	21	18.7	0.9	21	19.9	0.9	21	21.1	1.0	–	13.4%
Programme 3	21	1	19	15.6	0.8	20	16.1	0.8	22	19.0	0.9	22	20.3	0.9	21	20.2	1.0	1.6%	13.6%
Programme 4	40	–	44	20.9	0.5	38	24.4	0.6	40	26.8	0.7	40	28.6	0.7	40	30.3	0.8	1.7%	25.3%

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

2. Rand million.

Departmental receipts

Table 21.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
Departmental receipts	72	126	196	136	107	14.1%	100.0%	187	200	195	22.1%	100.0%
Sales of goods and services produced by department	51	62	68	77	72	12.2%	50.5%	87	89	90	7.7%	49.1%
Sales by market establishments of which:	30	35	37	45	40	10.1%	28.3%	57	58	59	13.8%	31.1%
Market establishment: Rental parking (covered and open)	30	35	37	45	40	10.1%	28.3%	57	58	59	13.8%	31.1%
Other sales of which:	21	27	31	32	32	15.1%	22.2%	30	31	31	-1.1%	18.0%
Commission on insurance and garnishee	21	27	31	32	32	15.1%	22.2%	30	31	31	-1.1%	18.0%
Interest	–	–	–	–	–	–	–	–	–	–	–	–
Transactions in financial assets and liabilities	21	64	128	59	35	18.6%	49.5%	100	111	105	44.2%	50.9%
Total	72	126	196	136	107	14.1%	100.0%	187	200	195	22.1%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 21.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23		
Department Management	10.5	9.3	9.6	11.9	4.2%	19.7%	13.3	13.9	14.2	6.2%	18.7%
Corporate Services	10.6	22.0	21.9	23.9	31.0%	37.5%	25.2	26.8	27.8	5.3%	36.5%
Finance Administration	15.7	15.8	17.0	18.4	5.4%	31.9%	19.0	20.2	21.3	5.1%	27.7%
Office Accommodation	–	0.7	0.9	4.6	–	3.0%	7.1	7.9	8.4	22.4%	9.8%
Internal Audit	3.7	4.1	3.6	5.2	11.5%	7.9%	4.9	5.2	5.5	2.0%	7.3%
Total	40.5	52.0	53.1	63.8	16.3%	100.0%	69.4	74.0	77.2	6.6%	100.0%
Change to 2019 Budget estimate				(1.2)			(0.3)	(0.4)	0.0		
Economic classification											
Current payments	39.8	50.7	52.2	62.7	16.3%	98.2%	68.4	72.9	76.1	6.6%	98.6%
Compensation of employees	29.0	36.6	39.5	43.0	14.1%	70.8%	47.5	50.6	52.9	7.1%	68.2%
Goods and services ¹	10.9	13.9	12.8	19.7	21.9%	27.3%	20.9	22.4	23.2	5.6%	30.3%
of which:											
Audit costs: External	1.3	1.2	1.1	1.5	4.1%	2.4%	1.2	1.3	1.3	-4.2%	1.9%
Communication	1.1	0.6	0.7	0.9	-6.9%	1.6%	0.9	0.7	0.8	-4.4%	1.2%
Computer services	2.6	5.8	5.4	6.5	36.9%	9.7%	2.9	6.4	6.6	0.5%	7.9%
Consumables: Stationery, printing and office supplies	0.2	0.6	0.5	0.7	49.3%	1.0%	0.7	0.7	0.7	1.1%	1.0%
Operating leases	0.3	0.7	0.9	4.6	154.3%	3.1%	7.1	8.1	8.6	23.6%	10.0%
Travel and subsistence	1.2	1.6	1.6	2.5	29.5%	3.3%	2.8	3.0	2.9	4.8%	3.9%
Interest and rent on land	–	0.2	–	–	–	0.1%	–	–	–	–	–
Transfers and subsidies¹	0.2	0.1	0.1	0.3	20.2%	0.3%	0.2	0.2	0.2	-10.7%	0.3%
Provinces and municipalities	0.0	0.0	0.0	0.0	26.0%	–	0.0	0.0	0.0	–	–
Departmental agencies and accounts	–	–	0.1	0.2	–	0.1%	0.2	0.2	0.2	3.9%	0.3%
Households	0.2	0.0	–	0.1	-13.8%	0.2%	–	–	–	-100.0%	–
Payments for capital assets	0.5	1.3	0.7	0.7	15.5%	1.5%	0.8	0.8	0.9	5.4%	1.1%
Buildings and other fixed structures	0.0	–	–	–	-100.0%	–	–	–	–	–	–

Table 21.6 Administration 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million				2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Machinery and equipment	0.5	1.0	0.7	0.5	2.8%	1.2%	0.8	0.6	0.6	5.6%	0.8%
Software and other intangible assets	—	0.3	0.1	0.2	—	0.3%	—	0.3	0.3	4.9%	0.3%
Total	40.5	52.0	53.1	63.8	16.3%	100.0%	69.4	74.0	77.2	6.6%	100.0%
Proportion of total programme expenditure to vote expenditure	40.7%	43.9%	42.8%	44.6%	—	—	44.4%	44.5%	44.5%	—	—

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

Programme 2: Intersectoral Coordination and Strategic Partnerships

Programme purpose

Manage and encourage national dialogue on community safety and crime prevention.

Objectives

- Contribute to creating a safe and secure environment for society through ongoing partnerships with stakeholders such as community safety forums and community policing forums by:
 - conducting 3 anti-crime campaigns per year over the medium term
 - conducting 24 imbizos and public participation programmes with communities over the medium term to promote community safety.

Subprogrammes

- Intergovernmental, Civil Society and Public-Private Partnerships* manages and facilitates intergovernmental, civil society and public partnerships.
- Community Outreach* promotes, encourages and facilitates community participation in safety programmes.

Expenditure trends and estimates

Table 21.7 Intersectoral Coordination and Strategic Partnerships 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million				2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Intergovernmental, Civil Society and Public-Private Partnerships	18.2	17.6	18.8	21.2	5.2%	84.4%	22.5	24.0	25.1	5.8%	84.4%
Community Outreach	3.8	3.4	3.2	3.7	-1.2%	15.6%	4.2	4.4	4.8	9.5%	15.6%
Total	22.0	20.9	22.0	24.9	4.2%	100.0%	26.7	28.4	29.9	6.4%	100.0%
Change to 2019				(0.2)			0.0	(0.1)	0.4		
Budget estimate											
Economic classification											
Current payments	21.8	20.6	21.9	24.6	4.0%	99.0%	26.4	28.1	29.6	6.4%	98.8%
Compensation of employees	13.3	15.3	15.4	17.3	9.0%	68.3%	18.7	19.9	21.1	7.0%	70.1%
Goods and services ¹	8.5	5.3	6.5	7.3	-5.0%	30.7%	7.7	8.1	8.4	5.0%	28.7%
of which:											
Advertising	1.7	0.7	0.7	0.9	-17.9%	4.5%	1.3	1.1	1.2	7.2%	4.1%
Audit costs: External	—	0.3	0.3	0.5	—	1.2%	0.2	0.6	0.6	5.1%	1.7%
Catering: Departmental activities	0.5	0.3	0.2	1.1	31.4%	2.2%	0.5	1.2	1.3	6.8%	3.7%
Computer services	0.5	0.7	0.8	1.0	26.6%	3.3%	0.4	1.1	1.2	5.0%	3.4%
Contractors	0.7	0.1	—	0.2	-31.8%	1.1%	0.1	0.3	0.3	17.1%	0.9%
Travel and subsistence	3.9	2.4	3.5	2.7	-11.7%	14.0%	4.3	2.9	3.1	4.2%	11.8%
Transfers and subsidies¹	0.0	0.2	0.0	—	-100.0%	0.3%	—	—	—	—	—
Households	0.0	0.2	0.0	—	-100.0%	0.3%	—	—	—	—	—
Payments for capital assets	0.1	0.2	0.0	0.3	31.0%	0.7%	0.3	0.3	0.4	5.7%	1.2%
Machinery and equipment	0.1	0.1	0.0	0.3	31.0%	0.6%	0.3	0.3	0.4	5.7%	1.2%
Software and other intangible assets	—	0.1	—	—	—	0.1%	—	—	—	—	—
Total	22.0	20.9	22.0	24.9	4.2%	100.0%	26.7	28.4	29.9	6.4%	100.0%
Proportion of total programme expenditure to vote expenditure	22.1%	17.7%	17.7%	17.4%	—	—	17.1%	17.1%	17.3%	—	—

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

Programme 3: Legislation and Policy Development

Programme purpose

Develop policy and legislation for the police sector, and conduct research on policing and crime.

Objectives

- Provide for constitutionally compliant legislation, research and evidence-led policies for policing and public safety by:
 - finalising 4 policies over the medium term for approval by the Secretary for the Police Service
 - submitting 2 bills per year over the medium term to the Minister of Police for approval.

Subprogrammes

- *Policy Development and Research* develops policies and undertakes research in various areas of policing and crime.
- *Legislation* produces legislation for effective policing and provides legislative support services to the Minister of Police.

Expenditure trends and estimates

Table 21.8 Legislation and Policy Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/Total (%)
R million											
Policy Development and Research	9.0	12.3	13.4	14.6	17.5%	66.5%	16.7	17.7	17.8	6.8%	67.1%
Legislation	4.4	6.2	7.0	7.3	18.6%	33.5%	8.1	8.6	8.7	6.0%	32.9%
Total	13.4	18.6	20.4	21.9	17.9%	100.0%	24.8	26.4	26.5	6.5%	100.0%
Change to 2019 Budget estimate				(0.7)			0.6	1.0	0.2		
Economic classification											
Current payments	13.3	17.6	20.3	21.7	17.7%	98.1%	24.5	26.1	26.2	6.5%	98.8%
Compensation of employees	10.2	12.5	15.6	16.5	17.2%	73.9%	19.0	20.3	20.2	7.0%	76.3%
Goods and services ¹	3.0	5.1	4.7	5.2	19.5%	24.2%	5.5	5.8	6.0	4.9%	22.5%
of which:											
Audit costs: External	–	0.4	0.3	0.5	–	1.6%	0.4	0.6	0.6	4.5%	2.0%
Communication	0.1	0.2	0.2	0.4	66.5%	1.2%	0.4	0.5	0.5	9.3%	1.9%
Computer services	0.6	0.7	0.9	1.0	18.3%	4.2%	0.6	1.1	1.1	4.6%	3.9%
Consultants: Business and advisory services	0.4	0.5	0.0	0.2	-12.9%	1.5%	0.5	0.4	0.4	16.5%	1.5%
Consumables: Stationery, printing and office supplies	0.4	0.4	0.4	0.5	4.3%	2.2%	0.5	0.4	0.4	-2.9%	1.8%
Travel and subsistence	1.2	1.3	1.9	2.0	20.0%	8.6%	2.5	2.3	2.4	5.5%	9.1%
Transfers and subsidies ¹	0.0	0.6	–	–	-100.0%	0.8%	–	–	–	–	–
Households	0.0	0.6	–	–	-100.0%	0.8%	–	–	–	–	–
Payments for capital assets	0.1	0.4	0.1	0.3	44.6%	1.1%	0.3	0.3	0.3	5.3%	1.2%
Machinery and equipment	0.1	0.3	0.1	0.3	44.6%	1.0%	0.3	0.3	0.3	5.3%	1.2%
Software and other intangible assets	–	0.1	–	–	–	0.1%	–	–	–	–	–
Total	13.4	18.6	20.4	21.9	17.9%	100.0%	24.8	26.4	26.5	6.5%	100.0%
Proportion of total programme expenditure to vote expenditure	13.5%	15.7%	16.5%	15.3%	–	–	15.9%	15.8%	15.3%	–	–

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

Programme 4: Civilian Oversight, Monitoring and Evaluations

Programme purpose

Oversee, monitor and report on the performance of the South African Police Service. Provide for the functions of the Office of the Judge for the Directorate for Priority Crime Investigation, and the National Forensic Oversight and Ethics Board.

Objectives

- Provide effective oversight, monitoring and evaluation that contributes towards an accountable and transformed police service by:
 - conducting regular oversight visits at selected police stations and compiling biannual reports on the outcome of these visits for the approval of the Secretary for the Police Service over the medium term
 - compiling 2 compliance reports per year over the medium term for approval by the Secretary for the Police Service on the implementation of the Independent Police Investigative Directorate's recommendations for the South African Police Service.

Subprogrammes

- *Police Performance, Conduct and Compliance* monitors the performance, conduct and transformation of, and compliance with policing legislation and regulations by the South African Police Service.
- *Policy and Programme Evaluations* evaluates the effectiveness of all crime prevention and other programmes implemented by the South African Police Service.
- *Information Management* provides reliable, accurate and timely information to management that informs evidence-based decision-making.
- *Office of the Directorate for Priority Crime Investigation Judge* funds the operations of the Office of the Judge for the Directorate for Priority Crime Investigation, which investigates complaints by any member of the public and/or the Directorate for Priority Crime Investigation, in terms of section 17L(4)(a) and 17L(4)(b) of the South African Police Service Amendment Act (2012).
- *National Forensic Oversight and Ethics Board* funds the operations of the National Forensic Oversight and Ethics Board, which provides oversight of processes relating to the collection, retention, storage, destruction and disposal of DNA samples.

Expenditure trends and estimates

Table 21.9 Civilian Oversight, Monitoring and Evaluations 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Police Performance, Conduct and Compliance	13.4	15.2	16.8	15.5	4.9%	54.9%	17.3	18.2	19.3	7.6%	48.4%
Policy and Programme Evaluations	3.7	4.9	4.5	5.5	13.6%	16.6%	5.8	6.1	6.5	6.1%	16.5%
Information Management	0.5	–	0.8	2.2	65.7%	3.2%	1.4	1.7	1.8	-6.2%	4.9%
Office of the Directorate for Priority Crime Investigation Judge	5.2	4.7	4.0	5.8	3.8%	17.8%	7.1	7.5	7.7	9.6%	19.4%
National Forensic Oversight and Ethics Board	0.7	2.0	2.3	3.4	72.7%	7.6%	3.8	4.1	4.3	8.1%	10.8%
Total	23.5	26.8	28.4	32.5	11.3%	100.0%	35.4	37.6	39.7	6.9%	100.0%
Change to 2019 Budget estimate				(1.5)			(1.0)	(1.2)	(0.6)		
Economic classification											
Current payments	23.3	25.4	28.3	31.9	11.0%	98.0%	34.9	37.2	39.2	7.1%	98.7%
Compensation of employees	13.8	18.2	20.9	24.2	20.7%	69.3%	26.8	28.6	30.3	7.7%	75.7%
Goods and services ¹	9.6	7.2	7.4	7.7	-6.9%	28.6%	8.1	8.6	8.9	5.0%	23.0%
of which:											
Advertising	0.2	–	0.0	0.3	7.6%	0.5%	0.3	0.3	0.3	4.5%	0.9%
Audit costs: External	0.6	0.3	0.5	0.5	-6.5%	1.7%	0.2	0.6	0.6	4.6%	1.3%
Communication	0.3	0.4	0.4	0.5	12.2%	1.5%	0.5	0.5	0.5	4.4%	1.4%
Computer services	2.6	1.2	1.3	1.7	-13.4%	6.1%	0.3	1.9	1.9	4.6%	4.0%
Travel and subsistence	4.2	4.0	4.1	3.4	-6.3%	14.1%	5.7	3.9	4.0	5.5%	11.8%
Venues and facilities	0.3	0.3	0.0	0.4	2.2%	0.9%	0.5	0.4	0.4	3.8%	1.1%
Transfers and subsidies¹	0.1	0.2	0.0	0.1	23.4%	0.3%	–	–	–	-100.0%	0.1%
Provinces and municipalities	0.0	0.0	0.0	–	-100.0%	–	–	–	–	–	–
Households	0.1	0.2	–	0.1	24.1%	0.3%	–	–	–	-100.0%	0.1%

Table 21.9 Civilian Oversight, Monitoring and Evaluations expenditure trends and estimates by subprogramme and economic classification

Economic classification					Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Adjusted appropriation							
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Payments for capital assets	0.2	1.2	0.1	0.4	38.5%	1.7%	0.4	0.5	0.5	5.4%	1.2%
Machinery and equipment	0.2	1.1	0.1	0.4	31.2%	1.5%	0.4	0.4	0.4	5.4%	1.0%
Software and other intangible assets	–	0.2	–	0.1	–	0.2%	0.1	0.1	0.1	5.1%	0.2%
Total	23.5	26.8	28.4	32.5	11.3%	100.0%	35.4	37.6	39.7	6.9%	100.0%
Proportion of total programme expenditure to vote expenditure	23.7%	22.7%	23.0%	22.7%	–	–	22.6%	22.6%	22.9%	–	–

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

Vote 22

Correctional Services

Budget summary

	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
R million						
MTEF allocation						
Administration	5 343.1	4 679.3	503.1	160.7	5 591.2	5 831.4
Incarceration	15 822.6	15 061.0	161.8	599.8	16 989.7	17 737.1
Rehabilitation	2 164.2	2 135.9	0.1	28.3	2 298.5	2 386.0
Care	2 392.8	2 373.1	0.5	19.3	2 540.9	2 635.9
Social Reintegration	1 077.3	1 075.2	0.2	1.9	1 145.3	1 188.8
Total expenditure estimates	26 800.0	25 324.5	665.6	809.9	28 565.6	29 779.2
Executive authority	Minister of Justice and Correctional Services					
Accounting officer	National Commissioner of Correctional Services					
Website	www.dcs.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Contribute to a just, peaceful and safer South Africa through the effective and humane incarceration of inmates and the rehabilitation and social reintegration of offenders.

Mandate

The mandate of the Department of Correctional Services is derived from the Correctional Services Act (1998), as amended; the Criminal Procedure Act (1977); the 2005 White Paper on Corrections; and the 2014 White Paper on Remand Detention Management in South Africa. This legislation requires the department to contribute to maintaining and promoting a just, peaceful and safe society by correcting offending behaviour in a safe, secure and humane environment to ensure the optimal rehabilitation of offenders and reduce repeat offending.

Selected performance indicators

Table 22.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Percentage of inmates escaping from correctional facilities per year	Incarceration	Priority 5: Social cohesion and safe communities	0.031% (50/ 161 054)	0.030% (50/ 164 129)	0.034% (56/ 162 875)	0.034%	0.033%	0.032%	0.031%
Percentage of inmates injured as a result of reported assaults in correctional facilities per year	Incarceration		4.59% (7 388/ 161 054)	4.6% (7 474/ 164 129)	4.1% (6 701/ 162 875)	4.7%	4.65%	4.6%	4.55%
Percentage of overcrowding in correctional facilities in excess of approved bed space capacity per year	Incarceration		34.5% (41 146/ 119 134)	38.2% (45 406/ 118 723)	37.4% (44 303/ 118 572)	40.1%	41%	42%	42%
Percentage of sentenced offenders with correctional sentence plans who completed correctional programmes per year	Rehabilitation		77.3% (80 960/ 104 740)	82.1% (86 518/ 105 349)	90% (93 419/ 104 228)	80%	80%	80%	80%

Table 22.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage of offenders participating in long occupational skills programmes per year	Rehabilitation	Priority 5: Social cohesion and safe communities	97% (10 099/ 10 411)	98.4% (11 163/ 11 343)	98% (4 127/ 4 207)	80%	80%	80%	80%
Percentage of viral load suppression (at 12 months) of HIV-positive offenders per year	Care		– ¹	– ¹	87% (19 896/ 22 801)	90%	90%	91%	91%
Percentage of parolees without violations per year	Social Reintegration		98.8% (51 161/ 51 785)	98.9% (53 615/ 54 225)	99% (54 487/ 55 030)	97%	97%	97%	97%
Percentage of probationers without violations per year	Social Reintegration		99% (16 016/ 16 178)	98.7% (15 914/ 16 131)	99% (15 334/ 15 202)	97%	97%	97%	97%

1. No historical data available.

Expenditure analysis

Chapter 12 of the National Development Plan articulates a vision for a safer South Africa by 2030, and this vision is supported by priority 5 (social cohesion and safe communities) of government's 2019-2024 medium-term strategic framework. To give effect to these guiding policies over the medium term, the work of the Department of Correctional Services will focus on: providing detention that is humane, safe and secure; providing needs-based rehabilitation; and successfully reintegrating offenders into communities.

The department's total expenditure is expected to increase at an average annual rate of 5.6 per cent, from R25.3 billion in 2019/20 to R29.8 billion in 2022/23. Cabinet has approved budget reductions to the department's baseline of R397.2 million in 2020/21, R418.9 million in 2021/22 and R308.1 million in 2022/23, mainly on the allocations for compensation of employees. As a result, the number of personnel in the department is expected to decrease from 37 709 in 2019/20 to 36 996 in 2022/23 through the gradual termination of contracts and natural attrition, including early retirement. The work of the department remains labour intensive, and, as such, an estimated 70 per cent (R59.6 billion) of total expenditure over the MTEF period is earmarked for compensation of employees.

Providing detention that is humane, safe and secure

The department aims to ensure that conditions of detention are safe and secure, and to maintain the human dignity of inmates, the department's personnel and members of the public. These considerations give effect to the core functions and bulk of the department's work. Funding for security operations, facilities, remand detention, offender management, the proper administration and profiling of inmates, and the consideration of offenders for release or placement into the system of community corrections is in the *Incarceration* programme. Expenditure in the programme accounts for an estimated 59.4 per cent (R50.5 billion) of the department's total budget over the MTEF period.

Prison escapes can be largely attributed to overcrowding, the failure of personnel to adhere to basic security policies, and dilapidated infrastructure. To improve adherence to security procedures, security meetings are frequently held in all correctional centres, and security awareness is provided during morning parades. The department provides personnel with appropriate security equipment such as body armour, ammunition, leg irons, handcuffs, metal detectors, tonfas, gas or fire filters, pepper spray, neutralisers and movable parcel scanners. An allocation of R27.6 billion over the medium term in the *Security Operations* subprogramme provides for this equipment, accounting for an estimated 54.6 per cent of the *Incarceration* programme's total budget over the same period. An additional amount of R66 million has been allocated for the implementation of the criminal justice strategy over the MTEF period. These funds allocated under the information technology subprogramme will be used to implement the mesh network for device management.

To complement this focus on security, R1.8 billion over the medium term is earmarked for the upgrading, rehabilitation, repair and refurbishment of dilapidated correctional and other remand facilities. The completion of these renovations is expected to ease overcrowding, as many offenders have been moved to other centres while facilities are in the process of being upgraded. Through these measures, despite the anticipation that new

offender admissions will increase at a higher rate than the number of new bed spaces created over the medium term, a decrease is expected in the percentage of inmates who escape each year, from 0.034 per cent in 2019/20 to 0.031 per cent in 2022/23, and in the percentage of inmates injured each year, from 4.7 per cent in 2019/20 to 4.55 per cent in 2022/23.

Providing needs-based rehabilitation

Although the National Development Plan envisages that offenders should be released and successfully reintegrated into society, the effectiveness of this process largely depends on the quality of programmes offenders receive while incarcerated. Recognising this contingency, the department plays a vital role in rehabilitating offenders and reducing the likelihood of them reoffending by conducting proper assessments, and informing them about the programmes and interventions available within their facilities. These include correctional and skills development programmes, and psychological, social and spiritual care services. Through the improved marketing of skills development programmes and the appointment of external service providers to provide more training opportunities for offenders, the percentage of offenders participating in skills development programmes is expected to be maintained at 80 per cent over the MTEF period. Training programmes will be provided to a targeted 11 944 offenders over this period in areas such as vocational skills, computer skills, engineering, business and entrepreneurial skills.

To carry out these activities, R6.8 billion is allocated to the *Rehabilitation* programme over the MTEF period. An estimated 74.4 per cent (R5.1 billion) of this allocation is for spending on compensation of employees, with 24.4 per cent (R1.7 billion) allocated for supplies at various sites where work opportunities are provided to offenders, such as bakeries, farms and a shoe factory; as well as for rehabilitation workshops.

Reintegrating offenders into communities

Most offenders find it difficult to adapt when they are released back into society. They are often stigmatised and ostracised by their families and communities, and their ability to find jobs or housing, return to formal education, or build or rebuild individual and social capital is severely hampered. Unless they receive help, they risk getting caught up in a cycle of failed social integration, reoffending, reconviction and social rejection.

To ensure the successful reintegration of offenders into communities, all parole considerations should include victim participation to provide a platform for dialogue between offenders and victims, and thereby contribute to healing and restoration. The department plans to increase the number of victims participating in dialogues and other restorative justice programmes from 7 560 in 2019/20 to 9 615 in 2022/23. To assist in reintegrating offenders into communities, the department has contracted 63 auxiliary social workers to facilitate these dialogues until 2021/22. Additional 31 auxiliary social workers' posts to beef up existing personnel were advertised in November 2019.

These activities contribute to spending in the *Community Reintegration* subprogramme, in which expenditure is expected to increase from R51.2 million in 2019/20 to R63.7 million in 2022/23. The *Social Reintegration* programme is allocated R3.4 billion over the medium term, of which 89.9 per cent (R3.1 billion) is earmarked for compensation of employees because of the labour-intensive nature of the work in this programme.

Expenditure trends and estimates

Table 22.2 Vote expenditure trends and estimates by programme and economic classification

Table 2.2: Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Incarceration											
3. Rehabilitation											
4. Care											
5. Social Reintegration											
Programme					Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Adjusted appropriation							
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	3 879.6	3 912.8	4 334.5	4 817.7	7.5%	18.1%	5 343.1	5 591.2	5 831.4	6.6%	19.5%
Programme 2	13 097.3	13 949.9	14 468.9	15 039.2	4.7%	60.6%	15 822.6	16 989.7	17 737.1	5.7%	59.4%
Programme 3	1 476.4	1 664.0	1 749.0	2 010.9	10.8%	7.4%	2 164.2	2 298.5	2 386.0	5.9%	8.0%
Programme 4	2 235.1	2 322.7	2 286.7	2 444.6	3.0%	9.9%	2 392.8	2 540.9	2 635.9	2.5%	9.1%
Programme 5	853.7	907.9	937.8	1 004.5	5.6%	4.0%	1 077.3	1 145.3	1 188.8	5.8%	4.0%
Total	21 542.2	22 757.3	23 776.9	25 316.9	5.5%	100.0%	26 800.0	28 565.6	29 779.2	5.6%	100.0%
Change to 2019				(90.8)			(377.2)	(396.9)	(284.1)		
Budget estimate											
Economic classification											
Current payments	20 178.2	21 528.9	22 604.5	24 053.3	6.0%	94.6%	25 324.5	27 027.5	28 157.9	5.4%	94.7%
Compensation of employees	14 066.4	15 192.9	15 836.4	17 681.6	7.9%	67.2%	18 732.1	20 028.0	20 882.4	5.7%	70.0%
Goods and services ¹	6 111.5	6 331.6	6 766.0	6 371.7	1.4%	27.4%	6 592.4	6 999.5	7 275.5	4.5%	24.7%
of which:											
Agency and support/outsourced services	1 668.2	1 690.5	1 687.5	1 735.2	1.3%	7.3%	1 249.4	1 319.2	1 369.8	-7.6%	5.1%
Fleet services (including government motor transport)	227.4	260.7	288.1	289.8	8.4%	1.1%	308.0	325.2	357.0	7.2%	1.2%
Inventory: Food and food supplies	396.1	501.4	555.4	552.2	11.7%	2.1%	937.2	1 013.4	1 049.9	23.9%	3.2%
Consumable supplies	285.1	262.7	280.8	205.2	-10.4%	1.1%	250.0	276.5	276.4	10.4%	0.9%
Operating leases	918.9	1 033.1	1 514.8	678.1	-9.6%	4.4%	708.6	748.9	777.3	4.7%	2.6%
Property payments	1 483.0	1 421.6	1 234.2	1 453.1	-0.7%	6.0%	1 537.1	1 633.8	1 695.7	5.3%	5.7%
Interest and rent on land	0.3	4.5	2.1	—	-100.0%	—	—	—	—	—	—
Transfers and subsidies ¹	482.2	582.3	568.6	596.1	7.3%	2.4%	665.6	711.2	756.1	8.2%	2.5%
Provinces and municipalities	5.7	6.2	6.9	6.1	2.2%	—	6.8	7.2	7.5	6.9%	—
Departmental agencies and accounts	20.8	43.7	10.2	8.8	-24.9%	0.1%	9.3	9.8	10.2	4.9%	—
Public corporations and private enterprises	1.9	—	—	—	-100.0%	—	—	—	—	—	—
Households	453.8	532.4	551.4	581.1	8.6%	2.3%	649.4	694.2	738.4	8.3%	2.4%
Payments for capital assets	874.4	620.1	522.3	667.5	—	—	809.9	827.0	865.2	—	—
Buildings and other fixed structures	748.1	581.6	437.2	540.5	-10.3%	2.5%	570.2	601.6	624.4	4.9%	2.1%
Machinery and equipment	123.7	35.8	82.7	121.9	-0.5%	0.4%	237.9	223.6	238.8	25.1%	0.7%
Biological assets	2.7	2.7	2.4	4.6	20.4%	—	1.7	1.8	1.9	-25.8%	—
Software and other intangible assets	—	—	—	0.5	—	—	—	—	—	-100.0%	—
Payments for financial assets	7.4	26.0	81.5	—	-100.0%	0.1%	—	—	—	—	—
Total	21 542.2	22 757.3	23 776.9	25 316.9	5.5%	100.0%	26 800.0	28 565.6	29 779.2	5.6%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 22.3 Vote transfers and subsidies trends and estimates

					Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome				Adjusted appropriation							
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	20 823	43 720	10 203	8 837	-24.9%	3.8%	9 323	9 841	10 215	4.9%	1.4%
Safety and Security Sector	20 823	9 350	10 203	8 837	-24.9%	2.2%	9 323	9 841	10 215	4.9%	1.4%
Education and Training Authority											
Departmental agencies (non-business entities)	–	34 370	–	–	–	1.5%	–	–	–	–	–

Table 22.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Average: Expenditure/ Total (%)		Medium-term expenditure estimate			Average growth rate (%)		Average: Expenditure/ Total (%)	
	2016/17	2017/18	2018/19	2019/20	2016/17	2019/20	2020/21	2021/22	2022/23	2019/20	2022/23	2019/20	2022/23	2019/20	2022/23
Households															
Social benefits															
Current	425 868	501 447	518 343	122 803	-33.9%	70.4%	619 952	663 036	706 071	79.1%	77.4%				
Employee social benefits	64 760	68 383	70 751	117 555	22.0%	14.4%	137 484	144 818	153 241	9.2%	20.3%				
Social benefits	361 108	433 064	447 592	5 248	-75.6%	55.9%	482 468	518 218	552 830	372.3%	57.1%				
Provinces and municipalities															
Municipal bank accounts															
Current	5 737	6 150	6 905	6 126	2.2%	1.1%	6 834	7 215	7 494	6.9%	1.0%				
Vehicle licences	5 737	6 150	6 905	6 126	2.2%	1.1%	6 834	7 215	7 494	6.9%	1.0%				
Households															
Other transfers to households															
Current	27 862	30 866	32 955	458 306	154.3%	24.7%	29 493	31 118	32 324	-58.7%	20.2%				
Employee social benefits	1 850	—	3	—	-100.0%	0.1%	—	—	—	—	—				
Claims against the state	220	82	—	138	-14.4%	—	146	154	160	5.1%	—				
Offender gratuity	23 977	26 323	30 281	26 168	3.0%	4.8%	28 444	30 016	31 169	6.0%	4.2%				
Social benefits	81	109	—	432 000	1647.2%	19.4%	903	948	995	-86.8%	15.9%				
Other transfers to households	1 734	4 352	2 671	—	-100.0%	0.4%	—	—	—	—	—				
Public corporations and private enterprises															
Other transfers to private enterprises															
Current	1 857	—	—	—	-100.0%	0.1%	—	—	—	—	—				
Private enterprises	1 857	—	—	—	-100.0%	0.1%	—	—	—	—	—				
Total	482 147	582 183	568 406	596 072	7.3%	100.0%	665 602	711 210	756 104	8.2%	100.0%				

Personnel information

Table 22.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Incarceration																			
3. Rehabilitation																			
4. Care																			
5. Social Reintegration																			
Number of posts estimated for 31 March 2020			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							Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)				
		Actual			Revised estimate														
		2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23			
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Correctional Services			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	41 480	1 154	38 459	15 836.4	0.4	37 709	17 681.6	0.5	37 758	18 732.1	0.5	38 190	20 028.0	0.5	36 996	20 882.4	0.6	-0.6%	100.0%
1 – 6	23 740	95	19 641	6 134.3	0.3	19 641	6 611.0	0.3	19 679	7 107.1	0.4	20 111	7 792.4	0.4	19 242	7 999.5	0.4	-0.7%	52.2%
7 – 10	16 170	934	17 933	9 315.3	0.5	17 181	9 576.2	0.6	17 181	10 246.6	0.6	17 181	10 965.8	0.6	16 856	11 534.6	0.7	-0.6%	45.4%
11 – 12	1 354	116	723	657.4	0.9	723	701.8	1.0	723	746.3	1.0	723	793.6	1.1	723	843.1	1.2	–	1.9%
13 – 16	216	9	162	226.6	1.4	164	246.3	1.5	175	283.1	1.6	175	301.1	1.7	175	319.8	1.8	2.2%	0.5%
Other	–	–	–	(497.3)	–	–	546.3	–	–	349.0	–	–	175.0	–	–	185.3	–	–	–
Programme	41 480	1 154	38 459	15 836.4	0.4	37 709	17 681.6	0.5	37 758	18 732.1	0.5	38 190	20 028.0	0.5	36 996	20 882.4	0.6	-0.6%	100.0%
Programme 1	6 783	40	5 957	2 764.2	0.5	5 665	3 258.3	0.6	5 678	3 565.3	0.6	5 681	3 711.9	0.7	5 678	3 835.9	0.7	0.1%	15.1%
Programme 2	28 008	942	26 608	10 020.3	0.4	26 150	11 058.9	0.4	26 184	11 549.8	0.4	26 611	12 467.9	0.5	25 730	13 052.2	0.5	-0.5%	69.5%
Programme 3	2 447	45	2 161	1 334.6	0.6	2 161	1 490.5	0.7	2 163	1 608.6	0.7	2 163	1 712.2	0.8	1 853	1 777.3	1.0	-5.0%	5.5%
Programme 4	2 013	62	1 778	873.7	0.5	1 778	969.9	0.5	1 778	1 041.0	0.6	1 778	1 106.7	0.6	1 778	1 148.7	0.6	–	4.7%
Programme 5	2 229	65	1 955	843.7	0.4	1 955	904.0	0.5	1 955	967.4	0.5	1 957	1 029.3	0.5	1 957	1 068.3	0.5	0.0%	5.2%

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

2. Rand million.

Departmental receipts

Table 22.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
R thousand	2016/17	2017/18	2018/19	2019/20	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Departmental receipts	147 484	164 986	128 231	176 006	138 378	-2.1%	100.0%	147 869	155 648	161 608	5.3%	100.0%
Sales of goods and services produced by department	57 588	61 601	59 302	74 302	63 612	3.4%	41.8%	68 400	71 856	74 593	5.5%	46.1%
Sales by market establishments	35 583	35 799	35 377	71 200	38 273	2.5%	25.0%	40 199	42 208	43 818	4.6%	27.3%
of which:												
Rental: Dwellings	33 865	34 322	34 332	—	37 067	3.1%	24.1%	38 921	40 861	42 420	4.6%	26.4%
Rental: Non-residential	1 013	1 018	1 045	—	1 206	6.0%	0.7%	1 278	1 347	1 398	5.0%	0.9%
Sale of wool/skin	705	459	—	36 488	—	-100.0%	0.2%	—	—	—	—	—
Other	—	—	—	34 712	—	—	—	—	—	—	—	—
Administrative fees	—	—	18	—	—	—	—	—	—	—	—	—
of which:												
Telecommunication services	—	—	18	—	—	—	—	—	—	—	—	—
Other sales	22 005	25 802	23 907	3 102	25 339	4.8%	16.8%	28 201	29 648	30 775	6.7%	18.9%
of which:												
Services rendered:	15 171	16 667	17 304	—	18 069	6.0%	11.6%	18 972	19 921	20 678	4.6%	12.9%
Commission	—	—	—	3 100	—	—	—	—	—	—	—	—
Government motor transport	—	—	—	—	—	—	—	—	—	—	—	—
Sales: Agricultural products	1 270	2 320	2 030	—	2 323	22.3%	1.4%	2 204	2 323	2 411	1.2%	1.5%
Services rendered:	254	199	182	—	337	9.9%	0.2%	320	337	350	1.3%	0.2%
Boarding services	—	—	—	—	—	—	—	—	—	—	—	—
Other	5 310	6 616	4 391	2	4 610	-4.6%	3.6%	6 705	7 067	7 336	16.7%	4.3%
Sales of scrap, waste, arms and other used current goods	2 428	2 851	1 812	26 100	2 739	4.1%	1.7%	3 067	3 232	3 354	7.0%	2.1%
of which:												
Condemned linen	5	11	9	—	10	26.0%	—	9	9	9	-3.5%	—
Kitchen refuse	221	246	200	—	294	10.0%	0.2%	279	294	305	1.2%	0.2%
Scrap	2 136	2 570	1 574	26 100	2 400	4.0%	1.5%	2 697	2 843	2 951	7.1%	1.8%
Wastepaper	66	18	25	—	30	-23.1%	—	82	86	89	43.7%	—
Other	—	6	4	—	5	—	—	—	—	—	-100.0%	—
Transfers received	2 250	—	—	—	—	-100.0%	0.4%	—	—	—	—	—
Fines, penalties and forfeits	21 757	24 339	17 812	8 602	18 640	-5.0%	14.3%	19 802	20 982	21 818	5.4%	13.5%
Interest, dividends and rent on land	215	407	4 311	1 202	1 705	99.4%	1.1%	1 790	1 879	1 951	4.6%	1.2%
Interest	215	407	4 310	1 200	1 705	99.4%	1.1%	1 790	1 879	1 951	4.6%	1.2%
Rent on land	—	—	1	2	—	—	—	—	—	—	—	—
Sales of capital assets	15 998	5 503	1 180	3 500	4 200	-36.0%	4.6%	4 410	4 631	4 807	4.6%	3.0%
Transactions in financial assets and liabilities	47 248	70 285	43 814	62 300	47 482	0.2%	36.1%	50 400	53 068	55 085	5.1%	34.1%
Total	147 484	164 986	128 231	176 006	138 378	-2.1%	100.0%	147 869	155 648	161 608	5.3%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 22.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Ministry	25.1	24.2	28.5	29.5	5.6%	0.6%	31.4	33.3	34.5	5.4%	0.6%
Judicial Inspectorate for Correctional Services	41.5	51.0	67.0	77.2	23.0%	1.4%	81.5	86.0	90.1	5.3%	1.6%
Management	725.5	761.5	824.1	979.2	10.5%	19.4%	1 050.7	1 117.6	1 159.4	5.8%	20.0%
Human Resources	1 617.0	1 709.3	1 846.0	2 003.0	7.4%	42.3%	2 230.5	2 290.2	2 377.9	5.9%	41.2%

Table 22.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme						Average:					Average:
				Adjusted	Average	Expen-				Average	Expen-
Audited outcome				appropriation	growth	diture/	Medium-term expenditure			growth	diture/
					rate	Total	estimate			rate	Total
R million	2016/17	2017/18	2018/19	2019/20	2016/17	2019/20	2020/21	2021/22	2022/23	2019/20	2022/23
Finance	1 115.1	1 008.5	1 161.6	1 238.2	3.6%	26.7%	1 368.8	1 448.6	1 528.6	7.3%	25.9%
Assurance Services	71.1	75.0	90.8	95.0	10.1%	2.0%	152.5	161.8	168.8	21.1%	2.7%
Information Technology	171.7	213.3	222.8	308.6	21.6%	5.4%	335.9	356.9	371.4	6.4%	6.4%
Office Accommodation	112.6	69.9	93.7	87.0	-8.2%	2.1%	91.8	96.9	100.6	4.9%	1.7%
Total	3 879.6	3 912.8	4 334.5	4 817.7	7.5%	100.0%	5 343.1	5 591.2	5 831.4	6.6%	100.0%
Change to 2019				31.5			242.1	164.2	201.3		
Budget estimate											
Economic classification											
Current payments	3 391.2	3 426.2	3 717.3	4 255.3	7.9%	87.3%	4 679.3	4 886.4	5 075.3	6.0%	87.5%
Compensation of employees	2 506.7	2 659.5	2 764.2	3 258.3	9.1%	66.0%	3 565.3	3 711.9	3 835.9	5.6%	66.6%
Goods and services ¹	884.5	765.0	951.4	997.0	4.1%	21.2%	1 114.0	1 174.5	1 239.4	7.5%	21.0%
of which:											
Communication	61.3	72.4	73.3	50.8	-6.1%	1.5%	54.2	55.7	57.8	4.4%	1.0%
Computer services	105.4	138.7	134.0	181.0	19.8%	3.3%	190.5	199.1	206.6	4.5%	3.6%
Fleet services (including government motor transport)	139.2	159.0	179.9	186.3	10.2%	3.9%	197.8	209.2	236.6	8.3%	3.8%
Inventory: Clothing material and accessories	15.0	24.9	23.8	77.6	73.1%	0.8%	81.8	86.2	89.4	4.8%	1.6%
Operating leases	83.6	69.9	93.7	65.0	-8.1%	1.8%	68.4	73.0	75.7	5.3%	1.3%
Travel and subsistence	110.6	67.4	96.8	104.9	-1.8%	2.2%	117.0	123.5	128.2	6.9%	2.2%
Interest and rent on land	0.0	1.7	1.7	—	-100.0%	0.0%	—	—	—	0.0%	0.0%
Transfers and subsidies ¹	393.8	462.1	467.5	465.6	5.7%	10.6%	503.1	540.0	578.2	7.5%	9.7%
Provinces and municipalities	5.7	6.2	6.9	6.1	2.2%	0.1%	6.8	7.2	7.5	6.9%	0.1%
Departmental agencies and accounts	20.8	9.4	10.2	8.8	-24.9%	0.3%	9.3	9.8	10.2	4.9%	0.2%
Public corporations and private enterprises	1.9	—	—	—	-100.0%	0.0%	—	—	—	0.0%	0.0%
Households	365.4	446.6	450.4	450.6	7.2%	10.1%	486.9	522.9	560.4	7.5%	9.4%
Payments for capital assets	94.5	24.5	68.4	96.9	0.8%	1.7%	160.7	164.9	177.9	22.5%	2.8%
Machinery and equipment	94.6	25.6	68.9	96.9	0.8%	1.7%	160.7	164.9	177.9	22.5%	2.8%
Biological assets	(0.0)	(1.1)	(0.4)	—	-100.0%	0.0%	—	—	—	0.0%	0.0%
Payments for financial assets	—	—	81.3	—	0.0%	0.5%	—	—	—	0.0%	0.0%
Total	3 879.6	3 912.8	4 334.5	4 817.7	7.5%	100.0%	5 343.1	5 591.2	5 831.4	6.6%	100.0%
Proportion of total programme expenditure to vote expenditure	18.0%	17.2%	18.2%	19.0%	—	—	19.9%	19.6%	19.6%	—	—
Details of selected transfers and subsidies											
Households											
Social benefits											
Current	363.6	442.0	447.6	18.6	-62.9%	7.5%	486.0	522.0	559.5	210.8%	7.3%
Employee social benefits	2.4	8.9	—	13.4	76.3%	0.1%	3.5	3.7	6.6	-20.9%	0.1%
Social benefits	361.1	433.1	447.6	5.2	-75.6%	7.4%	482.5	518.2	552.8	372.3%	7.2%
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	5.7	6.2	6.9	6.1	2.2%	0.1%	6.8	7.2	7.5	6.9%	0.1%
Vehicle licences	5.7	6.2	6.9	6.1	2.2%	0.1%	6.8	7.2	7.5	6.9%	0.1%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	20.8	9.4	10.2	8.8	-24.9%	0.3%	9.3	9.8	10.2	4.9%	0.2%
Safety and Security Sector	20.8	9.4	10.2	8.8	-24.9%	0.3%	9.3	9.8	10.2	4.9%	0.2%
Education and Training Authority											

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

Programme 2: Incarceration

Programme purpose

Provide for safe and secure conditions of detention consistent with maintaining the human dignity of inmates. Administer, profile and consider offenders for release or placement into the system of community corrections.

Objectives

- Enhance safety and security in correctional centres and remand detention facilities over the medium term by:
 - maintaining the percentage of escapes at less than 0.034 per cent.

- maintaining the percentage of inmates injured as a result of reported assaults at less than 4.7 per cent
- maintaining the percentage of confirmed unnatural deaths in correctional facilities at less than 0.033 per cent.
- Provide facilities that contribute to humane incarceration by:
 - managing overcrowding to remain at or below 42 per cent over the medium term.
 - increasing the number of approved bed spaces from 118 872 in 2019/20 to 120 623 in 2022/23.

Subprogrammes

- *Security Operations* funds activities aimed at providing safe and secure conditions for all incarcerated people, consistent with human dignity, and provides protection for personnel and the public. There are 243 correctional centres across South Africa hosting sentenced offenders in the minimum, medium and maximum security categories.
- *Facilities* funds the construction, upgrading and rental of facilities accommodation, payments for municipal charges, and the replacement and daily maintenance of facilities to support the safe and humane incarceration of inmates.
- *Remand Detention* funds the development of a remand detention system and aims to improve the management of remand detainees. There are 21 dedicated remand detention facilities throughout South Africa.
- *Offender Management* funds administrative activities and operations for correctional services that create an environment that supports the rehabilitation and safety of offenders. This subprogramme also funds the activities of correctional supervision and parole boards, and ensures that eligible offenders are considered for parole through cases submitted by case management committees.

Expenditure trends and estimates

Table 22.7 Incarceration 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Security Operations	6 560.9	7 016.4	7 280.8	8 278.8	8.1%	51.5%	8 478.0	9 306.9	9 770.7	5.7%	54.6%
Facilities	4 094.1	4 242.1	4 370.0	3 872.8	-1.8%	29.3%	4 103.9	4 344.9	4 510.2	5.2%	25.7%
Remand Detention	576.4	668.6	695.4	597.0	1.2%	4.5%	802.8	745.9	766.0	8.7%	4.4%
Offender Management	1 866.1	2 022.8	2 122.7	2 290.6	7.1%	14.7%	2 438.0	2 591.9	2 690.2	5.5%	15.3%
Total	13 097.3	13 949.9	14 468.9	15 039.2	4.7%	100.0%	15 822.6	16 989.7	17 737.1	5.7%	100.0%
Change to 2019 Budget estimate				(100.4)			(392.0)	(328.0)	(239.3)		
Economic classification											
Current payments	12 269.7	13 261.1	13 942.3	14 366.0	5.4%	95.2%	15 061.0	16 186.4	16 903.1	5.6%	95.3%
Compensation of employees	8 886.3	9 633.7	10 020.3	11 058.9	7.6%	70.0%	11 549.8	12 467.9	13 052.2	5.7%	73.4%
Goods and services ¹	3 383.1	3 624.7	3 921.7	3 307.1	-0.8%	25.2%	3 511.2	3 718.5	3 850.9	5.2%	21.9%
of which:											
Agency and support/outsourced services	892.0	1 023.8	1 007.5	1 027.9	4.8%	7.0%	1 084.4	1 144.8	1 188.3	5.0%	6.8%
Fleet services (including government motor transport)	48.9	56.5	61.8	53.9	3.3%	0.4%	55.5	58.2	60.4	3.9%	0.3%
Inventory: Materials and supplies	24.1	30.1	39.7	36.0	14.2%	0.2%	36.0	37.9	39.4	3.1%	0.2%
Consumable supplies	50.1	62.7	83.1	59.1	5.7%	0.5%	59.6	73.8	65.4	3.4%	0.4%
Operating leases	768.0	908.4	1 382.9	573.8	-9.3%	6.4%	598.6	631.9	655.9	4.6%	3.8%
Property payments	1 441.6	1 410.4	1 223.0	1 419.0	-0.5%	9.7%	1 501.7	1 596.8	1 657.3	5.3%	9.4%
Interest and rent on land	0.3	2.8	0.3	–	-100.0%	–	–	–	–	–	–
Transfers and subsidies¹	66.7	102.5	82.0	129.8	24.9%	0.7%	161.8	170.5	177.1	10.9%	1.0%
Departmental agencies and accounts	–	34.4	–	–	–	0.1%	–	–	–	–	–
Households	66.7	68.1	82.0	129.8	24.9%	0.6%	161.8	170.5	177.1	10.9%	1.0%
Payments for capital assets	753.7	586.3	444.4	543.4	-10.3%	4.1%	599.8	632.8	656.8	6.5%	3.7%
Buildings and other fixed structures	748.1	581.6	437.2	540.5	-10.3%	4.1%	570.2	601.6	624.4	4.9%	3.6%
Machinery and equipment	4.7	2.8	5.3	1.2	-36.0%	–	27.9	29.4	30.5	191.3%	0.1%
Biological assets	0.9	1.8	1.8	1.6	23.5%	–	1.7	1.8	1.9	4.9%	–
Payments for financial assets	7.4	–	0.2	–	-100.0%	–	–	–	–	–	–
Total	13 097.3	13 949.9	14 468.9	15 039.2	4.7%	100.0%	15 822.6	16 989.7	17 737.1	5.7%	100.0%
Proportion of total programme expenditure to vote expenditure	60.8%	61.3%	60.9%	59.4%	–	–	59.0%	59.5%	59.6%	–	–

Table 22.7 Incarceration expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Households											
Social benefits											
Current	42.7	41.8	51.8	103.6	34.4%	0.4%	133.3	140.4	146.0	12.1%	0.8%
Employee social benefits	42.7	41.8	51.8	103.6	34.4%	0.4%	133.3	140.4	146.0	12.1%	0.8%
Households											
Other transfers to households											
Current	24.0	26.3	30.3	26.2	3.0%	0.2%	28.4	30.0	31.2	6.0%	0.2%
Offender gratuity	24.0	26.3	30.3	26.2	3.0%	0.2%	28.4	30.0	31.2	6.0%	0.2%

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

Programme 3: Rehabilitation

Programme purpose

Provide offenders with needs-based programmes and interventions to facilitate their rehabilitation and enable their social reintegration.

Objectives

- Improve access to rehabilitation and developmental interventions by:
 - maintaining the percentage of sentenced offenders with correctional sentence plans who complete correctional programmes at 80 per cent over the medium term.
 - maintaining the number of custodial officials orientated on correctional programmes at 210 over the medium term.
 - maintaining the percentage of offenders participating in occupational skills programmes at 80 per cent over the medium term.
 - maintaining the percentage of offenders completing mainstream further education and training programmes at 80 per cent over the medium term.
 - ensuring that 80 per cent of offenders participate in technical and vocational education and training programmes by 2022/23.
- Enhance the social functioning of offenders and their reintegration into communities by:
 - increasing the percentage of offenders, parolees and probationers receiving social work services from 52 per cent in 2019/20 to 55 per cent in 2022/23.
 - increasing the percentage of inmates who benefit from spiritual care services from 62 per cent in 2019/20 to 84 per cent in 2022/23.

Subprogrammes

- *Correctional Programmes* provides needs-based correctional programmes in line with correctional sentence plans. This entails targeting elements associated with offending behaviour, focusing on the offences for which people are incarcerated.
- *Offender Development* provides programmes and services such as technical training and education aimed at developing competencies by providing inmates with opportunities for skills and social development.
- *Psychological, Social and Spiritual Services* provides needs-based programmes and services aimed at maintaining the wellbeing of incarcerated people by facilitating social functioning, and spiritual, moral and psychological wellbeing.

Expenditure trends and estimates

Table 22.8 Rehabilitation 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Correctional Programmes	318.3	387.1	359.6	433.3	10.8%	21.7%	465.5	496.3	515.2	5.9%	21.6%
Offender Development	729.9	817.9	885.3	1 053.9	13.0%	50.5%	1 133.5	1 200.9	1 246.7	5.8%	52.3%
Psychological, Social and Spiritual Services	428.2	459.0	504.0	523.7	6.9%	27.8%	565.2	601.3	624.2	6.0%	26.1%
Total	1 476.4	1 664.0	1 749.0	2 010.9	10.8%	100.0%	2 164.2	2 298.5	2 386.0	5.9%	100.0%
Change to 2019 Budget estimate				16.1			22.2	27.8	30.6		
Economic classification	1 449.0	1 625.3	1 736.1	1 985.4	11.1%	98.5%	2 135.9	2 271.1	2 357.6	5.9%	98.8%
Current payments	1 449.0	1 625.3	1 736.1	1 985.4	11.1%	98.5%	2 135.9	2 271.1	2 357.6	5.9%	98.8%
Compensation of employees	1 171.2	1 269.6	1 334.6	1 490.5	8.4%	76.3%	1 608.6	1 712.2	1 777.3	6.0%	74.4%
Goods and services ¹	277.8	355.7	401.6	495.0	21.2%	22.2%	527.3	558.9	580.2	5.4%	24.4%
of which:											
Contractors	10.4	12.2	13.5	23.8	31.6%	0.9%	19.3	15.9	16.5	-11.5%	0.9%
Inventory: Clothing material and accessories	2.3	42.9	59.6	61.5	199.6%	2.4%	64.9	68.6	71.2	5.0%	3.0%
Inventory: Farming supplies	157.9	168.9	184.8	215.0	10.8%	10.5%	232.1	247.6	257.1	6.1%	10.7%
Inventory: Materials and supplies	9.2	33.3	28.4	30.7	49.2%	1.5%	26.7	35.2	36.4	5.9%	1.5%
Consumable supplies	23.8	23.3	31.9	63.7	38.9%	2.1%	67.9	71.9	74.6	5.4%	3.1%
Travel and subsistence	18.5	12.8	17.6	19.7	2.0%	1.0%	23.8	24.8	25.6	9.2%	1.1%
Transfers and subsidies¹	5.9	5.3	6.4	0.1	-77.4%	0.3%	0.1	0.1	0.1	4.6%	
Departmental agencies and accounts	–	0.0	0.0	–			–	–	–		
Households	5.9	5.3	6.4	0.1	-77.4%	0.3%	0.1	0.1	0.1	4.6%	
Payments for capital assets	21.5	7.5	6.5	25.4	5.8%	0.9%	28.3	27.3	28.4	3.7%	1.2%
Machinery and equipment	19.7	5.4	5.5	21.9	3.7%	0.8%	28.3	27.3	28.4	9.0%	1.2%
Biological assets	1.8	2.1	1.0	3.0	18.3%	0.1%	–	–	–	-100.0%	
Software and other intangible assets	–	–	–	0.5	–	–	–	–	–	-100.0%	–
Payments for financial assets	–	26.0	–	–		0.4%	–	–	–		
Total	1 476.4	1 664.0	1 749.0	2 010.9	10.8%	100.0%	2 164.2	2 298.5	2 386.0	5.9%	100.0%
Proportion of total programme expenditure to vote expenditure	6.9%	7.3%	7.4%	7.9%			8.1%	8.0%	8.0%		

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

Programme 4: Care

Programme purpose

Provide needs-based care services for the personal wellbeing of all inmates in the department's custody.

Objectives

- Maintain the health and personal wellbeing of inmates by:
 - ensuring that the viral load suppression rate of HIV-positive offenders increases from 90 per cent in 2019/20 to 91 per cent in 2022/23 through the provision of antiretroviral therapy.
 - increasing the TB cure rate from 89 per cent in 2019/20 to 91 per cent in 2022/23 by increasing the uptake of preventative tuberculosis prophylaxis.
- Maintain the percentage of inmates on therapeutic diets at 12 per cent over the medium term.

Subprogrammes

- *Nutritional Services* funds the provision of appropriate meals for inmates within correctional centres and remand detention facilities in accordance with the prescripts of the Department of Health.
- *Health and Hygiene Services* funds the provision of primary health care services for inmates within correctional centres and remand detention facilities, including referral services for secondary and tertiary levels of care; and the promotion of a hygienic environment and inmates' personal hygiene, in accordance with the prescripts of the Department of Health.

Expenditure trends and estimates

Table 22.9 Care expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Nutritional Services	1 318.2	1 381.1	1 305.8	1 437.5	2.9%	58.6%	1 300.4	1 379.3	1 429.7	-0.2%	55.4%
Health and Hygiene Services	916.9	941.6	980.9	1 007.1	3.2%	41.4%	1 092.4	1 161.6	1 206.2	6.2%	44.6%
Total	2 235.1	2 322.7	2 286.7	2 444.6	3.0%	100.0%	2 392.8	2 540.9	2 635.9	2.5%	100.0%
Change to 2019				—			(208.9)	(218.0)	(233.2)		
Budget estimate											
Economic classification											
Current payments	2 223.2	2 317.2	2 279.0	2 444.0	3.2%	99.7%	2 373.1	2 540.3	2 635.3	2.5%	99.8%
Compensation of employees	771.7	831.9	873.7	969.9	7.9%	37.1%	1 041.0	1 106.7	1 148.7	5.8%	42.6%
Goods and services ¹	1 451.6	1 485.3	1 405.3	1 474.1	0.5%	62.6%	1 332.1	1 433.6	1 486.6	0.3%	57.2%
of which:											
Laboratory services	17.3	18.9	20.9	21.7	7.9%	0.8%	24.8	26.2	27.2	7.9%	1.0%
Contractors	24.8	30.6	32.3	23.9	-1.2%	1.2%	25.2	26.6	27.7	5.0%	1.0%
Agency and support/outsourced services	740.7	638.9	649.0	672.1	-3.2%	29.1%	127.5	134.3	139.8	-40.7%	10.7%
Inventory: Food and food supplies	389.3	558.0	474.8	550.3	12.2%	21.2%	935.0	1 011.4	1 047.8	23.9%	35.4%
Inventory: Medicine	80.3	62.9	48.7	66.8	-6.0%	2.8%	64.3	67.8	70.3	1.7%	2.7%
Consumable supplies	153.1	138.7	131.9	69.0	-23.3%	5.3%	81.4	87.0	90.4	9.4%	3.3%
Transfers and subsidies ¹	8.9	5.2	7.0	0.4	-63.4%	0.2%	0.5	0.5	0.5	5.0%	
Households	8.9	5.2	7.0	0.4	-63.4%	0.2%	0.5	0.5	0.5	5.0%	
Payments for capital assets	3.0	0.3	0.8	0.1	-64.5%		19.3	0.2	0.2	9.4%	0.2%
Machinery and equipment	3.0	0.3	0.8	0.1	-64.5%		19.3	0.2	0.2	9.4%	0.2%
Payments for financial assets	—	—	0.0	—			—	—	—		
Total	2 235.1	2 322.7	2 286.7	2 444.6	3.0%	100.0%	2 392.8	2 540.9	2 635.9	2.5%	100.0%
Proportion of total programme expenditure to vote expenditure	10.4%	10.2%	9.6%	9.7%			8.9%	8.9%	8.9%		

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

Programme 5: Social Reintegration

Programme purpose

Provide effective supervision of offenders placed under the system of community corrections, and facilitate their social reintegration into communities.

Objectives

- Improve the effectiveness of the parole system over the medium term by:
 - ensuring that the percentage of parolees without violations remains at 97 per cent.
 - maintaining the percentage of probationers without violations at 97 per cent.
 - maintaining the percentage of victims participating in restorative justice programmes at 7 per cent over the medium term.
 - increasing the number of parolees and probationers benefitting from economic opportunities created by the programme from 30 in 2020/21 to 42 in 2022/23.

Subprogrammes

- *Supervision* funds the effective administration and supervision of offenders placed under correctional and parole supervision to enhance public safety.
- *Community Reintegration* funds the reintegration of offenders into society, and stakeholder management in relation to community reintegration.
- *Office Accommodation: Community Corrections* funds the provision of 218 national community corrections offices (including satellite offices and service points) to enhance supervision and community reintegration.

Expenditure trends and estimates

Table 22.10 Social Reintegration expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Supervision	788.5	841.2	856.7	914.4	5.1%	91.8%	978.3	1 040.4	1 079.8	5.7%	90.9%
Community Reintegration	30.1	34.8	42.9	51.2	19.3%	4.3%	57.7	61.4	63.7	7.6%	5.3%
Office Accommodation: Community Corrections	35.1	31.9	38.2	39.0	3.5%	3.9%	41.2	43.6	45.2	5.1%	3.8%
Total	853.7	907.9	937.8	1 004.5	5.6%	100.0%	1 077.3	1 145.3	1 188.8	5.8%	100.0%
Change to 2019 Budget estimate				(37.9)			(40.5)	(42.9)	(43.6)		
Economic classification											
Current payments	845.1	899.2	929.9	1 002.6	5.9%	99.3%	1 075.2	1 143.3	1 186.7	5.8%	99.8%
Compensation of employees	730.5	798.3	843.7	904.0	7.4%	88.5%	967.4	1 029.3	1 068.3	5.7%	89.9%
Goods and services ¹	114.5	100.9	86.2	98.6	-4.9%	10.8%	107.8	114.1	118.4	6.3%	9.9%
of which:											
Communication	10.4	11.1	11.2	11.4	3.1%	1.2%	11.3	12.0	12.4	2.8%	1.1%
Agency and support/outsourced services	2.3	3.0	2.2	3.4	14.4%	0.3%	3.6	3.8	3.9	4.9%	0.3%
Fleet services (including government motor transport)	21.8	24.5	25.6	26.8	7.2%	2.7%	30.7	32.4	33.6	7.8%	2.8%
Consumables: Stationery, printing and office supplies	5.3	3.3	2.9	4.7	-4.1%	0.4%	5.3	5.7	5.9	7.9%	0.5%
Operating leases	67.4	54.9	38.2	39.0	-16.7%	5.4%	41.2	43.6	45.3	5.1%	3.8%
Travel and subsistence	3.5	1.8	3.5	6.9	25.5%	0.4%	10.0	10.0	10.4	14.9%	0.8%
Transfers and subsidies¹	6.9	7.1	5.7	0.2	-69.0%	0.5%	0.2	0.2	0.2	5.1%	
Households	6.9	7.1	5.7	0.2	-69.0%	0.5%	0.2	0.2	0.2	5.1%	
Payments for capital assets	1.8	1.6	2.3	1.7	-0.8%	0.2%	1.9	1.8	1.9	2.6%	0.2%
Machinery and equipment	1.8	1.6	2.3	1.7	-0.8%	0.2%	1.9	1.8	1.9	2.6%	0.2%
Total	853.7	907.9	937.8	1 004.5	5.6%	100.0%	1 077.3	1 145.3	1 188.8	5.8%	100.0%
Proportion of total programme expenditure to vote expenditure	4.0%	4.0%	3.9%	4.0%			4.0%	4.0%	4.0%		

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

Vote 23

Defence

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	5 731.9	5 648.7	54.3	28.9	5 980.6	6 276.9
Force Employment	3 671.1	3 334.9	231.0	105.2	3 625.7	3 699.2
Landward Defence	17 421.9	15 360.0	2 035.1	26.8	16 427.6	17 405.6
Air Defence	7 405.3	6 301.2	1 076.2	28.0	6 667.1	6 928.5
Maritime Defence	4 915.6	3 579.0	1 315.5	21.1	4 841.1	4 836.1
Military Health Support	5 656.0	5 527.1	76.4	52.5	5 971.8	6 281.5
Defence Intelligence	1 187.5	528.0	659.3	0.2	836.4	990.3
General Support	6 449.3	4 295.0	1 643.3	511.1	6 502.2	6 575.4
Total expenditure estimates	52 438.6	44 573.9	7 091.0	773.7	50 852.5	52 993.6

Executive authority Minister of Defence and Military Veterans
 Accounting officer Secretary for Defence
 Website www.dod.mil.za

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Defend and protect the Republic of South Africa, its territorial integrity and its people, in accordance with the Constitution and the principles of international law regulating the use of force.

Mandate

The Department of Defence derives its mandate from section 200 of the Constitution; the Defence Act (2002), as amended by the Defence Amendment Act (2010); the 1996 White Paper on Defence; and the 2015 South African Defence Review. The department is required to provide, manage, prepare and employ defence capabilities that are commensurate with the needs of South Africa.

Selected performance indicators

Table 23.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Total number of defence attaché offices	Administration	Priority 7: A better Africa and world	44	44	44	44	44	44	44
Total number of military skills development members in the system	Administration	Priority 5: Social cohesion and safe communities	3 759	3 476	3 554	3 510	3 604	4 484	4 534
Number of reserve force man days per year	Administration		2 679 142	2 425 899	2 574 127	2 693 048	2 695 963	2 552 645	2 553 554
Percentage compliance with the Southern African Development Community standby force pledge per year	Force Employment	Priority 7: A better Africa and world	100% (32/32)	100% (32/32)	100% (32/32)	100%	100%	100%	100%
Percentage compliance with number of ordered commitments (external operations) per year	Force Employment		100% (2/2)	100% (2/2)	100% (2/2)	100%	100%	100%	100%

Table 23.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage compliance with number of ordered commitments (internal operations) per year	Force Employment	Priority 5: Social cohesion and safe communities	100% (4/4)	100% (4/4)	100% (4/4)	100%	100%	100%	100%
Number of joint, interdepartmental, interagency and multinational military exercises conducted per year	Force Employment		4	3	3	1	5	2	3
Number of landward subunits deployed on border safeguarding per year	Force Employment		15	15	15	15	15	15	15
Number of hours flown per year	Air Defence		— ¹	— ¹	17 870	17 200	17 100	17 100	17 100
Number of hours at sea per year	Maritime Defence		8 132	6 047	7 704	10 000	10 000	10 000	10 000

1. No historical data available.

Expenditure analysis

The National Development Plan calls for an integrated, holistic approach to safety and security that tackles the root causes of crime and ensures South Africa's long-term stability, as well as peace and stability in Africa. This vision is supported by priority 5 (social cohesion and safe communities) and priority 7 (a better Africa and world) of government's 2019-2024 medium-term strategic framework. In its efforts to give expression to these key policies over the medium term, the Department of Defence will focus on creating a sustainable defence force, enhancing border safeguarding and territorial integrity, participating in peace support operations in Africa, and participating in internal operations through collaboration with other departments.

Due to the labour-intensive nature of the department's work, almost 62.1 per cent (R99 billion) of its total budget of R156.3 billion over the medium term is allocated to compensation of employees. For the department to meet its ordered commitments, and targets for military operations, missions and exercises, its number of personnel is expected to remain at an average of 75 000 over the medium term. In its efforts to remain within the expenditure ceiling for compensation of employees over this period, the department will review the composition of its personnel and military capabilities in its aim to strike the most appropriate balance between its regular force, reserve force and civilian components to ensure that it can contain costs while executing its ordered commitments and priority missions effectively.

Cabinet has approved reductions to the department's baseline of R749.7 million in 2020/21, R756.3 million in 2021/22 and R583.5 million in 2022/23. This includes reductions of R30.9 million in 2020/21, R32.5 million in 2021/22 and R33.8 million in 2022/23 on transfers to the Armaments Corporation of South Africa. These reductions will be effected proportionally across all programmes, mainly on goods and services items such as fuel, oil and gas; travel and subsistence; and food and food supplies.

Creating a sustainable defence force

The department aims to respond to the constrained fiscal environment by focusing on measures to create a defence force that is more efficient, sustainable and capable. These measures include using internal personnel for basic maintenance and repairs; introducing measures to enhance revenue, such as the leasing and selling of defence assets; and maximising reimbursements from the United Nations as part of South Africa's peace support operations in the Democratic Republic of the Congo. Over the medium term, the use of internal maintenance and repair capabilities is expected to lead to a decrease in planned expenditure of R209.8 million; the disposal and leasing of redundant assets and military equipment is expected to generate R3 billion; and reimbursements from the United Nations are projected to amount to R1.9 billion. These funds are expected to sustain capabilities in the *Landward Defence*, *Air Defence* and *Maritime Defence* programmes.

Enhancing border safeguarding and territorial integrity

Securing South Africa's borders remains a key priority for the South African National Defence Force. Over the medium term, the department will maintain its deployment of 15 landward subunits to patrol a targeted 4 471 kilometres of South Africa's land borders. To ensure the integrity of the country's borders and enhance the capacity of landward subunits through the acquisition of military equipment and technology, an additional R225 million over the MTEF period has been allocated in the *Force Employment* programme. This equipment and technology is expected to serve as a "force multiplier" to enable soldiers to increase the range of the borderline under protection.

Participating in peace support operations in Africa

Over the medium term, the department will continue to participate in peace support operations in the Democratic Republic of the Congo under the auspices of the United Nations stabilisation mission. In this deployment, the South African National Defence Force participates in the Force Intervention Brigade and deploys an infantry battalion supported by a composite helicopter unit, a tactical intelligence unit and military observers. To maintain these deployment activities, R3.5 billion over the medium term is provided in the *Force Employment* programme. This amount includes an estimated R480.4 million per year earmarked for the compensation of 2 059 employees per year over this period, many of whom will be deployed in the Democratic Republic of the Congo.

Participating in internal operations

The department contributes to domestic safety and security by conducting various internal operations, including operations in support of other government departments. Over the MTEF period, the department aims to comply with all ordered commitments for internal operations by conducting operations in support of the South African Police Service; and providing disaster aid and relief, and search and rescue operations upon request. To ensure these activities are ably carried out, R48.5 million over the medium term is allocated in the *Force Employment* programme.

Expenditure trends and estimates

Table 23.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Force Employment											
3. Landward Defence											
4. Air Defence											
5. Maritime Defence											
6. Military Health Support											
7. Defence Intelligence											
8. General Support											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	5 143.0	4 883.3	5 065.7	5 524.6	2.4%	10.7%	5 731.9	5 980.6	6 276.9	4.3%	11.4%
Programme 2	3 431.0	3 208.1	3 168.7	3 620.7	1.8%	7.0%	3 671.1	3 625.7	3 699.2	0.7%	7.1%
Programme 3	15 557.8	16 691.5	16 427.5	16 527.0	2.0%	33.8%	17 421.9	16 427.6	17 405.6	1.7%	32.8%
Programme 4	6 782.6	6 753.4	6 257.4	6 979.6	1.0%	13.9%	7 405.3	6 667.1	6 928.5	-0.2%	13.5%
Programme 5	4 298.4	4 613.9	4 503.9	4 838.5	4.0%	9.5%	4 915.6	4 841.1	4 836.1	0.0%	9.4%
Programme 6	4 448.7	4 852.9	5 090.6	5 375.3	6.5%	10.2%	5 656.0	5 971.8	6 281.5	5.3%	11.3%
Programme 7	881.3	888.0	938.2	1 020.5	5.0%	1.9%	1 187.5	836.4	990.3	-1.0%	2.0%
Programme 8	6 056.7	6 463.9	6 413.0	6 349.5	1.6%	13.1%	6 449.3	6 502.2	6 575.4	1.2%	12.5%
Total	46 599.5	48 355.1	47 865.0	50 235.6	2.5%	100.0%	52 438.6	50 852.5	52 993.6	1.8%	100.0%
Change to 2019				(277.4)			(684.7)	(681.3)	(498.5)		
Budget estimate											

Table 23.2 Vote expenditure trends and estimates by programme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Current payments	38 780.7	38 826.4	40 382.8	42 126.3	2.8%	82.9%	44 573.9	46 984.3	48 943.7	5.1%	88.4%
Compensation of employees	27 059.7	28 040.9	30 012.0	29 193.7	2.6%	59.2%	31 177.7	33 204.2	34 648.4	5.9%	62.1%
Goods and services ¹	11 721.0	10 785.5	10 370.8	12 932.6	3.3%	23.7%	13 396.2	13 780.1	14 295.3	3.4%	26.3%
of which:											
Computer services	921.5	917.7	623.9	1 031.1	3.8%	1.8%	1 034.1	1 148.6	1 148.0	3.6%	2.1%
Contractors	2 114.8	2 022.4	1 714.9	2 121.5	0.1%	4.1%	2 229.4	2 180.1	2 104.1	-0.3%	4.2%
Inventory: Food and food supplies	949.3	1 034.7	1 188.9	1 099.3	5.0%	2.2%	1 428.8	1 439.4	1 561.1	12.4%	2.7%
Operating leases	1 507.1	1 759.1	1 589.0	1 591.3	1.8%	3.3%	1 636.1	1 726.3	1 797.7	4.1%	3.3%
Property payments	1 555.2	656.0	843.0	1 606.9	1.1%	2.4%	1 809.0	1 982.3	1 997.3	7.5%	3.6%
Travel and subsistence	1 102.7	1 062.7	1 054.9	1 010.0	-2.9%	2.2%	1 054.4	886.6	903.1	-3.7%	1.9%
Transfers and subsidies ¹	6 869.2	7 885.3	6 027.9	7 344.9	2.3%	14.6%	7 091.0	3 123.0	3 217.4	-24.1%	10.1%
Provinces and municipalities	2.1	0.2	15.6	0.9	-24.1%	0.0%	0.6	0.6	0.6	-12.1%	0.0%
Departmental agencies and accounts	5 654.2	6 377.6	4 296.7	5 699.6	0.3%	11.4%	5 376.9	1 342.5	1 431.9	-36.9%	6.7%
Public corporations and private enterprises	1 067.7	1 298.5	1 423.4	1 468.0	11.2%	2.7%	1 513.0	1 594.8	1 621.6	3.4%	3.0%
Non-profit institutions	9.3	8.7	9.1	9.7	1.6%	0.0%	10.0	10.0	10.4	2.3%	0.0%
Households	135.9	200.3	283.2	166.7	7.0%	0.4%	190.5	175.1	152.9	-2.8%	0.3%
Payments for capital assets	947.3	1 633.8	1 442.9	762.8	-7.0%	2.5%	773.7	745.1	832.4	3.0%	1.5%
Buildings and other fixed structures	147.9	697.3	614.9	351.3	33.4%	0.9%	449.9	470.9	502.3	12.7%	0.9%
Machinery and equipment	696.9	830.7	573.2	262.8	-27.8%	1.2%	278.7	271.1	328.8	7.8%	0.6%
Specialised military assets	7.6	—	0.0	1.8	-38.1%	0.0%	1.8	2.1	0.2	-53.7%	0.0%
Biological assets	—	0.1	0.4	—	0.0%	0.0%	—	—	—	0.0%	0.0%
Software and other intangible assets	95.0	105.8	254.5	146.9	15.6%	0.3%	43.3	1.1	1.1	-80.3%	0.1%
Payments for financial assets	2.3	9.6	11.4	1.6	-12.1%	0.0%	—	—	—	-100.0%	0.0%
Total	46 599.5	48 355.1	47 865.0	50 235.6	2.5%	100.0%	52 438.6	50 852.5	52 993.6	1.8%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 23.3 Vote transfers and subsidies trends and estimates

				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	5 654 160	6 377 577	4 296 682	5 699 626	0.3%	78.4%	5 376 947	1 342 517	1 431 882	-36.9%	66.7%
Safety and Security Sector	20 677	27 006	25 993	23 070	3.7%	0.3%	24 049	24 049	25 011	2.7%	0.5%
Education and Training Authority											
Communication	4	469	8	477	392.2%	—	148	145	158	-30.8%	—
Claims against the state	—	—	9	—	—	—	—	—	—	—	—
Special defence account	5 633 479	6 350 102	4 270 672	5 676 079	0.3%	78.0%	5 352 750	1 318 323	1 406 713	-37.2%	66.2%
Households											
Social benefits											
Current	133 255	186 109	168 770	166 661	7.7%	2.3%	190 461	175 065	152 941	-2.8%	3.3%
Employee social benefits	133 255	186 109	168 770	166 661	7.7%	2.3%	190 461	175 065	152 941	-2.8%	3.3%
Households											
Other transfers to households											
Current	2 635	14 178	114 460	—	-100.0%	0.5%	—	—	—	—	—
Claims against the state	2 635	14 178	114 460	—	-100.0%	0.5%	—	—	—	—	—
Non-profit institutions											
Current	9 303	8 701	9 073	9 744	1.6%	0.1%	10 026	10 026	10 427	2.3%	0.2%
Reserve Force Council	8 620	7 929	8 326	8 742	0.5%	0.1%	8 995	8 995	9 354	2.3%	0.2%
St John Ambulance Brigade	683	772	747	1 002	13.6%	—	1 031	1 031	1 073	2.3%	—
Public corporations and private enterprises											
Other transfers to private enterprises											
Current	312	25	2	—	-100.0%	—	—	—	—	—	—
Claims against the state	312	25	2	—	-100.0%	—	—	—	—	—	—
Public corporations and private enterprises											
Other transfers to public corporations											
Current	24 014	1 591	632	—	-100.0%	0.1%	—	—	—	—	—
Claims against the state	24 014	1 591	632	—	-100.0%	0.1%	—	—	—	—	—

Table 23.3 Vote transfers and subsidies trends and estimates

					Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome				Adjusted appropriation							
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Public corporations and private enterprises											
Subsidies on products and production											
Current	1 043 387	1 296 901	1 422 725	1 467 968	12.1%	18.6%	1 512 968	1 594 792	1 621 562	3.4%	29.8%
Armaments Corporation of South Africa	1 043 387	1 296 901	1 422 725	1 467 968	12.1%	18.6%	1 512 968	1 594 792	1 621 562	3.4%	29.8%
Total	6 867 066	7 885 082	6 012 344	7 343 999	2.3%	100.0%	7 090 402	3 122 400	3 216 812	-24.1%	100.0%

Personnel information

Table 23.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																				
1. Administration																				
2. Force Employment																				
3. Landward Defence																				
4. Air Defence																				
5. Maritime Defence																				
6. Military Health Support																				
7. Defence Intelligence																				
8. General Support																				
Number of posts estimated for 31 March 2020			Number and cost ² of personnel posts filled/planned for on funded establishment												Number					
Defence	Salary level	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 (%)			
				2018/19			2019/20			2020/21		2021/22		2022/23						
				Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost
		74 901	–	74 508	30 012.0	0.4	74 901	29 193.7	0.4	75 000	31 177.7	0.4	75 000	33 204.2	0.4	75 000	34 648.4	0.5	0.0%	100.0%
1 – 6	50 333	–	–	49 021	13 452.2	0.3	49 340	12 663.6	0.3	49 439	13 672.5	0.3	49 439	14 739.5	0.3	49 439	15 876.1	0.3	0.1%	65.9%
7 – 10	22 869	–	–	23 832	12 364.7	0.5	23 879	12 050.0	0.5	23 879	12 948.4	0.5	23 879	13 916.2	0.6	23 879	14 943.5	0.6	–	31.8%
11 – 12	1 315	–	–	1 286	1 041.3	0.8	1 313	1 213.9	0.9	1 313	1 295.9	1.0	1 313	1 383.5	1.1	1 313	1 475.5	1.1	–	1.8%
13 – 16	382	–	–	367	466.7	1.3	367	465.8	1.3	367	497.3	1.4	367	530.9	1.4	367	566.2	1.5	–	0.5%
Other	2	–	–	2	2 687.0	1 343.5	2	2 800.4	1 400.2	2	2 763.6	1 381.8	2	2 634.2	1 317.1	2	1 787.0	893.5	–	0.0%
Programme	74 901	–	–	74 508	30 012.0	0.4	74 901	29 193.7	0.4	75 000	31 177.7	0.4	75 000	33 204.2	0.4	75 000	34 648.4	0.5	0.0%	100.0%
Programme 1	3 878	–	–	3 714	2 053.7	0.6	3 876	2 150.2	0.6	3 876	2 229.0	0.6	3 876	2 364.5	0.6	3 876	2 450.2	0.6	–	5.2%
Programme 2	1 989	–	–	2 059	2 093.1	1.0	2 059	2 102.9	1.0	2 059	2 198.7	1.1	2 059	2 299.4	1.1	2 059	2 384.2	1.2	–	2.7%
Programme 3	37 590	–	–	38 217	12 823.2	0.3	38 448	12 251.7	0.3	38 547	13 178.0	0.3	38 547	14 046.4	0.4	38 547	14 672.7	0.4	0.1%	51.4%
Programme 4	9 935	–	–	9 836	3 930.7	0.4	9 836	3 678.9	0.4	9 836	3 964.0	0.4	9 836	4 268.5	0.4	9 836	4 462.8	0.5	–	13.1%
Programme 5	7 076	–	–	6 816	2 434.9	0.4	6 816	2 486.9	0.4	6 816	2 599.1	0.4	6 816	2 792.5	0.4	6 816	2 895.5	0.4	–	9.1%
Programme 6	7 730	–	–	7 389	3 783.7	0.5	7 389	3 754.5	0.5	7 389	4 018.8	0.5	7 389	4 274.5	0.6	7 389	4 480.6	0.6	–	9.9%
Programme 7	876	–	–	852	421.4	0.5	852	445.4	0.5	852	478.3	0.6	852	500.5	0.6	852	520.9	0.6	–	1.1%
Programme 8	5 827	–	–	5 625	2 471.2	0.4	5 625	2 323.2	0.4	5 625	2 511.8	0.4	5 625	2 657.9	0.5	5 625	2 781.5	0.5	–	7.5%

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

2. Rand million.

Departmental receipts

Table 23.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate 2019/20	Revised estimate 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Receipt item/Total (%) 2016/17 - 2019/20	Medium-term receipts estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Receipt item/Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
Departmental receipts	1 387 310	959 369	814 391	1 145 250	1 145 250	-6.2%	100.0%	1 202 886	1 207 696	1 231 850	2.5%	100.0%
Sales of goods and services produced by department	806 472	578 864	366 268	436 547	436 547	-18.5%	50.8%	458 776	460 611	469 824	2.5%	38.1%
Administrative fees of which:	9	11	12	26	26	42.4%	–	27	27	28	2.5%	–
Request for information: Receipt	9	11	12	26	26	42.4%	–	27	27	28	2.5%	–
Other sales of which:	806 463	578 853	366 256	436 521	436 521	-18.5%	50.8%	458 749	460 584	469 796	2.5%	38.1%
Rental capital assets	84 909	–	122 583	97 254	97 254	4.6%	7.1%	102 130	102 539	104 590	2.5%	8.5%
Sale of goods	12 161	126 300	18 957	13 194	13 194	2.8%	4.0%	13 847	13 902	14 180	2.4%	1.2%
Services rendered	709 393	452 553	224 716	326 073	326 073	-22.8%	39.8%	342 772	344 143	351 026	2.5%	28.5%

Table 23.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
R thousand												
Sales of scrap, waste, arms and other used current goods	747	711	1 334	1 497	1 497	26.1%	0.1%	1 542	1 548	1 579	1.8%	0.1%
<i>of which:</i>												
<i>Sales: Scrap and waste</i>	<i>747</i>	<i>711</i>	<i>1 334</i>	<i>1 497</i>	<i>1 497</i>	<i>26.1%</i>	<i>0.1%</i>	<i>1 542</i>	<i>1 548</i>	<i>1 579</i>	<i>1.8%</i>	<i>0.1%</i>
Transfers received	441 660	274 670	320 609	599 810	599 810	10.7%	38.0%	629 801	632 320	644 966	2.4%	52.4%
Fines, penalties and forfeits	1 164	1 709	2 227	1 274	1 274	3.1%	0.1%	1 333	1 338	1 365	2.3%	0.1%
Interest, dividends and rent on land	3 928	4 493	4 622	4 154	4 154	1.9%	0.4%	4 372	4 389	4 477	2.5%	0.4%
<i>Interest</i>	<i>3 928</i>	<i>4 493</i>	<i>4 622</i>	<i>4 154</i>	<i>4 154</i>	<i>1.9%</i>	<i>0.4%</i>	<i>4 372</i>	<i>4 389</i>	<i>4 477</i>	<i>2.5%</i>	<i>0.4%</i>
Sales of capital assets	31 858	19 064	18 924	28 901	28 901	-3.2%	2.3%	30 345	30 466	31 075	2.4%	2.5%
Transactions in financial assets and liabilities	101 481	79 858	100 407	73 067	73 067	-10.4%	8.2%	76 717	77 024	78 564	2.4%	6.4%
Total	1 387 310	959 369	814 391	1 145 250	1 145 250	-6.2%	100.0%	1 202 886	1 207 696	1 231 850	2.5%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 23.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Ministry	111.1	130.1	125.6	137.8	7.4%	2.4%	132.3	139.5	146.9	2.2%	2.4%
Departmental Direction	70.8	41.2	41.6	51.9	-9.9%	1.0%	53.4	53.6	55.7	2.4%	0.9%
Policy and Planning	103.9	108.4	106.8	123.4	5.9%	2.1%	127.6	135.3	143.5	5.1%	2.3%
Financial Services	620.6	371.4	397.7	435.6	-11.1%	8.9%	447.6	487.9	517.3	5.9%	8.0%
Human Resources Support Services	791.5	821.2	851.0	958.8	6.6%	16.6%	998.8	1 001.5	1 094.4	4.5%	17.2%
Legal Services	291.3	303.9	314.4	364.2	7.7%	6.2%	371.6	393.7	418.3	4.7%	6.6%
Inspection and Audit Services	116.4	123.9	123.7	154.6	9.9%	2.5%	158.3	165.6	175.7	4.4%	2.8%
Acquisition Services	150.7	152.0	206.9	89.8	-15.9%	2.9%	77.6	80.0	81.7	-3.1%	1.4%
Communication Services	100.7	116.3	107.5	129.9	8.8%	2.2%	132.7	127.3	133.6	1.0%	2.2%
South African National Defence Force Command and Control	148.0	153.3	166.3	185.8	7.9%	3.2%	191.6	204.1	216.6	5.2%	3.4%
Religious Services	14.5	19.2	14.9	20.1	11.3%	0.3%	20.8	22.1	23.3	5.1%	0.4%
Defence Reserve Direction	28.1	26.5	29.2	35.0	7.6%	0.6%	36.5	39.0	40.9	5.4%	0.6%
Defence Foreign Relations	312.1	265.0	316.0	303.3	-0.9%	5.8%	309.0	309.9	295.0	-0.9%	5.2%
Office Accommodation	2 283.2	2 250.9	2 263.9	2 534.7	3.5%	45.3%	2 674.1	2 821.2	2 934.0	5.0%	46.6%
Total	5 143.0	4 883.3	5 065.7	5 524.6	2.4%	100.0%	5 731.9	5 980.6	6 276.9	4.3%	100.0%
Change to 2019 Budget estimate				(662.6)			(113.9)	(207.5)	(145.6)		
Economic classification	5 063.6	4 742.2	4 907.6	5 441.3	2.4%	97.8%	5 648.7	5 905.2	6 193.0	4.4%	98.6%
Current payments	2 105.2	1 883.8	2 053.7	2 150.2	0.7%	39.7%	2 229.0	2 364.5	2 450.2	4.5%	39.1%
Compensation of employees	2 958.4	2 858.4	2 853.9	3 291.1	3.6%	58.0%	3 419.7	3 540.6	3 742.8	4.4%	59.5%
<i>of which:</i>											
<i>Advertising</i>	<i>94.2</i>	<i>73.9</i>	<i>66.5</i>	<i>89.2</i>	<i>-1.8%</i>	<i>1.6%</i>	<i>89.9</i>	<i>79.9</i>	<i>83.8</i>	<i>-2.1%</i>	<i>1.5%</i>
<i>Computer services</i>	<i>86.7</i>	<i>73.5</i>	<i>62.5</i>	<i>113.9</i>	<i>9.5%</i>	<i>1.6%</i>	<i>111.0</i>	<i>100.4</i>	<i>106.2</i>	<i>-2.3%</i>	<i>1.8%</i>
<i>Operating leases</i>	<i>1 478.1</i>	<i>1 743.6</i>	<i>1 573.9</i>	<i>1 529.4</i>	<i>1.1%</i>	<i>30.7%</i>	<i>1 615.2</i>	<i>1 707.0</i>	<i>1 777.5</i>	<i>5.1%</i>	<i>28.2%</i>
<i>Property payments</i>	<i>853.9</i>	<i>551.5</i>	<i>736.6</i>	<i>1 126.6</i>	<i>9.7%</i>	<i>15.9%</i>	<i>1 183.8</i>	<i>1 253.8</i>	<i>1 341.6</i>	<i>6.0%</i>	<i>20.9%</i>
<i>Travel and subsistence</i>	<i>152.3</i>	<i>150.6</i>	<i>144.9</i>	<i>142.7</i>	<i>-2.1%</i>	<i>2.9%</i>	<i>137.0</i>	<i>138.4</i>	<i>149.0</i>	<i>1.4%</i>	<i>2.4%</i>
<i>Training and development</i>	<i>39.5</i>	<i>38.6</i>	<i>39.2</i>	<i>51.9</i>	<i>9.5%</i>	<i>0.8%</i>	<i>53.3</i>	<i>48.7</i>	<i>51.0</i>	<i>-0.6%</i>	<i>0.9%</i>
Transfers and subsidies¹	50.1	64.0	63.4	60.8	6.7%	1.2%	54.3	50.5	51.6	-5.3%	0.9%
Provinces and municipalities	0.0	0.0	0.0	0.0	7.3%	—	0.1	0.1	0.1	7.3%	—
Departmental agencies and accounts	20.7	27.0	26.0	23.1	3.7%	0.5%	24.1	24.1	25.0	2.7%	0.4%
Public corporations and private enterprises	0.1	0.0	—	—	-100.0%	—	—	—	—	—	—
Non-profit institutions	8.6	7.9	8.3	8.7	0.5%	0.2%	9.0	9.0	9.4	2.3%	0.2%
Households	20.6	29.0	29.0	28.9	11.9%	0.5%	21.2	17.4	17.2	-15.9%	0.4%

Table 23.6 Administration expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Payments for capital assets	29.1	76.7	90.5	22.3	-8.5%	1.1%	28.9	25.0	32.3	13.1%	0.5%
Buildings and other fixed structures	0.2	0.3	0.4	—	-100.0%	—	—	—	—	—	—
Machinery and equipment	28.9	49.3	32.5	22.3	-8.3%	0.6%	28.8	24.9	32.2	13.2%	0.5%
Software and other intangible assets	—	27.0	57.7	0.1	—	0.4%	0.0	0.0	0.0	-15.7%	—
Payments for financial assets	0.2	0.4	4.1	0.2	7.0%	—	—	—	—	-100.0%	—
Total	5 143.0	4 883.3	5 065.7	5 524.6	2.4%	100.0%	5 731.9	5 980.6	6 276.9	4.3%	100.0%
Proportion of total programme expenditure to vote expenditure	11.0%	10.1%	10.6%	11.0%	—	—	10.9%	11.8%	11.8%	—	—
Details of selected transfers and subsidies											
Households											
Social benefits											
Current	20.7	26.6	28.4	28.8	11.7%	0.5%	21.0	17.2	17.1	-15.9%	0.4%
Employee social benefits	20.7	26.6	28.4	28.8	11.7%	0.5%	21.0	17.2	17.1	-15.9%	0.4%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	20.7	27.0	26.0	23.1	3.7%	0.5%	24.0	24.0	25.0	2.7%	0.4%
Safety and Security Sector	20.7	27.0	26.0	23.1	3.7%	0.5%	24.0	24.0	25.0	2.7%	0.4%
Education and Training Authority											
Non-profit institutions											
Current	8.6	7.9	8.3	8.7	0.5%	0.2%	9.0	9.0	9.4	2.3%	0.2%
Reserve Force Council	8.6	7.9	8.3	8.7	0.5%	0.2%	9.0	9.0	9.4	2.3%	0.2%

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

Programme 2: Force Employment

Programme purpose

Provide and employ defence capabilities, including an operational capability, to successfully conduct all operations as well as joint, interdepartmental, interagency and multinational military exercises.

Objectives

- Ensure successful joint force employment by:
 - providing and employing a special operations capability in accordance with national requirements by March 2023
 - ensuring full participation in the number of peace missions, as instructed by the president, by March 2023
 - conducting 10 joint, interdepartmental, interagency and multinational military force preparation exercises, excluding special forces exercises, by March 2023
 - conducting internal operations in the interest of protecting the territorial integrity and sovereignty of South Africa on an ongoing basis
 - supporting other government departments and complying with international obligations on an ongoing basis.

Subprogrammes

- *Strategic Direction* formulates and controls strategies, policies and plans for the employment of forces to promote peace, stability and security in the region and on the continent.
- *Operational Direction* provides operational direction to joint and multinational task forces and joint tactical headquarters through an operational-level headquarters.
- *Special Operations* provides and employs a special operations capability within the approved special forces mandate for the South African National Defence Force.

- *Regional Security* provides for the external deployment of forces in support of South Africa's commitment to regional, continental and global security.
- *Support to the People* provides for the internal deployment of forces in support of the South African Police Service and other government departments. This includes safeguarding borders, assisting during disasters, and conducting search and rescue missions.

Expenditure trends and estimates

Table 23.7 Force Employment expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Strategic Direction	152.0	157.4	159.4	191.3	8.0%	4.9%	209.5	200.4	209.5	3.1%	5.5%
Operational Direction	288.4	360.9	356.6	378.2	9.5%	10.3%	400.1	383.6	407.2	2.5%	10.7%
Special Operations	810.1	848.3	834.3	936.4	4.9%	25.5%	954.5	927.5	933.2	-0.1%	25.7%
Regional Security	1 068.8	929.4	852.2	1 021.2	-1.5%	28.8%	985.1	1 012.7	977.3	-1.5%	27.3%
Support to the People	1 111.7	912.1	966.3	1 093.6	-0.5%	30.4%	1 122.0	1 101.5	1 172.1	2.3%	30.7%
Total	3 431.0	3 208.1	3 168.7	3 620.7	1.8%	100.0%	3 671.1	3 625.7	3 699.2	0.7%	100.0%
Change to 2019				–			26.5	13.5	(51.5)		
Budget estimate											
Economic classification											
Current payments	2 885.7	2 784.8	2 854.7	3 323.8	4.8%	88.2%	3 334.9	3 249.7	3 383.1	0.6%	90.9%
Compensation of employees	1 948.6	1 935.8	2 093.1	2 102.9	2.6%	60.2%	2 198.7	2 299.4	2 384.2	4.3%	61.5%
Goods and services ¹	937.1	849.0	761.6	1 220.9	9.2%	28.1%	1 136.2	950.2	998.9	-6.5%	29.5%
of which:											
Contractors	212.7	229.3	115.4	346.6	17.7%	6.7%	286.6	247.5	215.1	-14.7%	7.5%
Fleet services (including government motor transport)	27.0	23.8	21.3	46.6	20.0%	0.9%	65.7	59.2	68.2	13.6%	1.6%
Inventory: Food and food supplies	113.1	168.4	168.3	215.7	24.0%	5.0%	225.4	187.5	199.9	-2.5%	5.7%
Inventory: Fuel, oil and gas	63.6	49.3	48.3	93.6	13.7%	1.9%	87.9	76.1	74.6	-7.3%	2.3%
Travel and subsistence	214.2	208.8	167.1	227.8	2.1%	6.1%	169.3	148.0	179.4	-7.7%	5.0%
Operating payments	112.5	33.2	127.6	106.3	-1.9%	2.8%	98.5	67.1	71.6	-12.3%	2.3%
Transfers and subsidies ¹	257.3	288.5	213.9	260.8	0.5%	7.6%	231.0	280.8	204.6	-7.8%	6.7%
Provinces and municipalities	0.1	0.0	0.1	0.0	-69.3%	–	0.0	0.0	0.0	35.7%	–
Departmental agencies and accounts	241.3	256.6	191.9	241.8	0.1%	6.9%	213.5	263.2	186.9	-8.2%	6.2%
Public corporations and private enterprises	8.4	9.1	9.3	9.8	5.2%	0.3%	10.3	10.3	11.0	3.8%	0.3%
Households	7.5	22.8	12.5	9.2	7.3%	0.4%	7.2	7.2	6.8	-9.8%	0.2%
Payments for capital assets	288.1	134.7	100.1	36.1	-50.0%	4.2%	105.2	95.3	111.5	45.7%	2.4%
Buildings and other fixed structures	5.9	9.2	5.8	1.0	-44.3%	0.2%	67.1	77.1	87.5	340.3%	1.6%
Machinery and equipment	282.1	125.5	94.2	34.0	-50.6%	4.0%	37.5	17.6	23.9	-11.1%	0.8%
Specialised military assets	–	–	–	1.0	–	–	0.6	0.6	0.1	-53.9%	–
Payments for financial assets	0.0	0.0	0.1	–	-100.0%	–	–	–	–	–	–
Total	3 431.0	3 208.1	3 168.7	3 620.7	1.8%	100.0%	3 671.1	3 625.7	3 699.2	0.7%	100.0%
Proportion of total programme expenditure to vote expenditure	7.4%	6.6%	6.6%	7.2%	–	–	7.0%	7.1%	7.0%	–	–
Households											
Social benefits											
Current	7.4	16.1	12.5	9.2	7.5%	0.3%	7.2	7.2	6.8	-9.8%	0.2%
Employee social benefits	7.4	16.1	12.5	9.2	7.5%	0.3%	7.2	7.2	6.8	-9.8%	0.2%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	241.3	256.6	191.9	241.7	0.1%	6.9%	213.4	263.1	186.7	-8.2%	6.2%
Special defence account	241.3	256.6	191.9	241.7	0.1%	6.9%	213.4	263.1	186.7	-8.2%	6.2%
Public corporations and private enterprises											
Public corporations											
Public corporations (subsidies on products and production)											
Current	8.4	8.9	9.3	9.8	5.2%	0.3%	10.3	10.3	11.0	3.8%	0.3%
Armaments Corporation of South Africa	8.4	8.9	9.3	9.8	5.2%	0.3%	10.3	10.3	11.0	3.8%	0.3%

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

Programme 3: Landward Defence

Programme purpose

Provide prepared and supported landward defence capabilities for the defence and protection of South Africa.

Objectives

- Defend and protect South Africa and its territory over the medium term by:
 - providing 1 infantry capability for external deployment and for internal safety and security, including border safeguarding
 - exercising 1 tank and armoured car capability, and providing 1 squadron for internal deployment per year
 - exercising 1 composite artillery capability and providing 1 battery for internal deployment per year
 - exercising 1 air defence artillery capability and providing 1 battery for internal deployment per year
 - providing 1 sustained composite engineer capability for external deployment, and for internal safety and security; and exercising 1 field engineer capability per year
 - providing 1 signal capability for external deployment and for internal signal support, and exercising 1 composite signal capability per year.

Subprogrammes

- *Strategic Direction* directs, orchestrates and controls the South African Army in achieving its mission to prepare and provide supported landward capabilities for the defence and protection of South Africa.
- *Infantry Capability* provides combat-ready infantry capabilities through training, preparing, exercising and supporting mechanised, motorised, specialised and airborne infantry units.
- *Armour Capability* provides combat-ready armour capabilities through training, preparing, exercising and supporting tank and armoured car units.
- *Artillery Capability* provides combat-ready artillery capabilities through training, preparing, exercising and supporting composite and light artillery units.
- *Air Defence Artillery Capability* provides combat-ready air defence artillery capabilities through training, preparing, exercising and supporting air defence artillery units.
- *Engineering Capability* provides combat-ready engineering capabilities to ensure mobility and establish infrastructure during exercises and deployments through training, preparing, exercising and supporting field and construction engineering units.
- *Operational Intelligence* provides combat-ready operational intelligence capabilities to enable the successful planning and execution of operations through training, preparing, exercising and supporting intelligence units.
- *Command and Control Capability* provides combat-ready tactical command and control capabilities for integrated forces during force preparation and force employment.
- *Support Capability* provides first-line, second-line and third-line support capabilities to units and bases, and ensures support to deployed combat units through training, preparing, exercising and supporting first-line and second-line maintenance units and workshops.
- *General Training Capability* provides general training capabilities through basic military training, junior leader training, common landward training, and command and management training at the training depot and decentralised units, the South African Army gymnasium, the combat training centre and the South African Army College.
- *Signal Capability* provides combat-ready signal capabilities to ensure command, control and communications during exercises and deployments through training, preparing, exercising and supporting signal units.

Expenditure trends and estimates

Table 23.8 Landward Defence 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Strategic Direction	458.9	462.8	494.1	395.1	-4.9%	2.8%	458.4	594.4	583.2	13.9%	3.0%
Infantry Capability	6 208.9	6 915.0	6 803.8	6 357.4	0.8%	40.3%	6 739.5	6 416.3	6 768.6	2.1%	38.8%
Armour Capability	446.6	480.9	504.9	497.0	3.6%	3.0%	511.4	542.4	561.4	4.1%	3.1%
Artillery Capability	471.6	509.7	498.5	718.5	15.1%	3.4%	872.8	546.6	551.0	-8.5%	4.0%
Air Defence Artillery Capability	571.4	698.1	538.6	494.3	-4.7%	3.5%	554.7	402.1	416.4	-5.6%	2.8%
Engineering Capability	755.4	803.7	835.2	814.0	2.5%	4.9%	858.3	884.5	916.1	4.0%	5.1%
Operational Intelligence	206.4	204.6	215.7	246.4	6.1%	1.3%	252.7	267.1	276.6	3.9%	1.5%
Command and Control Capability	199.0	211.4	221.4	235.1	5.7%	1.3%	240.0	253.4	262.7	3.8%	1.5%
Support Capability	4 531.2	4 664.0	4 455.8	4 816.4	2.1%	28.3%	4 921.4	4 449.4	4 937.7	0.8%	28.2%
General Training Capability	413.1	382.3	415.0	544.6	9.6%	2.7%	558.5	550.9	567.4	1.4%	3.3%
Signal Capability	1 295.5	1 359.0	1 444.5	1 408.1	2.8%	8.4%	1 454.0	1 520.5	1 564.4	3.6%	8.8%
Total	15 557.8	16 691.5	16 427.5	16 527.0	2.0%	100.0%	17 421.9	16 427.6	17 405.6	1.7%	100.0%
Change to 2019 Budget estimate				62.7			15.4	(588.7)	(251.9)		
Current payments	13 179.4	13 469.1	14 465.7	14 485.5	3.2%	85.3%	15 360.0	16 134.3	17 098.4	5.7%	93.1%
Compensation of employees	11 470.7	11 973.0	12 823.2	12 251.7	2.2%	74.4%	13 178.0	14 046.4	14 672.7	6.2%	79.9%
Goods and services ¹	1 708.7	1 496.1	1 642.4	2 233.8	9.3%	10.9%	2 182.1	2 087.9	2 425.7	2.8%	13.2%
of which:											
Contractors	197.4	177.1	139.4	297.9	14.7%	1.2%	228.5	292.5	268.2	-3.4%	1.6%
Inventory: Food and food supplies	588.2	526.4	670.8	562.2	-1.5%	3.6%	742.9	796.6	859.2	15.2%	4.4%
Inventory: Fuel, oil and gas	164.5	152.3	193.7	244.2	14.1%	1.2%	138.2	138.7	150.9	-14.8%	1.0%
Inventory: Materials and supplies	18.0	13.7	11.3	11.1	-14.9%	0.1%	9.6	33.0	367.5	221.3%	0.6%
Travel and subsistence	339.6	315.0	339.1	342.0	0.2%	2.0%	439.1	333.5	293.1	-5.0%	2.1%
Training and development	41.8	47.3	48.1	78.3	23.2%	0.3%	88.0	88.1	63.6	-6.7%	0.5%
Transfers and subsidies¹	2 225.1	3 116.0	1 882.0	2 008.4	-3.4%	14.2%	2 035.1	267.5	282.1	-48.0%	6.8%
Provinces and municipalities	0.1	0.1	0.0	0.0	-64.8%	-	0.0	0.0	0.0	14.5%	-
Departmental agencies and accounts	2 144.8	3 031.3	1 711.3	1 935.7	-3.4%	13.5%	1 939.1	177.5	203.9	-52.8%	6.3%
Public corporations and private enterprises	38.7	35.2	27.8	21.7	-17.6%	0.2%	14.9	7.9	7.9	-28.6%	0.1%
Households	41.5	49.4	142.8	51.0	7.1%	0.4%	81.1	82.2	70.3	11.3%	0.4%
Payments for capital assets	152.6	105.8	78.7	32.6	-40.2%	0.6%	26.8	25.8	25.1	-8.3%	0.2%
Buildings and other fixed structures	34.5	9.3	6.1	2.5	-58.1%	0.1%	1.9	2.0	2.2	-4.8%	-
Machinery and equipment	118.1	96.6	72.6	29.3	-37.2%	0.5%	23.6	22.3	22.8	-8.0%	0.1%
Specialised military assets	-	-	-	0.8	-	-	1.2	1.4	0.1	-53.8%	-
Software and other intangible assets	0.0	-	-	-	-100.0%	-	-	-	-	-	-
Payments for financial assets	0.8	0.7	1.2	0.5	-13.4%	-	-	-	-	-100.0%	-
Total	15 557.8	16 691.5	16 427.5	16 527.0	2.0%	100.0%	17 421.9	16 427.6	17 405.6	1.7%	100.0%
Proportion of total programme expenditure to vote expenditure	33.4%	34.5%	34.3%	32.9%	-	-	33.2%	32.3%	32.8%	-	-
Details of selected transfers and subsidies											
Households											
Social benefits											
Current	40.0	48.5	61.1	51.0	8.4%	0.3%	81.1	82.2	70.3	11.3%	0.4%
Employee social benefits	40.0	48.5	61.1	51.0	8.4%	0.3%	81.1	82.2	70.3	11.3%	0.4%
Households											
Other transfers to households											
Current	1.5	0.9	81.7	-	-100.0%	0.1%	-	-	-	-	-
Claims against the state	1.5	0.9	81.7	-	-100.0%	0.1%	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	2 144.8	3 031.2	1 711.3	1 935.7	-3.4%	13.5%	1 939.1	177.5	203.9	-52.8%	6.3%
Special defence account	2 144.8	3 031.2	1 711.3	1 935.7	-3.4%	13.5%	1 939.1	177.5	203.9	-52.8%	6.3%
Public corporations and private enterprises											
Public corporations											
Public corporations (subsidies on products and production)											
Current	38.4	35.2	27.8	21.7	-17.4%	0.2%	14.9	7.9	7.9	-28.6%	0.1%
Armaments Corporation of South Africa	38.4	35.2	27.8	21.7	-17.4%	0.2%	14.9	7.9	7.9	-28.6%	0.1%

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

Programme 4: Air Defence

Programme purpose

Provide prepared and supported air defence capabilities for the defence and protection of South Africa.

Objectives

- Defend and protect South Africa and its airspace over the medium term by providing:
 - 4 helicopter squadrons and 1 combat support helicopter squadron per year
 - 3 medium transport squadrons (1 VIP squadron, 1 maritime and transport squadron, and 1 light transport squadron) and 9 reserve squadrons per year
 - 1 air combat squadron per year
 - 24-hour air command and control capability.

Subprogrammes

- *Strategic Direction* provides strategic direction to the programme by formulating and controlling strategies, policies and plans through the air force office to prepare and provide the capabilities required by the Chief of the South African National Defence Force.
- *Operational Direction* provides operational direction to the programme through air command.
- *Helicopter Capability* provides and sustains operationally ready light utility helicopters, medium transport helicopters and combat support helicopters crewed by appropriately qualified personnel.
- *Transport and Maritime Capability* provides and sustains operationally ready transport and maritime aircraft crewed by appropriately qualified personnel.
- *Air Combat Capability* provides and sustains operationally ready fighter aircraft crewed by appropriately qualified personnel.
- *Operational Support and Intelligence Capability* prepares, develops, provides and supports protection and intelligence systems, and counterintelligence to the South African Air Force through protection squadrons, intelligence subsystems and intelligence training unique to the air force.
- *Command and Control Capability* supplies and maintains operationally ready command and control elements in support of air battle space operations.
- *Base Support Capability* provides air base infrastructure facilities to squadrons and resident units on bases, including the maintenance of all relevant systems and personnel, to support flying operations.
- *Command Post* renders command and control over all missions flown.
- *Training Capability* provides for the general education, training and development of air force personnel.
- *Technical Support Services* establishes, maintains and prepares optimised technical and tactical logistic support capabilities to provide support to system groups and manage air service units.

Expenditure trends and estimates

Table 23.9 Air Defence 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Strategic Direction	24.1	19.4	19.3	32.0	9.9%	0.4%	31.8	32.7	32.8	0.9%	0.5%
Operational Direction	225.8	263.3	141.7	189.0	-5.8%	3.1%	149.6	93.5	115.8	-15.1%	2.0%
Helicopter Capability	728.4	1 099.9	928.3	702.3	-1.2%	12.9%	819.3	776.8	793.9	4.2%	11.1%
Transport and Maritime Capability	594.1	521.8	565.8	1 156.0	24.8%	10.6%	1 071.4	779.0	784.4	-12.1%	13.5%
Air Combat Capability	1 230.1	783.4	519.7	726.7	-16.1%	12.2%	871.3	392.6	440.7	-15.4%	8.7%
Operational Support and Intelligence Capability	322.8	343.0	354.5	370.1	4.7%	5.2%	418.0	445.5	465.1	7.9%	6.1%
Command and Control Capability	606.2	536.0	426.3	876.6	13.1%	9.1%	629.1	412.3	431.6	-21.0%	8.4%
Base Support Capability	1 947.3	2 036.0	2 140.6	1 763.8	-3.2%	29.5%	2 238.2	2 405.1	2 523.3	12.7%	31.9%
Command Post	62.6	67.2	65.5	73.7	5.6%	1.0%	74.6	80.3	83.3	4.2%	1.1%
Training Capability	480.5	487.3	463.7	509.1	1.9%	7.2%	522.7	558.4	573.9	4.1%	7.7%
Technical Support Services	560.8	596.2	632.3	580.3	1.1%	8.9%	579.2	690.8	683.7	5.6%	9.1%
Total	6 782.6	6 753.4	6 257.4	6 979.6	1.0%	100.0%	7 405.3	6 667.1	6 928.5	-0.2%	100.0%
Change to 2019				1.8			(269.6)	98.2	113.4		
Budget estimate											
Economic classification											
Current payments	5 569.9	5 765.1	5 741.4	5 657.0	0.5%	84.9%	6 301.2	6 514.6	6 773.1	6.2%	90.2%
Compensation of employees	3 539.4	3 723.8	3 930.7	3 678.9	1.3%	55.6%	3 964.0	4 268.5	4 462.8	6.7%	58.5%
Goods and services ¹	2 030.5	2 041.2	1 810.7	1 978.1	-0.9%	29.4%	2 337.1	2 246.1	2 310.3	5.3%	31.7%
of which:											
Contractors	1 322.3	1 231.7	1 075.3	1 047.3	-7.5%	17.5%	1 250.6	1 084.0	1 085.1	1.2%	16.0%
Inventory: Clothing material and accessories	18.7	18.5	20.4	25.4	10.8%	0.3%	35.6	156.3	171.2	88.9%	1.4%
Inventory: Food and food supplies	93.2	105.4	96.0	15.9	-44.5%	1.2%	100.1	147.4	158.7	115.2%	1.5%
Inventory: Fuel, oil and gas	189.9	212.1	129.0	208.6	3.2%	2.8%	272.9	193.1	224.2	2.4%	3.2%
Property payments	15.6	17.9	13.0	82.1	73.9%	0.5%	101.6	104.0	87.9	2.3%	1.3%
Operating payments	162.0	151.3	164.6	171.7	2.0%	2.4%	167.8	140.9	154.0	-3.6%	2.3%
Transfers and subsidies¹	1 139.0	897.6	461.0	1 296.3	4.4%	14.2%	1 076.2	124.0	126.6	-53.9%	9.4%
Provinces and municipalities	0.0	0.0	0.0	0.0	14.5%	—	0.0	0.0	0.0	18.6%	—
Departmental agencies and accounts	1 120.6	876.5	440.6	1 256.9	3.9%	13.8%	1 048.9	98.4	102.6	-56.6%	9.0%
Households	18.4	21.1	20.4	39.4	28.9%	0.4%	27.3	25.5	24.1	-15.2%	0.4%
Payments for capital assets	73.3	90.5	54.6	26.1	-29.1%	0.9%	28.0	28.5	28.8	3.4%	0.4%
Buildings and other fixed structures	1.4	1.9	2.1	—	-100.0%	—	0.0	0.0	0.0	—	—
Machinery and equipment	71.7	88.7	52.0	26.1	-28.6%	0.9%	27.9	28.4	28.8	3.4%	0.4%
Software and other intangible assets	0.2	—	0.5	—	-100.0%	—	—	—	—	—	—
Payments for financial assets	0.3	0.2	0.6	0.1	-23.0%	—	—	—	—	-100.0%	—
Total	6 782.6	6 753.4	6 257.4	6 979.6	1.0%	100.0%	7 405.3	6 667.1	6 928.5	-0.2%	100.0%
Proportion of total programme expenditure to vote expenditure	14.6%	14.0%	13.1%	13.9%	—	—	14.1%	13.1%	13.1%	—	—
Details of selected transfers and subsidies											
Households											
Social benefits											
Current	18.3	20.6	20.3	39.4	29.2%	0.4%	27.3	25.5	24.1	-15.2%	0.4%
Employee social benefits	18.3	20.6	20.3	39.4	29.2%	0.4%	27.3	25.5	24.1	-15.2%	0.4%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 120.6	876.5	440.6	1 256.9	3.9%	13.8%	1 048.9	98.4	102.6	-56.6%	9.0%
Special defence account	1 120.6	876.5	440.6	1 256.9	3.9%	13.8%	1 048.9	98.4	102.6	-56.6%	9.0%

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

Programme 5: Maritime Defence

Programme purpose

Provide prepared and supported maritime defence capabilities for the defence and protection of South Africa.

Objectives

- Defend and protect South Africa and its maritime zones over the medium term by providing:
 - a surface combat and patrol capability of 3 frigates, 1 combat support vessel, 2 offshore patrol vessels and 3 inshore patrol vessels in each annual operational cycle
 - a subsurface combat capability of 2 submarines in each annual operational cycle

- a mine warfare capability of 2 vessels in each annual operational cycle to ensure safe access to South Africa's harbours and mine clearance where required
- a maritime reaction squadron capability, comprising an operational boat division, an operational diving division and a naval reaction division in each annual operational cycle
- a hydrographic survey capability to ensure safe navigation by charting areas and to meet international obligations.

Subprogrammes

- *Maritime Direction* provides strategic direction to the programme by formulating and controlling strategies, policies, plans and advice to prepare and provide maritime defence capabilities.
- *Maritime Combat Capability* provides mission-ready and supported maritime combat capabilities in accordance with the approved force design of the department.
- *Maritime Logistic Support Capability* sustains the availability of force structure elements in the naval force design to ensure compliance with ordered operational commitments.
- *Maritime Human Resources and Training Capability* ensures that maritime combat and support capability requirements are met in terms of qualified personnel.
- *Base Support Capability* provides a general base support capability to ships and submarines, shore units and other identified clients to ensure that the fleet complies with specified operational readiness levels.

Expenditure trends and estimates

Table 23.10 Maritime Defence 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Maritime Direction	607.3	657.1	657.4	594.9	-0.7%	13.8%	690.8	627.3	608.1	0.7%	13.0%
Maritime Combat Capability	1 694.7	1 850.5	1 758.1	1 770.2	1.5%	38.7%	1 737.7	1 551.7	1 637.9	-2.6%	34.5%
Maritime Logistic Support Capability	841.8	924.2	957.0	1 184.2	12.1%	21.4%	1 198.5	1 408.4	1 334.5	4.1%	26.4%
Maritime Human Resources and Training Capability	529.6	518.0	531.9	570.1	2.5%	11.8%	610.2	637.2	660.6	5.0%	12.8%
Base Support Capability	625.1	664.1	599.5	719.1	4.8%	14.3%	678.5	616.5	594.9	-6.1%	13.4%
Total	4 298.4	4 613.9	4 503.9	4 838.5	4.0%	100.0%	4 915.6	4 841.1	4 836.1	-	100.0%
Change to 2019 Budget estimate				320.6			(118.2)	473.1	299.1		
Economic classification											
Current payments	2 889.5	2 986.6	3 056.6	3 333.1	4.9%	67.2%	3 579.0	4 007.6	3 995.2	6.2%	76.8%
Compensation of employees	2 235.1	2 350.2	2 434.9	2 486.9	3.6%	52.1%	2 599.1	2 792.5	2 895.5	5.2%	55.4%
Goods and services ¹	654.4	636.4	621.7	846.2	8.9%	15.1%	979.9	1 215.0	1 099.7	9.1%	21.3%
of which:											
Contractors	238.2	246.5	249.1	229.9	-1.2%	5.3%	260.7	295.6	305.6	10.0%	5.6%
Inventory: Food and food supplies	56.1	124.0	90.9	123.7	30.2%	2.2%	127.0	138.4	144.0	5.2%	2.7%
Inventory: Fuel, oil and gas	85.2	46.1	52.8	97.5	4.6%	1.5%	45.4	214.2	46.4	-21.9%	2.1%
Inventory: Other supplies	34.9	29.2	62.9	94.0	39.1%	1.2%	196.4	250.1	284.7	44.7%	4.2%
Travel and subsistence	77.3	75.2	63.7	59.4	-8.4%	1.5%	63.8	47.6	51.7	-4.6%	1.1%
Operating payments	47.7	18.0	2.0	51.6	2.7%	0.7%	81.2	52.0	56.4	3.0%	1.2%
Transfers and subsidies¹	1 383.1	1 598.2	1 435.2	1 494.7	2.6%	32.4%	1 315.5	827.1	834.2	-17.7%	23.0%
Provinces and municipalities	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Departmental agencies and accounts	1 123.0	1 284.0	1 134.7	1 187.2	1.9%	25.9%	979.9	496.5	500.8	-25.0%	16.3%
Public corporations and private enterprises	244.3	270.0	283.7	298.4	6.9%	6.0%	313.4	313.4	325.9	3.0%	6.4%
Households	15.8	44.2	16.8	9.0	-17.1%	0.5%	22.2	17.3	7.5	-5.9%	0.3%
Payments for capital assets	25.6	28.8	10.0	10.7	-25.2%	0.4%	21.1	6.4	6.7	-14.5%	0.2%
Buildings and other fixed structures	0.3	0.1	0.0	-	-100.0%	-	-	-	-	-	-
Machinery and equipment	15.8	28.3	9.9	10.0	-14.2%	0.4%	20.5	5.8	6.0	-15.5%	0.2%
Specialised military assets	7.6	-	-	-	-100.0%	-	-	-	-	-	-
Software and other intangible assets	2.0	0.4	0.1	0.7	-28.3%	-	0.6	0.6	0.7	-3.5%	-
Payments for financial assets	0.1	0.3	2.1	0.1	-13.0%	-	-	-	-	-100.0%	-
Total	4 298.4	4 613.9	4 503.9	4 838.5	4.0%	100.0%	4 915.6	4 841.1	4 836.1	-	100.0%
Proportion of total programme expenditure to vote expenditure	9.2%	9.5%	9.4%	9.6%	-	-	9.4%	9.5%	9.1%	-	-

Table 23.10 Maritime Defence expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Households											
Social benefits											
Current	15.8	44.0	13.6	9.0	-17.0%	0.5%	22.2	17.3	7.5	-5.9%	0.3%
Employee social benefits	15.8	44.0	13.6	9.0	-17.0%	0.5%	22.2	17.3	7.5	-5.9%	0.3%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 123.0	1 284.0	1 134.7	1 187.2	1.9%	25.9%	979.9	496.5	500.8	-25.0%	16.3%
Special defence account	1 123.0	1 284.0	1 134.7	1 187.2	1.9%	25.9%	979.9	496.5	500.8	-25.0%	16.3%
Public corporations and private enterprises											
Public corporations											
Public corporations (subsidies on products and production)											
Current	244.3	270.0	283.7	298.4	6.9%	6.0%	313.4	313.4	325.9	3.0%	6.4%
Armaments Corporation of South Africa	244.3	270.0	283.7	298.4	6.9%	6.0%	313.4	313.4	325.9	3.0%	6.4%

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

Programme 6: Military Health Support

Programme purpose

Provide prepared and supported health capabilities and services for the defence and protection of South Africa.

Objectives

- Ensure prepared and supported health capabilities and services over the medium term by providing:
 - a health support capability of 5 medical battalion groups and 1 specialist medical battalion group for deployed and contingency forces
 - a comprehensive, multidisciplinary military health service to a projected patient population of 302 000 members per year.

Subprogrammes

- *Strategic Direction* formulates strategy, policies and plans; and provides advice from the surgeon-general's office to prepare and provide the capabilities required by the Chief of the South African National Defence Force.
- *Mobile Military Health Support* provides health support for deployed and contingency forces, and health services to provincial hospitals and the Department of Health, as and when ordered.
- *Area Military Health Service* provides a comprehensive, self-supporting, multidisciplinary geographic military health service through a formation headquarters, and commanding and controlling 9 area military health units to ensure a healthy military community. The military hospitals also attend to health care activities, medical support and health activities in the specialist aviation environment.
- *Specialist/Tertiary Health Service* provides a specialist health service to develop and maintain tertiary military health capabilities within the parameters of relevant legislation, as contained in the South African military health service strategy.
- *Military Health Product Support Capability* provides for the warehousing of pharmaceuticals, sundries, military health mobilisation equipment and unique stock; the procurement of unique military health products, materials and services; an asset management service; military health product systems; and cooperative common military health logistics.
- *Military Health Maintenance Capability* provides general base support services to identified military health service units to sustain and maintain the approved force design and structure.

- *Military Health Training Capability* provides a military health training service to develop and maintain military health training capabilities within the parameters of relevant legislation and policies.

Expenditure trends and estimates

Table 23.11 Military Health Support 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Strategic Direction	184.3	186.7	218.4	206.7	3.9%	4.0%	229.1	232.9	241.3	5.3%	3.9%
Mobile Military Health Support	120.9	140.3	163.4	260.5	29.2%	3.5%	270.3	221.4	230.8	-4.0%	4.2%
Area Military Health Service	1 672.3	1 809.6	1 922.8	1 956.1	5.4%	37.2%	1 941.4	2 139.8	2 189.3	3.8%	35.3%
Specialist/Tertiary Health Service	1 718.5	1 884.5	2 045.8	2 049.4	6.0%	38.9%	2 334.8	2 350.4	2 425.3	5.8%	39.3%
Military Health Product Support Capability	182.0	181.3	192.1	302.5	18.5%	4.3%	320.5	334.0	396.9	9.5%	5.8%
Military Health Maintenance Capability	235.7	309.3	196.1	221.4	-2.1%	4.9%	174.9	260.8	349.7	16.5%	4.3%
Military Health Training Capability	335.1	341.2	352.1	378.7	4.2%	7.1%	384.9	432.6	448.2	5.8%	7.1%
Total	4 448.7	4 852.9	5 090.6	5 375.3	6.5%	100.0%	5 656.0	5 971.8	6 281.5	5.3%	100.0%
Change to 2019 Budget estimate				-			(121.6)	(64.0)	18.9		
Economic classification											
Current payments	4 374.0	4 740.0	4 966.7	5 249.6	6.3%	97.8%	5 527.1	5 897.7	6 199.0	5.7%	98.2%
Compensation of employees	3 328.8	3 523.7	3 783.7	3 754.5	4.1%	72.8%	4 018.8	4 274.5	4 480.6	6.1%	71.0%
Goods and services ¹	1 045.2	1 216.3	1 183.0	1 495.1	12.7%	25.0%	1 508.3	1 623.3	1 718.4	4.7%	27.2%
of which:											
Contractors	40.1	41.4	38.8	70.3	20.6%	1.0%	81.0	82.3	86.5	7.1%	1.4%
Agency and support/outsourced services	422.0	531.6	462.5	428.2	0.5%	9.3%	261.7	412.2	394.6	-2.7%	6.4%
Inventory: Food and food supplies	54.4	64.8	86.2	65.6	6.5%	1.4%	122.2	93.3	98.2	14.4%	1.6%
Inventory: Medical supplies	59.9	63.9	84.7	158.9	38.5%	1.9%	142.3	159.6	169.6	2.2%	2.7%
Inventory: Medicine	198.0	244.6	247.7	352.1	21.2%	5.3%	404.0	405.1	423.3	6.3%	6.8%
Travel and subsistence	84.9	76.9	76.0	91.3	2.4%	1.7%	107.6	79.0	85.0	-2.3%	1.6%
Transfers and subsidies¹	15.5	27.6	59.0	77.5	70.9%	0.9%	76.4	13.6	14.5	-42.7%	0.8%
Provinces and municipalities	1.9	0.0	15.4	0.8	-24.3%	0.1%	0.5	0.5	0.5	-14.9%	-
Departmental agencies and accounts	-	11.1	0.0	62.7	-	0.4%	62.7	0.0	0.0	-92.7%	0.5%
Non-profit institutions	0.7	0.8	0.7	1.0	13.6%	-	1.0	1.0	1.1	2.3%	-
Households	13.0	15.7	42.8	13.0	-	0.4%	12.2	12.1	12.9	-0.1%	0.2%
Payments for capital assets	58.6	85.1	64.4	47.6	-6.7%	1.3%	52.5	60.5	68.0	12.6%	1.0%
Buildings and other fixed structures	0.3	1.8	0.1	-	-100.0%	-	-	0.2	0.2	-	-
Machinery and equipment	58.3	83.3	63.9	47.6	-6.5%	1.3%	52.5	60.3	67.8	12.5%	1.0%
Biological assets	-	0.1	0.4	-	-	-	-	-	-	-	-
Payments for financial assets	0.7	0.2	0.5	0.5	-9.3%	-	-	-	-	-100.0%	-
Total	4 448.7	4 852.9	5 090.6	5 375.3	6.5%	100.0%	5 656.0	5 971.8	6 281.5	5.3%	100.0%
Proportion of total programme expenditure to vote expenditure	9.5%	10.0%	10.6%	10.7%	-	-	10.8%	11.7%	11.9%	-	-
Details of selected transfers and subsidies											
Households											
Social benefits											
Current	12.0	12.5	16.8	13.0	2.7%	0.3%	12.2	12.1	12.9	-0.1%	0.2%
Employee social benefits	12.0	12.5	16.8	13.0	2.7%	0.3%	12.2	12.1	12.9	-0.1%	0.2%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	-	11.1	-	62.7	-	0.4%	62.7	0.0	0.0	-96.8%	0.5%
Special defence account	-	11.1	-	62.7	-	0.4%	62.7	0.0	0.0	-96.8%	0.5%

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

Programme 7: Defence Intelligence

Programme purpose

Provide defence intelligence and counterintelligence capabilities.

Objective

- Ensure prepared and supported intelligence services by providing intelligence, counterintelligence and defence foreign relations capabilities by March 2023.

Subprogrammes

- *Operations* provides timely defence prediction, intelligence and counterintelligence capabilities and services.
- *Defence Intelligence Support Services* provides human resources, logistics, planning, security, labour relations, and training and information support services to the defence intelligence community.

Expenditure trends and estimates

Table 23.12 Defence Intelligence 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Operations	472.4	459.9	478.5	542.5	4.7%	52.4%	655.1	281.5	412.7	-8.7%	46.9%
Defence Intelligence Support Services	408.9	428.1	459.7	477.9	5.3%	47.6%	532.4	554.9	577.6	6.5%	53.1%
Total	881.3	888.0	938.2	1 020.5	5.0%	100.0%	1 187.5	836.4	990.3	-1.0%	100.0%
Change to 2019 Budget estimate				–			104.8	15.4	137.7		
Economic classification											
Current payments	422.7	433.4	457.7	495.5	5.4%	48.5%	528.0	551.7	574.6	5.1%	53.3%
Compensation of employees	379.2	400.7	421.4	445.4	5.5%	44.2%	478.3	500.5	520.9	5.4%	48.2%
Goods and services ¹	43.5	32.7	36.2	50.1	4.8%	4.4%	49.8	51.2	53.7	2.4%	5.1%
of which:											
Fleet services (including government motor transport)	0.0	0.1	0.0	0.4	121.6%	–	6.0	6.4	6.7	164.9%	0.5%
Inventory: Food and food supplies	11.9	7.0	14.9	14.4	6.6%	1.3%	8.3	8.7	9.1	-14.1%	1.0%
Inventory: Fuel, oil and gas	2.1	2.5	3.2	3.5	19.5%	0.3%	6.6	6.9	7.2	27.3%	0.6%
Property payments	0.5	1.0	1.0	0.9	23.9%	0.1%	3.9	3.9	4.1	64.0%	0.3%
Travel and subsistence	6.9	7.2	7.3	9.3	10.6%	0.8%	11.9	12.1	12.8	11.2%	1.1%
Training and development	1.6	1.5	1.8	2.8	19.7%	0.2%	2.6	2.6	2.7	-1.4%	0.3%
Transfers and subsidies¹	457.7	449.2	476.9	520.9	4.4%	51.1%	659.3	284.5	415.5	-7.3%	46.6%
Provinces and municipalities	0.0	0.0	0.0	–	-100.0%	–	–	–	–	–	–
Departmental agencies and accounts	452.1	444.2	472.2	519.1	4.7%	50.6%	655.1	281.5	412.7	-7.4%	46.3%
Households	5.6	5.0	4.6	1.7	-32.3%	0.5%	4.2	2.9	2.8	17.2%	0.3%
Payments for capital assets	0.9	5.3	3.6	4.1	66.0%	0.4%	0.2	0.2	0.2	-61.1%	0.1%
Machinery and equipment	0.9	5.3	3.6	4.1	66.0%	0.4%	0.2	0.2	0.2	-61.1%	0.1%
Total	881.3	888.0	938.2	1 020.5	5.0%	100.0%	1 187.5	836.4	990.3	-1.0%	100.0%
Proportion of total programme expenditure to vote expenditure	1.9%	1.8%	2.0%	2.0%	–	–	2.3%	1.6%	1.9%	–	–
Details of selected transfers and subsidies											
Households											
Social benefits											
Current	5.6	5.0	4.6	1.7	-32.3%	0.5%	4.2	2.9	2.8	17.2%	0.3%
Employee social benefits	5.6	5.0	4.6	1.7	-32.3%	0.5%	4.2	2.9	2.8	17.2%	0.3%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	452.1	444.2	472.2	519.1	4.7%	50.6%	655.1	281.5	412.7	-7.4%	46.3%
Communication	–	0.3	–	0.4	–	–	–	–	–	-100.0%	–
Special defence account	452.1	443.9	472.2	518.7	4.7%	50.6%	655.1	281.5	412.7	-7.3%	46.3%

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

Programme 8: General Support

Programme purpose

Provide general support capabilities and services to the department.

Objectives

- Provide ongoing general support capabilities and services through effective and efficient centralised common logistics support of ordered commitments, in accordance with defence policy and strategy, by providing:
 - appropriate, ready and sustained centralised common matériel management to the department
 - appropriate, ready and sustained centralised facilities management to the department
 - appropriate, ready and sustained centralised common logistics services and movement management to the department
 - sound logistics strategic direction to the department.
- Provide ICT prime systems integration and strategic direction to the department over the medium term by providing:
 - strategic direction and staff support services to the division
 - integrated ICT solutions and enablers
 - an information warfare strategic direction capability
 - maintenance and support for information systems.
- Provide a military policing capability to the department over the medium term by:
 - investigating backlog criminal cases
 - investigating new criminal cases reported
 - conducting crime prevention operations
 - sustaining 4 regional headquarters, 22 area offices and 22 detachments for crime prevention and the investigation of criminal cases
 - sustaining 2 military correctional facilities for detention and rehabilitation.
- Provide a military policing capability to the department by sustaining a provost company for operational deployment on an ongoing basis.

Subprogrammes

- *Joint Logistic Services* provides logistics services to the department for warehousing for ammunition, main equipment and stores. It also provides the defence works capability, the capital works programme and the defence facility refurbishment programme.
- *Command and Management Information Systems* provides command and management information systems and related services to the department.
- *Military Police* provides a military policing capability to the department.
- *Technology Development* provides for establishing and sustaining selected science and technology capabilities in the defence industry.
- *Departmental Support* provides for the payment of corporate departmental obligations such as transfer payments to public entities, legal fees, external audits and bank charges.

Expenditure trends and estimates

Table 23.13 General Support expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Joint Logistic Services	2 925.3	3 316.0	3 335.8	2 905.5	-0.2%	49.4%	2 954.8	3 255.7	3 216.4	3.4%	47.7%
Command and Management Information Systems	1 143.7	980.0	906.0	1 048.0	-2.9%	16.1%	1 053.1	1 084.8	1 131.1	2.6%	16.7%
Military Police	589.5	633.8	655.3	704.6	6.1%	10.2%	728.2	776.3	824.1	5.4%	11.7%
Technology Development	515.9	441.1	296.8	487.7	-1.9%	6.9%	467.3	28.0	29.4	-60.8%	3.9%
Departmental Support	882.3	1 093.1	1 219.1	1 203.7	10.9%	17.4%	1 245.9	1 357.4	1 374.4	4.5%	20.0%
Total	6 056.7	6 463.9	6 413.0	6 349.5	1.6%	100.0%	6 449.3	6 502.2	6 575.4	1.2%	100.0%
Change to 2019 Budget estimate				-			(208.0)	(421.2)	(618.5)		
Economic classification											
Current payments	4 395.9	3 905.2	3 932.4	4 140.4	-2.0%	64.8%	4 295.0	4 723.6	4 727.3	4.5%	69.1%
Compensation of employees	2 052.7	2 249.8	2 471.2	2 323.2	4.2%	36.0%	2 511.8	2 657.9	2 781.5	6.2%	39.7%
Goods and services ¹	2 343.2	1 655.4	1 461.2	1 817.3	-8.1%	28.8%	1 783.1	2 065.7	1 945.8	2.3%	29.4%
of which:											
Minor assets	201.5	21.2	13.7	50.0	-37.2%	1.1%	96.8	76.9	79.3	16.7%	1.2%
Audit costs: External	50.6	61.6	57.8	73.4	13.2%	1.0%	77.0	77.0	80.1	3.0%	1.2%
Computer services	682.1	688.6	447.2	689.6	0.4%	9.9%	714.7	832.7	830.4	6.4%	11.9%
Contractors	96.1	86.4	87.3	120.3	7.8%	1.5%	112.5	168.5	133.4	3.5%	2.1%
Inventory: Food and food supplies	24.0	28.4	51.7	68.2	41.7%	0.7%	69.9	43.9	67.1	-0.5%	1.0%
Property payments	599.8	19.6	25.1	252.0	-25.1%	3.5%	341.7	461.3	395.8	16.2%	5.6%
Transfers and subsidies ¹	1 341.4	1 444.1	1 436.8	1 625.6	6.6%	23.1%	1 643.3	1 275.1	1 288.2	-7.5%	22.5%
Provinces and municipalities	0.0	0.0	0.1	0.1	8.7%	-	0.1	0.1	0.1	-1.7%	-
Departmental agencies and accounts	551.6	446.8	320.0	473.1	-5.0%	7.1%	453.6	1.3	0.0	-98.0%	3.6%
Public corporations and private enterprises	776.2	984.2	1 102.5	1 138.1	13.6%	15.8%	1 174.4	1 263.2	1 276.8	3.9%	18.8%
Households	13.5	13.1	14.2	14.4	2.1%	0.2%	15.2	10.5	11.4	-7.6%	0.2%
Payments for capital assets	319.1	1 106.8	1 041.1	583.3	22.3%	12.1%	511.1	503.5	559.8	-1.4%	8.3%
Buildings and other fixed structures	105.3	674.8	600.3	347.7	48.9%	6.8%	380.8	391.5	412.3	5.8%	5.9%
Machinery and equipment	121.0	353.7	244.5	89.4	-9.6%	3.2%	87.7	111.6	147.0	18.0%	1.7%
Software and other intangible assets	92.8	78.3	196.2	146.1	16.3%	2.0%	42.6	0.4	0.4	-85.6%	0.7%
Payments for financial assets	0.3	7.8	2.7	0.1	-20.6%	-	-	-	-	-100.0%	-
Total	6 056.7	6 463.9	6 413.0	6 349.5	1.6%	100.0%	6 449.3	6 502.2	6 575.4	1.2%	100.0%
Proportion of total programme expenditure to vote expenditure	13.0%	13.4%	13.4%	12.6%	-	-	12.3%	12.8%	12.4%	-	-
Details of selected transfers and subsidies											
Households											
Social benefits											
Current	13.2	12.8	11.3	14.4	2.8%	0.2%	15.2	10.5	11.4	-7.6%	0.2%
Employee social benefits	13.2	12.8	11.3	14.4	2.8%	0.2%	15.2	10.5	11.4	-7.6%	0.2%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	551.6	446.8	320.0	473.1	-5.0%	7.1%	453.6	1.3	-	-100.0%	3.6%
Special defence account	551.6	446.8	320.0	473.1	-5.0%	7.1%	453.6	1.3	-	-100.0%	3.6%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	23.9	1.3	0.6	-	-100.0%	0.1%	-	-	-	-	-
Claims against the state	23.9	1.3	0.6	-	-100.0%	0.1%	-	-	-	-	-
Public corporations and private enterprises											
Public corporations											
Public corporations (subsidies on products and production)											
Current	752.3	982.9	1 101.9	1 138.1	14.8%	15.7%	1 174.4	1 263.2	1 276.8	3.9%	18.8%
Armaments Corporation of South Africa	752.3	982.9	1 101.9	1 138.1	14.8%	15.7%	1 174.4	1 263.2	1 276.8	3.9%	18.8%

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

Entity

Armaments Corporation of South Africa

Selected performance indicators

Table 23.14 Armaments Corporation of South Africa performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage of capital requirements from the Department of Defence converted into orders placed per year	Management of defence matériel acquisition	Priority 5: Social cohesion and safe communities	100% (R597.9m/ R597.9m)	100% (R1.9bn/ R1.9bn)	100% (R1.4bn/ R1.4bn)	95%	95%	95%	95%
Percentage of technology requirements executed per year	Management of strategic facilities: Research and development		96.7% (R219.7m/ R227.3m)	97.2% (R288m/ R296.4m)	100% (R231.1m/ R231.1m)	95%	95%	95%	95%
Defence industrial participation credits (amount) awarded in terms of contractually agreed milestones per year	Management of defence matériel acquisition		R135.5m	R157m	R53m	R107m	R41.8m	R83.8m	R99.9m

Entity overview

The Armaments Corporation of South Africa is mandated to meet the acquisition, maintenance and disposal needs of the Department of Defence and other clients in terms of defence matériel and related products and services. The corporation maintains strategic capabilities and technologies, and promotes the local defence-related industry, ensuring that the South African National Defence Force receives quality equipment to carry out its mandate. The focus of the corporation over the medium term will be on meeting the department's defence matériel requirements, providing support to the local defence industry, and expanding its revenue sources.

To meet the department's defence matériel requirements over the medium term, the corporation plans to spend R418 million. In its efforts to meet these requirements more effectively, the corporation will continue to improve its internal controls to ensure greater compliance with procurement regulations, and streamline the tendering process for urgent requirements, especially the acquisition of existing military equipment.

The corporation will continue to provide support to the South African defence industry over the medium term. It intends to improve its contracting processes to increase the participation of the local defence industry, especially small, medium and micro enterprises, and companies compliant with broad-based black economic empowerment regulations. The corporation will also facilitate these organisations' participation in the international defence exhibitions. It plans to promote the industry, and manage requests from the private sector to use South African National Defence Force equipment, personnel and facilities for marketing purposes. An estimated R89.4 million will be spent on these activities over the medium term.

The corporation expects to derive an estimated 70.9 per cent (R4.7 billion) of its revenue over the MTEF period through transfers from the department. These payments are expected to increase at an annual average rate of 3.4 per cent, from R1.5 billion in 2019/20 to R1.6 billion in 2022/23. To supplement this, in an endeavour to ensure that it remains sustainable in a constrained fiscal environment, the corporation expects to generate an additional R540 million over the medium term through the commercialisation of intellectual property, commercial income from strategic facilities, and the brokering of defence sector deals in Africa.

Programmes/Objectives/Activities**Table 23.15 Armaments Corporation of South Africa expenditure trends and estimates by programme/objective/activity**

	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20		2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Administration	423.0	439.9	551.3	832.3		25.3%	29.8%	785.1	824.3	865.5	1.3%	37.7%
Quality assurance	101.9	108.6	108.8	110.3		2.7%	5.8%	115.1	120.8	126.9	4.8%	5.4%
Management of defence matériel acquisition	337.1	359.1	320.3	324.5		-1.3%	18.2%	339.7	356.7	374.5	4.9%	15.9%
Logistics support	215.5	228.4	223.0	218.5		0.5%	12.0%	247.0	259.3	272.3	7.6%	11.3%
Management of strategic facilities: Armscor dockyard	250.5	266.9	295.2	299.0		6.1%	15.0%	313.4	329.1	345.5	4.9%	14.7%
Management of strategic facilities: Research and development	386.2	411.2	306.3	307.6		-7.3%	19.2%	321.5	337.6	354.5	4.8%	15.0%
Total	1 714.2	1 814.1	1 804.8	2 092.1		6.9%	100.0%	2 121.7	2 227.8	2 339.2	3.8%	100.0%

Statements of historical financial performance, cash flow and financial position**Table 23.16 Armaments Corporation of South Africa statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Revenue									
Non-tax revenue	453.6	545.2	554.3	610.0	681.9	745.5	624.3	624.3	109.1%
Sale of goods and services other than capital assets	353.0	403.3	370.9	467.4	525.5	381.2	472.6	472.6	100.1%
<i>of which:</i>									
<i>Sales by market establishment</i>	353.0	403.3	370.9	467.4	525.5	381.2	472.6	472.6	100.1%
Other non-tax revenue	100.6	141.9	183.4	142.6	156.4	364.3	151.7	151.7	135.2%
Transfers received	1 042.1	1 042.1	1 325.4	1 205.8	1 399.3	1 304.2	1 468.0	1 468.0	95.9%
Total revenue	1 495.7	1 587.4	1 879.7	1 815.8	2 081.3	2 049.7	2 092.3	2 092.3	99.9%
Expenses									
Current expenses	1 704.4	1 714.2	1 905.2	1 814.1	2 081.1	1 804.8	2 092.1	2 092.1	95.4%
Compensation of employees	1 049.0	1 049.0	1 202.5	1 118.0	1 251.9	1 125.2	1 145.8	1 145.8	95.5%
Goods and services	576.5	586.3	620.8	610.6	746.8	593.4	854.6	854.6	94.5%
Depreciation	78.9	78.9	81.9	85.6	82.4	86.2	91.7	91.7	102.2%
Total expenses	1 704.4	1 714.2	1 905.2	1 814.1	2 081.1	1 804.8	2 092.1	2 092.1	95.4%
Surplus/(Deficit)	(208.6)	(126.9)	(25.5)	1.7	0.2	244.8	0.2	0.2	
Cash flow statement									
Cash flow from operating activities	(147.0)	74.4	91.2	148.8	48.1	250.7	133.4	133.4	482.7%
Receipts									
Non-tax receipts	312.9	538.4	578.2	593.5	681.9	519.7	624.3	624.3	103.6%
Sales of goods and services other than capital assets	212.3	403.3	394.3	467.4	525.5	397.2	472.6	472.6	108.5%
<i>Sales by market establishment</i>	212.3	403.3	394.3	467.4	525.5	397.2	472.6	472.6	108.5%
Other tax receipts	100.6	135.1	184.0	126.0	156.4	122.5	151.7	151.7	90.3%
Transfers received	918.5	1 043.4	1 296.9	1 057.7	1 422.7	1 105.1	1 468.0	1 468.0	91.5%
Total receipts	1 231.4	1 581.8	1 875.1	1 681.7	2 104.7	1 624.8	2 092.3	2 092.3	95.6%
Payment									
Current payments	1 378.4	1 506.0	1 783.9	1 532.9	2 056.5	1 373.0	1 958.8	1 958.8	88.8%
Compensation of employees	1 049.0	990.3	1 202.5	1 141.5	1 251.9	1 115.7	1 145.8	1 145.8	94.5%
Goods and services	329.4	515.1	581.3	391.4	804.7	257.4	813.1	813.1	78.2%
Interest and rent on land	—	0.5	—	—	—	—	—	—	—
Total payments	1 378.4	1 507.4	1 783.9	1 532.9	2 056.5	1 374.1	1 958.8	1 958.8	88.8%
Net cash flow from investing activities	(104.5)	(30.9)	(117.5)	(284.9)	(135.2)	(542.7)	(163.9)	(163.9)	196.2%
Acquisition of property, plant, equipment and intangible assets	(100.9)	(26.5)	(111.8)	(53.3)	(129.0)	(34.1)	(161.9)	(161.9)	54.8%
Acquisition of software and other intangible assets	(3.6)	(6.9)	(5.7)	(3.5)	(6.2)	(5.1)	(2.0)	(2.0)	99.5%
Proceeds from the sale of property, plant, equipment and intangible assets	—	0.1	—	0.5	—	0.2	—	—	—
Other flows from investing activities	—	2.4	—	(228.7)	—	(503.7)	—	—	—
Net increase/(decrease) in cash and cash equivalents	(251.5)	43.5	(26.3)	(136.2)	(87.1)	(292.0)	(30.4)	(30.4)	

Table 23.16 Armaments Corporation of South Africa statements of historical financial performance, cash flow and financial position

Statement of financial position									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Carrying value of assets	1 654.6	1 548.9	1 586.4	1 532.4	1 631.6	1 954.6	1 703.7	1 703.7	102.5%
Acquisition of assets	(100.9)	(26.5)	(111.8)	(53.3)	(129.0)	(34.1)	(161.9)	(161.9)	54.8%
Investments	0.1	3.1	0.1	—	0.1	1.5	0.1	0.1	1 178.0%
Inventory	8.0	29.6	8.8	8.4	13.3	8.8	12.7	12.7	138.8%
Receivables and prepayments	211.8	162.7	196.2	148.4	110.0	255.9	117.7	117.7	107.7%
Cash and cash equivalents	615.5	764.9	743.1	628.7	769.5	336.7	659.0	659.0	85.7%
Non-current assets held for sale	—	0.4	—	0.4	—	1.0	—	—	—
Taxation	—	26.0	—	9.5	—	—	—	—	—
Derivatives financial instruments	—	131.4	—	368.2	—	877.6	—	—	—
Total assets	2 490.0	2 667.0	2 534.7	2 696.1	2 524.5	3 436.1	2 493.1	2 493.1	112.4%
Accumulated surplus/(deficit)	(208.6)	(126.9)	(25.5)	553.6	(18.1)	441.0	0.2	0.2	-344.4%
Capital and reserves	2 042.2	2 200.6	1 930.5	1 506.7	1 905.0	2 321.7	1 886.9	1 886.9	101.9%
Deferred income	101.2	78.6	65.9	88.2	87.8	79.7	70.8	70.8	97.4%
Trade and other payables	295.2	251.8	289.7	174.3	254.7	183.9	247.0	247.0	78.9%
Taxation	—	5.0	—	11.1	—	49.2	—	—	—
Provisions	260.0	257.8	274.1	362.2	295.1	360.6	288.2	288.2	113.5%
Total equity and liabilities	2 490.0	2 667.0	2 534.7	2 696.1	2 524.5	3 436.1	2 493.1	2 493.1	112.4%

Statements of estimates of financial performance, cash flow and financial position**Table 23.17 Armaments Corporation of South Africa statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance									Average: Expenditure/ Total (%)
	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)		
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23		
Revenue									
Non-tax revenue	624.3	4.6%	33.5%	609.5	639.9	671.9	2.5%	29.1%	
Sale of goods and services other than capital assets	472.6	5.4%	23.1%	438.2	460.1	483.1	0.7%	21.2%	
<i>Sales by market establishment</i>	472.6	5.4%	23.1%	438.2	460.1	483.1	0.7%	21.2%	
Other non-tax revenue	151.7	2.3%	10.5%	171.3	179.9	188.9	7.6%	7.9%	
Transfers received	1 468.0	12.1%	66.5%	1 513.0	1 594.8	1 621.6	3.4%	70.9%	
Total revenue	2 092.3	9.6%	100.0%	2 122.4	2 234.7	2 293.5	3.1%	100.0%	
Current expenses	2 092.1	6.9%	100.0%	2 121.7	2 227.8	2 339.2	3.8%	100.0%	
Compensation of employees	1 145.8	3.0%	60.0%	1 221.6	1 282.6	1 346.8	5.5%	56.9%	
Goods and services	854.6	13.4%	35.4%	811.6	852.2	894.8	1.5%	38.9%	
Depreciation	91.7	5.1%	4.6%	88.6	93.0	97.6	2.1%	4.2%	
Total expenses	2 092.1	6.9%	100.0%	2 121.7	2 227.8	2 339.2	3.8%	100.0%	
Surplus/(Deficit)	0.2			0.7	6.9	(45.7)			
Cash flow statement									
Cash flow from operating activities	133.4	21.5%	83.0%	89.3	99.9	51.9	4.0%	71.6%	
Receipts									
Non-tax receipts	624.3	5.1%	32.8%	609.5	639.9	671.9	2.5%	29.1%	
Sales of goods and services other than capital assets	472.6	5.4%	25.1%	438.2	460.1	483.1	0.7%	21.2%	
<i>Sales by market establishment</i>	472.6	5.4%	25.1%	438.2	460.1	483.1	0.7%	21.2%	
Other tax receipts	151.7	3.9%	7.7%	171.3	179.9	188.9	7.6%	7.9%	
Transfers received	1 468.0	12.1%	66.8%	1 513.0	1 594.8	1 621.6	3.4%	70.9%	
Total receipts	2 092.3	9.8%	100.0%	2 122.4	2 234.7	2 293.5	3.1%	100.0%	
Current payments	1 958.8	9.2%	85.5%	2 033.2	2 134.8	2 241.6	4.6%	100.0%	
Compensation of employees	1 145.8	5.0%	59.3%	1 221.6	1 282.6	1 346.8	5.5%	59.7%	
Goods and services	813.1	16.4%	26.2%	811.6	852.2	894.8	3.2%	40.3%	
Total payment	1 958.8	9.1%	100.0%	2 033.2	2 134.8	2 241.6	4.6%	100.0%	
Net cash flow from investing activities	(163.9)	74.4%	100.0%	(246.4)	(157.6)	(110.3)	-12.4%	100.0%	
Acquisition of property, plant, equipment and intangible assets	(161.9)	82.8%	52.4%	(238.3)	(147.2)	(95.8)	-16.0%	93.9%	
Acquisition of software and other intangible assets	(2.0)	-33.7%	6.4%	(8.1)	(10.4)	(14.5)	93.5%	6.1%	
Net increase/(decrease) in cash and cash equivalents	(30.4)	-188.8%	100.0%	(157.2)	(57.7)	(58.4)	24.3%	100.0%	
Statement of financial position									
Carrying value of assets	1 703.7	3.2%	60.0%	2 158.6	2 223.2	2 237.9	9.5%	67.3%	
Acquisition of assets	(161.9)	82.8%	-2.6%	(238.3)	(147.2)	(95.8)	-16.0%	-5.3%	
Investments	0.1	-68.1%	0.0%	0.1	0.1	0.1	—	0.0%	
Inventory	12.7	-24.7%	0.5%	11.9	11.3	11.8	-2.2%	0.4%	

Table 23.17 Armaments Corporation of South Africa statements of estimates of financial performance, cash flow and financial position

Statement of financial position			Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	Revised estimate								
R million	2019/20	2016/17 - 2019/20			2020/21	2021/22	2022/23	2019/20 - 2022/23	
Receivables and prepayments	117.7	-10.2%	5.9%		314.1	336.1	352.9	44.2%	8.8%
Cash and cash equivalents	659.0	-4.8%	22.1%		812.6	723.7	699.2	2.0%	23.6%
Total assets	2 493.1	-2.2%	100.0%		3 297.2	3 294.3	3 301.9	9.8%	100.0%
Accumulated surplus/(deficit)	0.2	-111.1%	7.2%		295.4	412.3	633.5	1 438.4%	10.2%
Capital and reserves	1 886.9	-5.0%	70.4%		2 319.8	2 203.8	1 983.5	1.7%	68.3%
Deferred income	70.8	-3.4%	2.8%		62.4	49.4	45.3	-13.8%	1.9%
Trade and other payables	247.0	-0.6%	7.8%		217.6	206.7	196.4	-7.4%	7.2%
Provisions	288.2	3.8%	11.3%		402.0	422.1	443.2	15.4%	12.5%
Total equity and liabilities	2 493.1	-2.2%	100.0%		3 297.2	3 294.3	3 301.9	9.8%	100.0%

Personnel information

Table 23.18 Armaments Corporation of South Africa personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number				
Salary level	Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)						
			2018/19			2019/20			2020/21		2021/22		2022/23									
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number		Cost	Unit cost	2019/20 - 2022/23			
Armaments Corporation of South Africa			1 705	1 705		1 643	1 125.2	0.7	1 705	1 145.8	0.7	1 611	1 221.6	0.8	1 611	1 282.6	0.8	1 611	1 346.8	0.8	5.5%	100.0%
1 – 6	386	386	358	59.6	0.2	386	62.9	0.2	369	70.2	0.2	369	73.8	0.2	369	77.4	0.2	369	77.4	0.2	7.2%	22.8%
7 – 10	771	771	754	366.6	0.5	771	373.0	0.5	708	381.0	0.5	708	400.1	0.6	708	420.1	0.6	708	420.1	0.6	4.0%	44.3%
11 – 12	237	237	223	210.7	0.9	237	223.4	0.9	237	249.6	1.1	237	262.1	1.1	237	275.2	1.2	237	275.2	1.2	7.2%	14.5%
13 – 16	300	300	294	445.2	1.5	300	452.8	1.5	286	483.0	1.7	286	507.1	1.8	286	532.5	1.9	286	532.5	1.9	5.5%	17.7%
17 – 22	11	11	14	43.1	3.1	11	33.7	3.1	11	37.7	3.4	11	39.6	3.6	11	41.6	3.8	11	41.6	3.8	7.2%	0.7%

1. Rand million.

Other entity

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 **Castle Control Board** preserves and protects the military and cultural heritage of the Castle of Good Hope in Cape Town. The board's total budget for 2020/21 is R8.9 million.

Vote 24

Independent Police Investigative Directorate

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	105.0	101.1	0.7	3.2	111.6	121.5
Investigation and Information Management	231.0	228.6	0.1	2.3	245.0	248.9
Legal and Investigation Advisory Services	6.9	6.9	–	–	7.5	8.6
Compliance Monitoring and Stakeholder Management	12.7	12.7	–	–	13.6	14.5
Total expenditure estimates	355.7	349.4	0.8	5.5	377.7	393.4
Executive authority	Minister of Police					
Accounting officer	Executive Director of the Independent Police Investigative Directorate					
Website	www.ipid.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Ensure independent oversight of the South African Police Service and the Municipal Police Services. Conduct independent and impartial investigations of identified criminal offences allegedly committed by members of the South African Police Service and the Municipal Police Services; and make appropriate recommendations.

Mandate

The Independent Police Investigative Directorate exercises its functions in accordance with the Independent Police Investigative Directorate Act (2011). The act gives effect to the provisions of section 206(6) of the Constitution, which provides for the establishment of an independent police complaints body that must investigate any alleged misconduct of, or offence committed by, a member of the police service. The thrust of the directorate's work is to investigate serious and priority crimes allegedly committed by members of the South African Police Service and the Municipal Police Services.

The Independent Police Investigative Directorate Act (2011), which came into effect on 1 April 2012, grants the directorate an extended mandate and changes the focus of the directorate's work from a complaints-driven organisation to one that prioritises the investigative function. The act also places stringent obligations on the South African Police Service and the Municipal Police Services to report matters that must be investigated by the directorate, and ensures the implementation of disciplinary recommendations made by the directorate.

Selected performance indicators

Table 24.1 Performance indicators by programme and related outcome

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of investigations of death in police custody that are decision ready per year	Investigation and Information Management	Priority 5: Social cohesion and safe communities	140	145	154	150	180	185	185
Number of investigations of death as a result of police action that are decision ready per year	Investigation and Information Management		115	130	157	130	280	288	288
Number of investigations of rape by a police officer that are decision ready per year	Investigation and Information Management		61	69	100	69	130	135	135

Table 24.1 Performance indicators by programme and related outcome

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of investigations of rape while in police custody that are decision ready per year	Investigation and Information Management	Priority 5: Social cohesion and safe communities	5	9	12	10	15	15	15
Number of investigations of corruption that are decision ready per year	Investigation and Information Management		66	56	60	60	85	85	85
Number of community outreach events conducted per year	Compliance Monitoring and Stakeholder Management		98	127	106	40	40	40	40

Expenditure analysis

Chapter 12 of the National Development Plan outlines a vision for building safer communities in South Africa through the adoption of a holistic view of safety and security, and the professionalisation of the police service. This vision is expressed specifically in terms of priority 5 (social cohesion and safe communities) of government's 2019-2024 medium term strategic framework, with which the work of the Independent Police Investigative Directorate is aligned. Accordingly, over the medium term, the directorate will focus on strengthening its human capital to improve the quality of investigations for serious and priority crimes, and collaborating with stakeholders to monitor the implementation of recommendations from the outcomes of investigations.

The directorate plans to withhold the filling of 24 new posts that were added to the establishment in 2019/20 to strengthen internal controls and compliance. This was done to reprioritise funds for the implementation of section 23 of the Independent Police Investigative Directorate Act (2011), which provides that the salaries of the directorate's investigators must be aligned with those of members appointed as detectives in terms of the South African Police Service Act (1995). Although the process to align the salaries of investigators with those of detectives commenced in 2018/19, the pension component of the salaries and other benefits could not be adjusted due to funds not being available. However, in the 2019 adjustments budget, the directorate reprioritised R24.5 million within compensation of employees (and an estimated R45 million over the medium term) to provide for the full implementation of provisions of section 23 of the act. This will result in a reduction of the funded establishment from 428 in 2019/20, as published in the 2019 ENE, to 399 over the MTEF period.

Expenditure is expected to increase at an average annual rate of 5.3 per cent, from R336.7 million in 2019/20 to R393.4 million in 2022/23. Spending on compensation of employees accounts for 68.3 per cent (R771.4 million) of the directorate's total expenditure over the MTEF period. In line with government's expenditure ceiling for compensation of employees, the item's baseline is reduced by R10.1 million over the medium term (R3.7 million in 2020/21, R3.9 million in 2021/22 and R2.5 million in 2022/23).

Strengthening human capital to improve the quality of investigations

Despite the reduction in its funded establishment, the directorate intends to focus on investment in human capital, specifically with regards to investigations. This is in recognition of the directorate's responsibility to gather requisite and necessary evidence to enable the National Prosecuting Authority, the South African Police Service and the Municipal Police Services to make informed decisions on whether to prosecute and/or take disciplinary action against officers. Accordingly, over the medium term, the directorate plans to strengthen its investigative capacity by training and upskilling all 179 investigators to be able to effectively respond to advanced criminal activities undertaken by police officers. Training will be provided on conducting investigations of sexual offences, using advanced investigative techniques and methods, and provisions of the Prevention of Organised Crime Act (1998), among other things. For this purpose, R4.5 million is allocated over the MTEF period in the *Investigation and Information Management* programme.

Collaborating with stakeholders to monitor the implementation of recommendations

Along with the Civilian Secretariat for the Police Service, the directorate is the primary oversight body of the police service. It meets quarterly with the Civilian Secretariat for the Police Service to discuss collective measures that should be taken by both departments to advance the professionalisation of the police service as envisaged in the National Development Plan. Over the medium term, the directorate will work closely with the Civilian Secretariat for the Police Service to ensure that there is regular and stringent monitoring of the implementation of disciplinary recommendations made to the South African Police Service.

Monthly meetings will be held with the Civilian Secretariat for the Police Service and the South African Police Service to review monthly statistics in relation to the implementation of disciplinary recommendations forwarded to the police service and cases referred to the National Prosecuting Authority for prosecution. In addition, awareness training sessions will be held with police officers in police stations to strengthen compliance with applicable legislation and regulations, and reduce the number of cases reported for deaths as a result of police action and/or while in police custody, rape by a police officer and/or while in police custody, and systemic corruption. Related activities are carried out in the *Compliance Monitoring and Stakeholder Management* programme, allocations to which amount to R40.8 million over the MTEF period.

Expenditure trends and estimates

Table 24.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Investigation and Information Management											
3. Legal and Investigation Advisory Services											
4. Compliance Monitoring and Stakeholder Management											
Programme					Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome				Adjusted appropriation						
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	72.4	80.5	102.2	92.6	8.5%	30.3%	105.0	111.6	121.5	9.5%	29.4%
Programme 2	155.5	159.7	192.3	226.5	13.4%	63.9%	231.0	245.0	248.9	3.2%	65.0%
Programme 3	5.2	4.7	7.9	5.8	3.6%	2.1%	6.9	7.5	8.6	13.9%	2.0%
Programme 4	8.6	10.4	12.5	11.8	10.9%	3.8%	12.7	13.6	14.5	7.1%	3.6%
Subtotal	241.7	255.3	314.8	336.7	11.7%	100.0%	355.7	377.7	393.4	5.3%	100.0%
Total	241.7	255.3	314.8	336.7	11.7%	100.0%	355.7	377.7	393.4	5.3%	100.0%
Change to 2019				–			(3.7)	(3.9)	(2.5)		
Budget estimate											
Economic classification											
Current payments	239.9	254.1	289.7	328.6	11.1%	96.8%	349.4	371.2	386.6	5.6%	98.1%
Compensation of employees	169.2	168.8	187.6	228.8	10.6%	65.7%	242.8	258.7	269.9	5.7%	68.3%
Goods and services ¹	70.7	85.3	102.1	99.8	12.2%	31.2%	106.5	112.5	116.7	5.3%	29.8%
of which:											
Computer services	8.9	8.7	12.3	7.8	-4.2%	3.3%	8.6	9.2	9.5	6.8%	2.4%
Legal services	1.0	5.2	5.2	5.1	70.9%	1.4%	5.4	5.3	5.5	2.9%	1.5%
Fleet services (including government motor transport)	4.5	5.6	7.2	6.2	11.4%	2.0%	9.9	10.7	10.8	20.5%	2.6%
Operating leases	13.2	26.3	30.7	26.3	25.7%	8.4%	24.7	26.1	27.3	1.3%	7.1%
Property payments	10.1	14.6	17.2	16.6	17.8%	5.1%	21.4	23.4	24.3	13.5%	5.9%
Travel and subsistence	19.1	10.6	14.2	13.2	-11.5%	5.0%	15.4	16.8	17.0	8.8%	4.3%
Transfers and subsidies ¹	1.4	1.1	1.9	1.2	-7.1%	0.5%	0.8	0.9	0.9	-7.8%	0.3%
Provinces and municipalities	–	–	–	0.1	0.0%	0.0%	–	–	–	-100.0%	0.0%
Departmental agencies and accounts	0.5	0.6	0.7	0.8	12.2%	0.2%	0.8	0.9	0.9	5.4%	0.2%
Households	0.9	0.5	1.2	0.3	-28.2%	0.3%	–	–	–	-100.0%	0.0%
Payments for capital assets	0.3	0.1	23.2	6.9	189.1%	2.7%	5.5	5.7	5.9	-5.0%	1.6%
Machinery and equipment	0.3	0.1	23.2	6.9	189.1%	2.7%	5.5	5.7	5.9	-5.0%	1.6%
Payments for financial assets	0.1	–	0.0	–	-100.0%	0.0%	–	–	–	0.0%	0.0%
Total	241.7	255.3	314.8	336.7	11.7%	100.0%	355.7	377.7	393.4	5.3%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 24.3 Vote transfers and subsidies trends and estimates

					Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome				Adjusted appropriation			Medium-term expenditure estimate				
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20	2022/23
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	549	568	722	776	12.2%	46.6%	820	870	908	5.4%	89.9%
Safety and Security Sector	537	558	637	686	8.5%	43.1%	728	776	810	5.7%	79.9%
Education and Training Authority											
Communication	12	10	85	90	95.7%	3.5%	92	94	98	2.9%	10.0%
Households											
Social benefits											
Current	54	274	185	246	65.8%	13.5%	—	—	—	-100.0%	6.6%
Employee social benefits	54	274	185	246	65.8%	13.5%	—	—	—	-100.0%	6.6%
Households											
Other transfers to households											
Current	840	272	992	85	-53.4%	39.0%	—	—	—	-100.0%	2.3%
Employee social benefits	273	—	277	85	-32.2%	11.3%	—	—	—	-100.0%	2.3%
Claims against the state	567	272	715	—	-100.0%	27.7%	—	—	—	—	—
Provinces and municipalities											
Municipal bank accounts											
Current	—	—	—	50	—	0.9%	—	—	—	-100.0%	1.3%
Municipal accounts	—	—	—	50	—	0.9%	—	—	—	-100.0%	1.3%
Total	1 443	1 114	1 899	1 157	-7.1%	100.0%	820	870	908	-7.8%	100.0%

Personnel information

Table 24.4 Vote personnel numbers and cost by salary level and programme¹

Programmes

1. Administration
2. Investigation and Information Management
3. Legal and Investigation Advisory Services
4. Compliance Monitoring and Stakeholder Management

Number of posts estimated for 31 March 2020			Number and cost ² of personnel posts filled/planned for on funded establishment														Number		
Independent Police Investigative Directorate	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 (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost
1 – 6	90	–	79	21.6	0.3	90	26.1	0.3	90	30.1	0.3	90	32.1	0.4	90	33.8	0.4	–	22.6%
7 – 10	224	–	208	98.9	0.5	224	129.1	0.6	224	130.7	0.6	224	139.7	0.6	224	143.5	0.6	–	56.1%
11 – 12	40	–	38	30.8	0.8	40	30.9	0.8	40	35.4	0.9	40	37.6	0.9	40	39.8	1.0	–	10.0%
13 – 16	37	–	32	36.3	1.1	37	42.1	1.1	37	45.8	1.2	37	48.4	1.3	37	51.9	1.4	–	9.3%
Other	8	8	6	0.0	0.0	8	0.6	0.1	8	0.8	0.1	8	0.8	0.1	8	1.0	0.1	–	2.0%
Programme	399	8	363	187.6	0.5	399	228.8	0.6	399	242.8	0.6	399	258.7	0.6	399	269.9	0.7	–	100.0%
Programme 1	114	7	103	49.0	0.5	114	50.7	0.4	114	61.2	0.5	114	65.5	0.6	114	73.7	0.6	–	28.6%
Programme 2	263	–	239	122.0	0.5	263	163.3	0.6	263	165.0	0.6	263	175.2	0.7	263	176.4	0.7	–	65.9%
Programme 3	7	1	6	7.2	1.2	7	5.2	0.7	7	6.3	0.9	7	6.8	1.0	7	7.9	1.1	–	1.8%
Programme 4	15	–	15	9.4	0.6	15	9.6	0.6	15	10.4	0.7	15	11.2	0.7	15	11.9	0.8	–	3.8%

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

2. Rand million.

Departmental receipts

Table 24.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
Departmental receipts	285	259	285	373	373	9.4%	100.0%	267	275	283	-8.8%	100.0%
Sales of goods and services produced by department	98	108	112	116	116	5.8%	36.1%	120	121	122	1.7%	40.0%
Administrative fees of which:	3	3	3	2	2	-12.6%	0.9%	4	4	4	26.0%	1.2%
Request for information: Promotion of Access to Information Act (2000)	3	2	3	2	2	-12.6%	0.8%	3	3	3	14.5%	0.9%
Request information: Duplicate certificate	–	1	–	–	–	–	0.1%	1	1	1	–	0.3%
Other sales of which:	95	105	109	114	114	6.3%	35.2%	116	117	118	1.2%	38.8%
Service rendered: Commission insurance and garnishees	92	100	107	112	112	6.8%	34.2%	114	115	116	1.2%	38.1%
Sales: Tender documents	3	5	2	2	2	-12.6%	1.0%	2	2	2	–	0.7%
Sales of scrap, waste, arms and other used current goods of which:	–	–	1	–	–	–	0.1%	1	1	1	–	0.3%
Sales: Scrap	–	–	1	–	–	–	0.1%	1	1	1	–	0.3%
Interest, dividends and rent on land	11	12	13	10	10	-3.1%	3.8%	11	12	13	9.1%	3.8%
Interest	11	12	13	10	10	-3.1%	3.8%	11	12	13	9.1%	3.8%
Sales of capital assets	–	–	45	57	57	–	8.5%	–	–	–	-100.0%	4.8%
Transactions in financial assets and liabilities	176	139	114	190	190	2.6%	51.5%	135	141	147	-8.2%	51.2%
Total	285	259	285	373	373	9.4%	100.0%	267	275	283	-8.8%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 24.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Department Management	13.2	12.4	14.6	15.9	6.6%	16.1%	21.4	22.8	25.4	16.8%	19.9%
Corporate Services	27.4	33.8	50.4	36.4	10.0%	42.5%	41.7	44.1	47.7	9.4%	39.5%
Office Accommodation	11.2	11.8	12.5	13.1	5.5%	14.0%	13.9	14.6	15.2	4.9%	13.2%
Internal Audit	3.9	3.9	4.3	5.5	12.0%	5.1%	5.4	5.8	6.4	5.3%	5.4%
Finance Services	16.7	18.7	20.4	21.6	8.9%	22.3%	22.7	24.2	26.8	7.5%	22.1%
Total	72.4	80.5	102.2	92.6	8.5%	100.0%	105.0	111.6	121.5	9.5%	100.0%
Change to 2019				–			(8.4)	(9.2)	(3.8)		
Budget estimate											
Economic classification											
Current payments	71.4	80.0	94.1	88.6	7.4%	96.1%	101.1	107.6	117.4	9.8%	96.3%
Compensation of employees	45.1	43.2	49.0	50.7	3.9%	54.0%	61.2	65.5	73.7	13.3%	58.3%
Goods and services ¹ of which:	26.3	36.8	45.1	37.9	13.0%	42.0%	39.9	42.2	43.7	4.9%	38.0%
Audit costs: External	2.2	5.2	4.1	3.4	16.1%	4.3%	3.5	3.7	3.8	3.5%	3.3%
Communication	1.5	1.2	1.2	1.0	-10.8%	1.4%	1.5	1.6	1.6	15.5%	1.3%
Computer services	3.4	4.6	9.0	5.0	14.3%	6.3%	5.6	5.9	6.1	6.7%	5.2%
Operating leases	9.7	14.3	19.1	15.5	16.9%	16.8%	16.9	17.7	18.6	6.3%	15.9%

Table 24.6 Administration expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Property payments	4.4	6.5	6.0	4.0	-3.3%	6.0%	4.4	4.7	4.8	6.4%	4.2%
Travel and subsistence	2.5	1.6	1.8	2.2	-3.4%	2.3%	2.3	2.5	2.6	4.9%	2.2%
Transfers and subsidies ¹	0.8	0.6	0.9	0.8	-0.2%	0.9%	0.7	0.8	0.8	-0.4%	0.7%
Provinces and municipalities	—	—	—	0.1	—	—	—	—	—	-100.0%	—
Departmental agencies and accounts	0.5	0.6	0.6	0.7	8.6%	0.7%	0.7	0.8	0.8	5.7%	0.7%
Households	0.3	—	0.3	0.1	-33.7%	0.2%	—	—	—	-100.0%	—
Payments for capital assets	0.1	0.0	7.2	3.2	191.9%	3.0%	3.2	3.2	3.3	1.6%	3.0%
Machinery and equipment	0.1	0.0	7.2	3.2	191.9%	3.0%	3.2	3.2	3.3	1.6%	3.0%
Payments for financial assets	0.0	—	—	—	-100.0%	—	—	—	—	—	—
Total	72.4	80.5	102.2	92.6	8.5%	100.0%	105.0	111.6	121.5	9.5%	100.0%
Proportion of total programme expenditure to vote expenditure	29.9%	31.5%	32.5%	27.5%	—	—	29.5%	29.5%	30.9%	—	—
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	0.5	0.6	0.6	0.7	8.5%	0.7%	0.7	0.8	0.8	5.7%	0.7%
Safety and Security Sector	0.5	0.6	0.6	0.7	8.5%	0.7%	0.7	0.8	0.8	5.7%	0.7%
Education and Training Authority											

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

Programme 2: Investigation and Information Management

Programme purpose

Coordinate and facilitate the directorate's investigation processes through the development of policy and strategic frameworks that guide and report on investigations.

Objectives

- Strengthen the directorate's oversight role of the police service by:
 - conducting investigations, as per the Independent Police Investigative Directorate Act (2011), on an ongoing basis
 - making appropriate recommendations on investigations in the various investigation categories, as outlined in section 28 of the Independent Police Investigative Directorate Act (2011), within 30 days of finalising investigations
 - submitting feedback to complainants within 30 days of the closure of an investigation.

Subprogrammes

- Investigation Management* develops and maintains investigation systems, procedures, norms, standards and policies in line with the Independent Police Investigative Directorate Act (2011) and other relevant prescripts.
- Investigation Services* manages and conducts investigations in line with provisions in the Independent Police Investigative Directorate Act (2011).
- Information Management* manages information and knowledge management services through the development and maintenance of a case flow management system and database, and analyses and compiles statistical information.

Expenditure trends and estimates

Table 24.7 Investigation and Information 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 (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
R million											
Investigation Management	16.5	15.9	18.5	19.7	6.0%	9.6%	20.7	21.7	22.5	4.5%	8.9%
Investigation Services	135.4	141.1	170.5	202.6	14.4%	88.5%	200.6	213.0	215.6	2.1%	87.4%
Information Management	3.6	2.7	3.3	4.2	5.6%	1.9%	9.6	10.3	10.7	36.2%	3.7%
Total	155.5	159.7	192.3	226.5	13.4%	100.0%	231.0	245.0	248.9	3.2%	100.0%
Change to 2019				–			9.8	10.6	5.8		
Budget estimate											
Economic classification											
Current payments	155.2	159.4	175.8	222.6	12.8%	97.1%	228.6	242.4	246.2	3.4%	98.8%
Compensation of employees	113.4	113.9	122.0	163.3	12.9%	69.8%	165.0	175.2	176.4	2.6%	71.5%
Goods and services ¹	41.8	45.5	53.8	59.3	12.4%	27.3%	63.6	67.2	69.7	5.6%	27.3%
of which:											
Computer services	5.2	3.4	3.2	2.7	-19.7%	2.0%	2.9	3.2	3.3	7.0%	1.3%
Legal services	0.3	3.8	5.2	5.1	164.4%	2.0%	5.4	5.3	5.5	2.9%	2.2%
Fleet services (including government motor transport)	3.9	4.4	6.6	5.8	13.6%	2.8%	8.9	9.4	9.8	19.3%	3.6%
Operating leases	3.5	12.0	11.7	10.8	44.9%	5.2%	7.8	8.3	8.7	-6.9%	3.7%
Property payments	5.7	8.1	11.2	12.6	30.2%	5.1%	17.0	18.7	19.4	15.7%	7.1%
Travel and subsistence	15.8	8.4	10.1	9.6	-15.2%	6.0%	11.6	12.6	12.8	10.0%	4.9%
Transfers and subsidies¹	0.1	0.3	0.4	0.2	43.5%	0.1%	0.1	0.1	0.1	-21.8%	0.1%
Departmental agencies and accounts	0.0	0.0	0.1	0.1	94.3%	–	0.1	0.1	0.1	2.9%	–
Households	0.1	0.3	0.3	0.1	26.4%	0.1%	–	–	–	-100.0%	–
Payments for capital assets	0.2	–	16.0	3.7	186.9%	2.7%	2.3	2.5	2.6	-11.4%	1.2%
Machinery and equipment	0.2	–	16.0	3.7	186.9%	2.7%	2.3	2.5	2.6	-11.4%	1.2%
Payments for financial assets	0.1	–	0.0	–	-100.0%	–	–	–	–	–	–
Total	155.5	159.7	192.3	226.5	13.4%	100.0%	231.0	245.0	248.9	3.2%	100.0%
Proportion of total programme expenditure to vote expenditure	64.3%	62.5%	61.1%	67.3%	–	–	64.9%	64.9%	63.3%	–	–

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

Programme 3: Legal and Investigation Advisory Services

Programme purpose

Manage and facilitate the provision of investigation advisory services. Provide legal, civil and labour litigation services.

Objective

- Ensure that investigations are conducted efficiently and within the ambit of the law by providing investigators with appropriate legal advice and guidance, during investigations and after their completion, on an ongoing basis.

Subprogrammes

- *Legal Support and Administration* manages the directorate's legal obligations by developing and maintaining systems, procedures and standards to assist, guide and direct legal support within the directorate.
- *Litigation Advisory Services* coordinates civil and labour litigation, and grants policing powers. Other key activities and outputs include finalising contracts and service level agreements.
- *Investigation Advisory Services* provides support during and after investigations, provides legal advice and guidance to investigators, and ensures that all cases forwarded for prosecution comply with the requirements of the prosecution process.

Expenditure trends and estimates

Table 24.8 Legal and Investigation Advisory Services expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Legal Support and Administration	1.8	2.4	1.7	2.1	4.7%	34.0%	2.5	2.6	2.8	10.3%	34.8%
Litigation Advisory Services	1.9	1.5	2.2	1.6	-5.0%	30.3%	2.0	2.1	2.3	11.9%	27.7%
Investigation Advisory Services	1.5	0.9	4.0	2.1	11.4%	35.7%	2.5	2.8	3.5	18.8%	37.5%
Total	5.2	4.7	7.9	5.8	3.6%	100.0%	6.9	7.5	8.6	13.9%	100.0%
Change to 2019 Budget estimate				–			(1.1)	(1.1)	(0.3)		
Economic classification											
Current payments	5.0	4.5	7.6	5.8	5.2%	96.4%	6.9	7.5	8.6	14.2%	99.9%
Compensation of employees	3.6	3.1	7.2	5.2	12.9%	81.1%	6.3	6.8	7.9	14.8%	90.8%
Goods and services ¹	1.3	1.3	0.4	0.6	-25.0%	15.3%	0.7	0.7	0.7	8.0%	9.1%
of which:											
Administrative fees	0.0	0.0	0.0	0.0	0.9%	0.1%	0.0	0.0	0.0	20.0%	0.2%
Communication	0.1	0.1	0.1	0.1	-5.8%	1.2%	0.1	0.1	0.1	9.4%	1.2%
Consumable supplies	0.0	0.0	0.0	0.0	-12.0%	0.1%	0.0	0.0	0.0	19.6%	0.1%
Consumables: Stationery, printing and office supplies	–	0.0	0.0	0.1	–	0.6%	0.1	0.1	0.1	20.6%	1.3%
Travel and subsistence	0.4	0.1	0.2	0.3	-7.8%	4.5%	0.4	0.4	0.4	8.0%	5.3%
Training and development	–	0.0	0.1	0.1	–	0.9%	0.1	0.1	0.1	-5.6%	1.0%
Transfers and subsidies¹	0.3	0.3	0.3	0.0	-46.4%	3.6%	–	–	–	-100.0%	0.1%
Households	0.3	0.3	0.3	0.0	-46.4%	3.6%	–	–	–	-100.0%	0.1%
Total	5.2	4.7	7.9	5.8	3.6%	100.0%	6.9	7.5	8.6	13.9%	100.0%
Proportion of total programme expenditure to vote expenditure	2.2%	1.9%	2.5%	1.7%	–	–	1.9%	2.0%	2.2%	–	–

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

Programme 4: Compliance Monitoring and Stakeholder Management

Programme purpose

Monitor and evaluate the relevance of the recommendations made to the South African Police Service and Municipal Police Services in terms of the Independent Police Investigative Directorate Act (2011).

Objectives

- Safeguard the principles of cooperative governance and stakeholder management on an ongoing basis by:
 - monitoring and evaluating the quality of recommendations made to the South African Police Service and the Municipal Police Services to ensure successful disciplinary and criminal convictions
 - monitoring and evaluating the quality of dockets referred to the National Prosecuting Authority
 - monitoring and reporting on the National Prosecuting Authority's implementation of criminal prosecutions against members of the police
 - monitoring and reporting on the police service's compliance with reporting obligations in terms of the Independent Police Investigative Directorate Act (2011).

Subprogrammes

- Compliance Monitoring* monitors and evaluates the quality of recommendations made and responses received on such recommendations from the South African Police Service, the Municipal Police Services and the National Prosecuting Authority in compliance with reporting obligations in terms of the Independent Police Investigative Directorate Act (2011).
- Stakeholder Management* manages relations and liaises with the directorate's key stakeholders, such as the South African Police Service, the Municipal Police Services, the Civilian Secretariat for the Police Service, the National Prosecuting Authority, the Special Investigating Unit, the Public Protector of South Africa, the State Security Agency and civil society organisations, in line with the requirements of the Independent Police Investigative Directorate Act (2011).

Expenditure trends and estimates

Table 24.9 Compliance Monitoring and Stakeholder Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme						Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Adjusted appropriation				Medium-term expenditure estimate				
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23	
Compliance Monitoring	4.1	5.9	5.8	6.5	16.5%	51.7%	7.6	8.0	8.5	8.9%	58.2%	
Stakeholder Management	4.5	4.5	6.7	5.2	5.2%	48.3%	5.2	5.6	6.0	4.6%	41.8%	
Total	8.6	10.4	12.5	11.8	10.9%	100.0%	12.7	13.6	14.5	7.1%	100.0%	
Change to 2019				–			(4.0)	(4.2)	(4.1)			
Budget estimate												
Economic classification												
Current payments	8.4	10.3	12.2	11.7	11.8%	98.2%	12.7	13.6	14.5	7.3%	99.8%	
Compensation of employees	7.0	8.5	9.4	9.6	10.8%	79.8%	10.4	11.2	11.9	7.5%	82.0%	
Goods and services ¹	1.3	1.7	2.8	2.1	16.7%	18.4%	2.3	2.4	2.5	6.6%	17.9%	
of which:												
Administrative fees	0.1	0.1	0.1	0.1	-26.5%	0.9%	0.3	0.3	0.4	86.3%	2.1%	
Advertising	0.0	0.1	0.2	0.0	26.0%	1.0%	0.1	0.2	0.2	90.1%	1.0%	
Communication	0.1	0.1	0.1	0.2	13.8%	1.4%	0.2	0.2	0.2	3.4%	1.7%	
Computer services	0.2	0.7	0.1	0.1	-25.5%	2.7%	0.1	0.1	0.1	5.0%	0.7%	
Consumables: Stationery, printing and office supplies	0.2	0.0	0.0	0.1	-10.1%	0.8%	0.1	0.1	0.1	9.7%	1.0%	
Travel and subsistence	0.4	0.4	2.0	1.1	34.7%	9.1%	1.1	1.2	1.2	5.1%	8.7%	
Transfers and subsidies ¹	0.3	–	0.3	0.1	-30.7%	1.5%	–	–	–	-100.0%	0.2%	
Households	0.3	–	0.3	0.1	-30.7%	1.5%	–	–	–	-100.0%	0.2%	
Payments for capital assets	–	0.1	0.0	–	–	0.3%	–	–	–	–	–	
Machinery and equipment	–	0.1	0.0	–	–	0.3%	–	–	–	–	–	
Total	8.6	10.4	12.5	11.8	10.9%	100.0%	12.7	13.6	14.5	7.1%	100.0%	
Proportion of total programme expenditure to vote expenditure	3.6%	4.1%	4.0%	3.5%	–	–	3.6%	3.6%	3.7%	–	–	

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

Vote 25

Justice and Constitutional Development

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	2 356.5	2 325.6	18.6	12.2	2 491.9	2 600.7
Court Services	7 180.3	6 186.8	31.0	962.5	7 688.4	8 007.3
State Legal Services	1 431.9	1 388.3	24.3	19.4	1 529.3	1 612.9
National Prosecuting Authority	4 583.9	4 528.0	20.0	36.0	4 906.0	5 096.2
Auxiliary and Associated Services	4 308.0	1 195.8	3 078.2	34.0	4 553.2	4 766.8
Subtotal	19 860.6	15 624.4	3 172.1	1 064.2	21 168.8	22 083.9
Direct charge against the National Revenue Fund						
Magistrates' salaries	2 550.2	2 472.1	78.1	–	2 715.6	2 816.0
Total expenditure estimates	22 410.8	18 096.5	3 250.2	1 064.2	23 884.4	24 899.9

Executive authority Minister of Justice and Correctional Services
 Accounting officer Director-General of Justice and Constitutional Development
 Website www.justice.gov.za

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Uphold and protect the Constitution and the rule of law, and render accessible, fair, speedy and cost-effective administration of justice in the interests of a safer and more secure South Africa.

Mandate

The Department of Justice and Constitutional Development derives its mandate from a number of acts, in addition to the mandate it derives from the Constitution. These acts and the constitutional framework assign functions to the department, such as: the establishment of magistrate's courts, and the appointment of magistrates and other judicial officers; the establishment and functioning of the National Prosecuting Authority; the conducting of criminal proceedings; the prosecution of organised crime and corruption, and the forfeiture of assets obtained through illicit means; the provision of witness protection to vulnerable and intimidated witnesses and their related persons in judicial proceedings; the establishment and functioning of bodies responsible for legal aid, law reform and rule making; the appointment of masters of the high courts; the management of third-party funds; the administration of the Guardian's Fund and deceased and insolvent estates; the regulation and provision of legal advisory services to government departments; the management of state litigation; the promotion, protection and enforcement of human rights; the protection of vulnerable groups; and the provision of support to chapter 9 institutions.

Selected performance indicators

Table 25.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of criminal cases on the backlog roll in the lower courts per year	Court Services	Priority 5: Social cohesion and safe communities	30 925	33 732	43 862	48 223	47 259	46 314	45 388
Number of regional courts upgraded to sexual offences courts, as required by the 2019 presidential summit declaration against gender-based violence and femicide, per year	Court Services		11	17	15	16	12	14	16
Percentage of letters of appointment issued in deceased estates within 15 days from receipt of all required documents	State Legal Services		96% (135 315/ 140 412)	95% (144 928/ 152 540)	94% (145 491/ 154 179)	93%	93%	93%	93%
Conviction rate: – High courts	National Prosecuting Authority		91% (968/ 1 065)	92% (890/ 971)	90% (869/ 966)	87%	87%	87%	87%
– Regional courts			80% (25 209/ 31 608)	81% (24 976/ 30 837)	81.7% (22 882/ 28 001)	74%	74%	74%	74%
– District courts			96% (295 013/ 308 688)	96% (291 609/ 303 353)	95.7% (236 705/ 247 342)	88%	88%	88%	88%
Total number of Thuthuzela care centres	National Prosecuting Authority		55	55	55	55	58	59	60
Conviction rate in sexual offences	National Prosecuting Authority		71.1% (4 780/ 6 669)	72.7% (5 004/ 6 878)	74.4% (4 724/ 6 353)	70%	70%	70%	70%
Conviction rate in complex commercial crime	National Prosecuting Authority		92.1% (793/ 861)	94.1% (911/ 968)	95% (760/ 800)	93%	93%	93%	93%
Number of persons convicted of corruption in the private sector per year	National Prosecuting Authority		– ¹	– ¹	143	57	150	158	166
Number of government officials convicted of corruption and/or related offences per year	National Prosecuting Authority	224	213	210	202	220	232	243	
Value of freezing orders obtained for corruption or related offences per year	National Prosecuting Authority	R627.3m	R3.8bn	R262m	R6.8bn	R2.4bn	R2.6bn	R2.8bn	
Value of recoveries relating to corruption or related offences	National Prosecuting Authority	R122.7m	R2.54bn	R2.84bn	R1.6bn	R1.4bn	R1.6bn	R1.8bn	

1. No historical data available.

Expenditure analysis

Chapter 12 of the National Development Plan sets out a vision for building and maintaining safe communities in South Africa through, among other things, strengthening the criminal justice system. This vision is expressed in terms of priority 5 (social cohesion and safe communities) of government's 2019-2024 medium-term strategic framework. The work of the Department of Justice and Constitutional Development is directly aligned with this priority in that a well-functioning criminal justice system provides relief to victims of crime, protects vulnerable groups and swiftly acts against perpetrators of corrupt activities. To this end, over the medium term the department will focus on: implementing the integrated criminal justice strategy, eradicating gender-based violence and femicide, and strengthening the state's capability to combat corruption.

The department's expenditure is expected to increase at an average annual rate of 5.8 per cent, from R21 billion in 2019/20 to R24.9 billion in 2022/23. Spending on compensation of employees accounts for 57.4 per cent (R41.2 billion) of the department's total expenditure over the medium term.

Implementing the integrated criminal justice strategy

The most effective deterrent to criminal activity is an efficient and effective criminal justice system. In this regard, in 2017 Cabinet approved a broad framework for adopting an integrated criminal justice strategy. The strategy aims to improve the efficiency of the criminal justice system through aligning the business processes of various stakeholders in the criminal justice system, improving and strengthening the capabilities of the criminal justice system, and coordinating integrated interventions across the criminal justice value chain.

The department leads the implementation of the strategy in the justice, crime prevention and security cluster. To fast-track the implementation of the strategy, R123.3 million is allocated over the MTEF period to the *Court Services* programme. Measures are also being implemented to align the strategy with the integrated justice system programme included under the *Justice Modernisation* subprogramme in the *Auxiliary and Associated Services* programme. Other key activities carried out in the *Court Services* programme that support an integrated criminal justice system include: developing practical, short-term and medium-term proposals to improve the performance of courts by focusing court work on trials and ancillary proceedings such as bail; and removing some administrative functions relating to postponements.

Spending in the *Court Services* programme accounts for 32.1 per cent (R22.9 billion) of the department's total expenditure, increasing at an average annual rate of 5.9 per cent, from R6.7 billion in 2019/20 to R8 billion in 2022/23.

Eradicating gender-based violence and femicide

A common criticism levelled against the state is its ineffectiveness to respond to the crisis of rape, domestic violence, femicide, child homicide and related forms of gender-based violence. In response, government has developed a gender-based violence and femicide national strategic plan, which requires large-scale changes in the criminal justice system. For the department specifically, these changes include upgrading the existing 309 magisterial district courts to victim-centric justice courts that offer centre-based support services, particularly to victims of domestic violence, gender-based violence and related violence. The department also plans to increase the number of courts dealing with sexual offences from 90 in 2018/19 to 148 in 2022/23.

To expedite the transformation of justice support services for victims of gender-based violence and femicide, over the period ahead the department plans to introduce a justice rapid results transformation programme, which will be led by trained and dedicated multidisciplinary teams comprising officials across line functions. To ensure a seamless transformation process, training in producing rapid results will also be undertaken at all levels of management. The department plans to transform 30 district courts in this regard between 2020/21 and 2021/22. Related activities will be carried out in the *Lower Courts* subprogramme in the *Court Services* programme. Spending in this subprogramme accounts for 74.2 per cent (R16.8 billion) of the programme's total expenditure over the MTEF period.

In contributing to building a victim-centric criminal justice system, the National Prosecuting Authority will increase the number of Thuthuzela care centres from 55 in 2019/20 to 60 in 2022/23. This function will be carried out in the *National Prosecutions Service* subprogramme in the *National Prosecuting Authority* programme. Spending in this subprogramme accounts for 80.7 per cent (R11.8 billion) of the programme's total expenditure over the medium term.

Strengthening the state's capability to combat corruption

In responding to the urgent need to combat corruption in South Africa, additional funding amounting to R1.2 billion over the medium term (R369 million in 2020/21, R421.7 million in 2021/22 and R444.3 million in 2022/23) has been allocated to the National Prosecuting Authority. These funds will be used to increase capacity in all business units; rejuvenate the aspirant prosecutor training programme; and operationalise an investigative directorate to deal with serious, high-profile or complex corruption, and any other cases referred to it by the national director of public prosecutions in accordance with the National Prosecuting Authority Act (1998). Due to these additional allocations, spending in the *National Prosecuting Authority* programme increases at an average annual rate of 8.1 per cent, from R4 billion in 2019/20 to R5.1 billion in 2022/23.

Over the period ahead the National Prosecuting Authority plans to appoint 277 new staff. This increased capacity is intended to enable the authority to: increase the value of recoveries relating to corruption or related offences by the asset forfeiture unit from R1.6 billion in 2019/20 to R1.8 billion in 2022/23; increase the number of persons convicted of corruption in the private sector from 57 in 2019/20 to 166 in 2022/23; and increase the number of government officials convicted of corruption from 202 in 2019/20 to 243 in 2022/23.

To further strengthen the state's capability in combating corruption, over the MTEF period additional funding of R120.2 million is allocated to increase the number of specialised commercial crime courts, and R225 million is allocated for the Special Investigating Unit to appoint forensic investigators and operationalise the special tribunal, which has a statutory mandate to recover public funds syphoned from the fiscus through corruption, fraud and illicit money flows.

Expenditure trends and estimates

Table 25.2 Vote expenditure trends and estimates by programme and economic classification

2019/2020 Vote expenditure trends and estimates by programme and economic classification											
Programmes											
1. Administration											
2. Court Services											
3. State Legal Services											
4. National Prosecuting Authority											
5. Auxiliary and Associated Services											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Programme 1	1 952.8	1 958.1	2 428.8	2 503.7	8.6%	11.5%	2 356.5	2 491.9	2 600.7	1.3%	10.8%
Programme 2	6 272.6	6 340.6	6 320.1	6 736.9	2.4%	33.5%	7 180.3	7 688.4	8 007.3	5.9%	32.1%
Programme 3	1 121.2	1 164.9	1 210.8	1 399.8	7.7%	6.4%	1 431.9	1 529.3	1 612.9	4.8%	6.5%
Programme 4	3 554.6	3 742.9	3 799.4	4 031.6	4.3%	19.7%	4 583.9	4 906.0	5 096.2	8.1%	20.2%
Programme 5	3 137.9	3 400.7	3 423.0	4 109.6	9.4%	18.3%	4 308.0	4 553.2	4 766.8	5.1%	19.2%
Subtotal	16 039.0	16 607.2	17 182.1	18 781.5	5.4%	89.5%	19 860.6	21 168.8	22 083.9	5.5%	88.8%
Direct charge against the National Revenue Fund	1 845.7	1 933.5	2 047.4	2 263.7	7.0%	10.5%	2 550.2	2 715.6	2 816.0	7.5%	11.2%
Magistrates' salaries	1 845.7	1 933.5	2 047.4	2 263.7	7.0%	10.5%	2 550.2	2 715.6	2 816.0	7.5%	11.2%
Total	17 884.7	18 540.7	19 229.5	21 045.2	5.6%	100.0%	22 410.8	23 884.4	24 899.9	5.8%	100.0%
Change to 2019 Budget estimate				(55.6)			194.0	247.9	357.0		
Economic classification											
Current payments	14 085.8	14 625.0	15 417.6	17 296.8	7.1%	80.1%	18 096.5	19 329.4	20 120.9	5.2%	81.1%
Compensation of employees	9 995.4	10 392.2	10 798.8	11 821.4	5.8%	56.1%	12 937.3	13 811.6	14 417.9	6.8%	57.4%
Goods and services ¹	4 090.4	4 232.8	4 618.8	5 475.4	10.2%	24.0%	5 159.2	5 517.8	5 703.1	1.4%	23.7%
of which:											
Computer services	731.8	771.2	739.8	1 187.2	17.5%	4.5%	1 141.4	1 207.3	1 252.9	1.8%	5.2%
Consumables: Stationery, printing and office supplies	192.4	206.8	231.5	224.4	5.3%	1.1%	265.0	266.8	269.3	6.3%	1.1%
Operating leases	842.9	769.5	1 126.8	954.1	4.2%	4.8%	982.4	1 036.5	1 075.0	4.1%	4.4%
Property payments	811.4	1 080.2	1 035.6	1 237.1	15.1%	5.4%	1 247.0	1 262.1	1 328.7	2.4%	5.5%
Travel and subsistence	382.5	379.6	383.9	330.9	-4.7%	1.9%	356.1	411.0	410.1	7.4%	1.6%
Operating payments	176.4	147.4	134.9	226.3	8.7%	0.9%	205.9	292.3	287.9	8.3%	1.1%
Transfers and subsidies ¹	2 418.4	2 699.4	2 803.1	2 985.8	7.3%	14.2%	3 250.2	3 433.7	3 603.0	6.5%	14.4%
Provinces and municipalities	0.6	0.7	0.6	0.8	7.5%	0.0%	0.8	0.9	0.9	4.7%	0.0%
Departmental agencies and accounts	2 334.7	2 614.3	2 688.8	2 872.9	7.2%	13.7%	3 107.2	3 282.6	3 445.0	6.2%	13.8%
Foreign governments and international organisations	13.5	14.4	12.8	17.9	9.9%	0.1%	18.9	19.9	20.7	4.9%	0.1%
Households	69.6	70.0	100.9	94.3	10.7%	0.4%	123.4	130.3	136.4	13.1%	0.5%
Payments for capital assets	1 371.0	1 194.0	985.9	762.3	-17.8%	5.6%	1 064.2	1 121.3	1 176.0	15.5%	4.5%
Buildings and other fixed structures	1 023.0	963.8	796.1	510.8	-20.7%	4.3%	874.4	922.6	966.7	23.7%	3.6%
Machinery and equipment	347.7	215.7	189.9	247.8	-10.7%	1.3%	189.7	198.8	209.3	-5.5%	0.9%
Software and other intangible assets	0.2	14.5	—	3.7	172.5%	0.0%	—	—	—	-100.0%	0.0%
Payments for financial assets	9.6	22.3	22.9	0.2	-72.1%	0.1%	—	—	—	-100.0%	0.0%
Total	17 884.7	18 540.7	19 229.5	21 045.2	5.6%	100.0%	22 410.8	23 884.4	24 899.9	5.8%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 25.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R thousand											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	2 334 686	2 614 310	2 688 765	2 872 887	7.2%	96.4%	3 107 168	3 282 590	3 445 021	6.2%	95.7%
Safety and Security Sector	23 089	24 259	25 343	27 409	5.9%	0.9%	28 917	30 537	31 671	4.9%	0.9%
Education and Training Authority											
Communication	99	27	20	47	-22.0%	—	50	45	47	—	—
Legal Aid South Africa	1 577 171	1 754 394	1 800 892	1 970 973	7.7%	65.1%	2 086 096	2 204 215	2 313 817	5.5%	64.6%
Special Investigating Unit	316 732	346 177	357 099	363 023	4.7%	12.7%	452 865	478 922	503 310	11.5%	13.5%
Public Protector of South Africa	264 108	316 093	326 581	321 430	6.8%	11.3%	339 108	357 759	374 931	5.3%	10.5%
South African Human Rights Commission	153 487	173 360	178 830	190 005	7.4%	6.4%	200 132	211 112	221 245	5.2%	6.2%
Households											
Social benefits											
Current	59 678	64 669	81 326	86 943	13.4%	2.7%	118 984	125 657	131 635	14.8%	3.5%
Employee social benefits	59 678	64 669	81 326	86 943	13.4%	2.7%	118 984	125 657	131 635	14.8%	3.5%
Households											
Other transfers to households											
Current	9 877	5 315	19 580	7 309	-9.5%	0.4%	4 369	4 614	4 783	-13.2%	0.2%
Claims against the state	9 877	5 315	19 333	7 309	-9.5%	0.4%	4 369	4 614	4 783	-13.2%	0.2%
Other transfers to households	—	—	247	—	—	—	—	—	—	—	—
Provinces and municipalities											
Municipal bank accounts											
Current	615	633	545	767	7.6%	—	805	850	882	4.8%	—
Vehicle licences	615	633	545	767	7.6%	—	805	850	882	4.8%	—
Foreign governments and international organisations											
Current	13 484	14 406	12 809	17 876	9.9%	0.5%	18 859	19 915	20 655	4.9%	0.6%
International Criminal Court	12 161	12 717	11 379	16 247	10.1%	0.5%	17 140	18 100	18 773	4.9%	0.5%
Hague Conference on Private International Law	985	—	1 430	1 222	7.5%	—	1 289	1 361	1 411	4.9%	—
International Institute for the Unification of Private Law	338	1 689	—	407	6.4%	—	430	454	471	5.0%	—
Total	2 418 340	2 699 333	2 803 025	2 985 782	7.3%	100.0%	3 250 185	3 433 626	3 602 976	6.5%	100.0%

Personnel information

Table 25.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																				
1. Administration																				
2. Court Services																				
3. State Legal Services																				
4. National Prosecuting Authority																				
5. Auxiliary and Associated Services																				
Number of posts estimated for 31 March 2020				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 (%)					
		2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23				
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost		
Justice and Constitutional Development		23 284	31	22 050	10 798.8	0.5	21 927	11 521.4	0.5	22 932	12 937.3	0.6	22 950	13 811.6	0.6	22 538	14 417.9	0.6	0.9%	100.0%
Salary level	11 802	16	11 231	3 073.2	0.3	11 261	2 780.4	0.2	11 726	3 110.6	0.3	11 778	3 356.3	0.3	11 698	3 580.5	0.3	1.3%	51.4%	
7 – 10	6 349	13	5 979	2 645.0	0.4	6 084	3 278.8	0.5	6 285	3 622.8	0.6	6 248	3 856.2	0.6	6 051	3 996.8	0.7	-0.2%	27.3%	
11 – 12	2 717	1	2 601	2 942.4	1.1	2 477	2 808.7	1.1	2 607	3 139.7	1.2	2 606	3 337.7	1.3	2 527	3 447.9	1.4	0.7%	11.3%	
13 – 16	2 415	1	2 238	2 135.5	1.0	2 104	2 650.8	1.3	2 313	3 061.3	1.3	2 317	3 258.3	1.4	2 261	3 389.4	1.5	2.4%	10.0%	
Other	1	–	1	2.6	2.6	1	2.8	2.8	1	3.0	3.0	1	3.2	3.2	1	3.4	3.4	–	0.0%	
Programme	23 284	31	22 050	10 798.8	0.5	21 927	11 521.4	0.5	22 932	12 937.3	0.6	22 950	13 811.6	0.6	22 538	14 417.9	0.6	0.9%	100.0%	
Programme 1	1 219	1	1 088	525.4	0.5	1 128	602.5	0.5	1 101	630.1	0.6	1 094	670.7	0.6	1 064	695.7	0.7	-1.9%	4.9%	
Programme 2	13 376	25	12 629	3 920.2	0.3	12 751	4 221.8	0.3	13 151	4 622.2	0.4	13 086	4 923.3	0.4	12 874	5 167.8	0.4	0.3%	57.4%	
Programme 3	2 298	4	2 039	1 022.4	0.5	1 998	1 115.5	0.6	2 074	1 238.7	0.6	2 080	1 325.1	0.6	2 091	1 401.8	0.7	1.5%	9.1%	
Programme 4	4 366	1	4 399	3 317.2	0.8	4 295	3 462.0	0.8	4 659	3 974.2	0.9	4 738	4 259.4	0.9	4 610	4 423.0	1.0	2.4%	20.3%	
Direct charges	2 025	–	1 895	2 013.6	1.1	1 755	2 119.6	1.2	1 947	2 472.1	1.3	1 952	2 633.1	1.3	1 899	2 729.5	1.4	2.7%	8.4%	

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

2. Rand million.

Departmental receipts

Table 25.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
R thousand	2016/17	2017/18	2018/19	2019/20		2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental receipts	371 360	339 060	376 168	388 462	388 462	1.5%	100.0%	408 273	428 687	449 264	5.0%	100.0%
Sales of goods and services produced by department	53 638	49 943	79 094	153 069	153 069	41.8%	22.8%	77 995	82 286	86 238	-17.4%	23.9%
Sales by market establishments	4 513	4 077	3 748	4 950	4 950	3.1%	1.2%	8 558	9 029	9 463	24.1%	1.9%
of which:												
Market establishment: Rental dwelling	3 779	3 288	2 984	4 200	4 200	3.6%	1.0%	7 598	8 016	8 401	26.0%	1.7%
Market establishment: Rental parking: Covered and open	734	789	764	750	750	0.7%	0.2%	960	1 013	1 062	12.3%	0.2%
Administrative fees	10	7	3	4	4	-26.3%	—	40	43	46	125.7%	—
of which:												
Game licences	8	3	1	—	—	-100.0%	—	10	11	12	—	—
Request for information: Promotion of Access to Information Act (2000)	2	4	2	4	4	26.0%	—	30	32	34	104.1%	—
Other sales	49 115	45 859	75 343	148 115	148 115	44.5%	21.6%	69 397	73 214	76 729	-19.7%	21.9%
of which:												
Services rendered: Commission on insurance and garnishee	6 542	6 783	6 927	5 000	5 000	-8.6%	1.7%	7 992	8 432	8 837	20.9%	1.8%
Services rendered: Insolvent estates: Master's office	36 958	33 046	62 992	95 000	95 000	37.0%	15.5%	46 941	49 523	51 900	-18.3%	14.5%
Services rendered: Fee for recovery of debt	3 861	4 023	2 765	45 000	45 000	126.7%	3.8%	12 099	12 764	13 377	-33.3%	5.0%
Services rendered: Photocopies and faxes	1 682	1 975	2 593	3 000	3 000	21.3%	0.6%	2 296	2 422	2 538	-5.4%	0.6%
Sales of assets less than R5 000	72	32	52	100	100	11.6%	—	69	73	77	-8.3%	—
Replacement of lost office property	—	—	14	15	15	—	—	—	—	—	-100.0%	—
Sales of scrap, waste, arms and other used current goods	60	134	355	379	379	84.9%	0.1%	215	227	237	-14.5%	0.1%
of which:												
Sales: Scrap	39	96	345	354	354	108.6%	0.1%	187	197	206	-16.5%	0.1%
Sales: Wastepaper	21	38	10	25	25	6.0%	—	28	30	31	7.4%	—
Transfers received	485	9 693	2 272	—	—	-100.0%	0.8%	137	145	152	—	—
Fines, penalties and forfeits	254 374	228 439	246 572	207 202	207 202	-6.6%	63.5%	280 383	295 804	310 003	14.4%	65.3%
Interest, dividends and rent on land	8 553	12 119	2 424	10 500	10 500	7.1%	2.3%	6 756	7 128	7 470	-10.7%	1.9%
Interest	8 553	12 119	2 424	8 000	8 000	-2.2%	2.1%	6 756	7 128	7 470	-2.3%	1.8%
Dividends	—	—	—	2 500	2 500	—	0.2%	—	—	—	-100.0%	0.1%
of which:												
Interest received: Private sector: Domestic control debt	—	—	—	2 500	2 500	—	0.2%	—	—	—	-100.0%	0.1%
Sales of capital assets	56	2 575	48	4 000	4 000	314.9%	0.5%	2 589	2 731	2 862	-10.6%	0.7%
Transactions in financial assets and liabilities	54 194	36 157	45 403	13 312	13 312	-37.4%	10.1%	40 198	40 366	42 302	47.0%	8.1%
Total	371 360	339 060	376 168	388 462	388 462	1.5%	100.0%	408 273	428 687	449 264	5.0%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 25.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Ministry	35.6	34.1	33.6	36.6	1.0%	1.6%	39.2	41.6	43.2	5.6%	1.6%
Management	47.7	50.2	49.9	56.5	5.8%	2.3%	61.3	65.1	67.5	6.2%	2.5%
Corporate Services	513.4	426.1	629.6	720.9	12.0%	25.9%	474.1	503.0	521.5	-10.2%	22.3%
Financial Administration	196.6	217.6	203.1	223.2	4.3%	9.5%	233.6	248.0	256.9	4.8%	9.7%
Internal Audit	86.6	83.9	83.0	93.8	2.7%	3.9%	100.1	106.4	110.4	5.6%	4.1%
Office Accommodation	1 072.9	1 146.1	1 429.6	1 372.7	8.6%	56.8%	1 448.2	1 527.8	1 601.2	5.3%	59.8%
Total	1 952.8	1 958.1	2 428.8	2 503.7	8.6%	100.0%	2 356.5	2 491.9	2 600.7	1.3%	100.0%
Change to 2019 Budget estimate				(0.8)			(10.4)	(11.2)	(12.3)		
Economic classification											
Current payments	1 926.3	1 916.2	2 347.9	2 461.3	8.5%	97.8%	2 325.6	2 458.9	2 566.2	1.4%	98.6%
Compensation of employees	532.7	516.4	525.4	602.5	4.2%	24.6%	630.1	670.7	695.7	4.9%	26.1%
Goods and services ¹	1 393.5	1 399.8	1 822.5	1 858.8	10.1%	73.2%	1 695.5	1 788.2	1 870.5	0.2%	72.5%
of which:											
Advertising	18.6	14.0	13.8	17.5	-2.1%	0.7%	20.8	20.4	21.7	7.4%	0.8%
Audit costs: External	37.5	43.7	43.0	43.2	4.8%	1.9%	41.8	44.1	44.6	1.1%	1.7%
Computer services	44.1	20.5	37.1	22.5	-20.1%	1.4%	18.2	19.3	19.0	-5.4%	0.8%
Operating leases	805.0	732.6	1 076.7	919.2	4.5%	40.0%	960.7	1 013.6	1 051.2	4.6%	39.6%
Property payments	269.4	414.5	365.7	465.0	20.0%	17.1%	488.5	515.3	551.0	5.8%	20.3%
Travel and subsistence	91.4	94.3	74.9	73.0	-7.2%	3.8%	72.4	76.6	82.0	4.0%	3.1%
Transfers and subsidies¹	17.2	17.7	19.5	20.9	6.8%	0.9%	18.6	19.7	20.4	-0.8%	0.8%
Provinces and municipalities	0.0	0.0	0.0	0.0	11.2%	—	0.0	0.0	0.0	2.9%	—
Departmental agencies and accounts	14.5	15.4	16.1	17.4	6.2%	0.7%	18.3	19.4	20.1	4.9%	0.8%
Households	2.6	2.3	3.3	3.5	9.7%	0.1%	0.3	0.3	0.3	-56.6%	—
Payments for capital assets	8.5	10.0	60.0	21.5	36.5%	1.1%	12.2	13.4	14.1	-13.2%	0.6%
Buildings and other fixed structures	—	—	0.3	0.2	—	—	—	—	—	-100.0%	—
Machinery and equipment	8.5	10.0	59.7	17.7	27.9%	1.1%	12.2	13.4	14.1	-7.3%	0.6%
Software and other intangible assets	—	—	—	3.7	—	—	—	—	—	-100.0%	—
Payments for financial assets	0.8	14.2	1.5	0.0	-75.7%	0.2%	—	—	—	-100.0%	—
Total	1 952.8	1 958.1	2 428.8	2 503.7	8.6%	100.0%	2 356.5	2 491.9	2 600.7	1.3%	100.0%
Proportion of total programme expenditure to vote expenditure	12.2%	11.8%	14.1%	13.3%	—	—	11.9%	11.8%	11.8%	—	—
Details of transfers and subsidies											
Households											
Social benefits											
Current	2.5	2.3	1.8	3.4	10.6%	0.1%	0.3	0.3	0.3	-56.2%	—
Employee social benefits	2.5	2.3	1.8	3.4	10.6%	0.1%	0.3	0.3	0.3	-56.2%	—
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	0.0	0.0	0.0	0.0	11.2%	—	0.0	0.0	0.0	2.9%	—
Vehicle licences	0.0	0.0	0.0	0.0	11.2%	—	0.0	0.0	0.0	2.9%	—
Households											
Other transfers to households											
Current	0.1	—	1.2	0.1	-14.6%	—	—	—	—	-100.0%	—
Claims against the state	0.1	—	1.2	0.1	-14.6%	—	—	—	—	-100.0%	—
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	14.5	15.4	16.1	17.4	6.2%	0.7%	18.3	19.4	20.1	4.9%	0.8%
Safety and Security Sector	14.5	15.4	16.1	17.4	6.2%	0.7%	18.3	19.3	20.1	4.9%	0.8%
Education and Training Authority	0.0	0.0	0.0	0.0	3.6%	—	0.0	0.0	0.0	3.2%	—

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

Programme 2: Court Services

Programme purpose

Facilitate the resolution of criminal and civil cases and family law disputes by providing accessible, efficient and quality administrative support to the lower courts and managing court facilities.

Objectives

- Deliver modern, accessible and people-centric justice services for all by:
 - reducing the number of criminal cases on the backlog roll in lower courts, from 48 223 in 2019/20 to 45 388 in 2022/23
 - increasing the percentage of child justice preliminary inquiries finalised within 90 days after the date of first appearance, from 85 per cent in 2019/20 to 90 per cent in 2022/23
 - increasing the percentage of maintenance matters finalised within 90 days from the date of proper service of process, from 72 per cent in 2019/20 to 79 per cent in 2022/23
 - increasing the number of clearance certificates for the national register of sexual offenders in respect of particulars issued to applicants, from 3 000 in 2019/20 to 18 000 in 2022/23
 - expediting the implementation of Femicide Watch, established as required by article 15 of the 2019 presidential summit declaration against gender-based violence and femicide, from phase 2 in 2019/20 to phase 5 in 2022/23
 - increasing the number of regional courts upgraded to sexual offences courts, as required by the 2019 presidential summit declaration against gender-based violence and femicide, from 90 in 2018/19 to 148 in 2022/23
 - upgrading 72 magisterial district courts in terms of the victim-centric justice strategy by March 2023.

Subprogrammes

- *Lower Courts* funds the activities and operations of various regional and district courts. Regional courts adjudicate serious criminal and civil matters, whereas district courts adjudicate less serious civil and criminal cases. There are approximately 2 147 district and regional court rooms across South Africa.
- *Family Advocate* funds family mediations in non-litigation matters with the goal of settling parental disputes out of court. In litigation matters, the family advocate files court reports, makes recommendations, and appears in court to promote and protect the best interests of children. This subprogramme also deals with international cases of children who were abducted or retained in foreign countries in terms of the Hague Convention on the Civil Aspects of International Child Abduction.
- *Magistrate's Commission* funds the Magistrate's Commission, which makes recommendations on the appointment and tenure of magistrates.
- *Facilities Management* funds the provision of accommodation for courts and justice service-delivery points, including the construction of new and additional accommodation, and the leasing of privately owned premises for use by the department.
- *Administration of Lower Courts* funds the management of courts administration and performance evaluation functions.

Expenditure trends and estimates

Table 25.7 Court Services 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Lower Courts	4 400.0	4 585.9	4 732.1	5 144.9	5.4%	73.5%	5 280.9	5 672.2	5 867.4	4.5%	74.2%
Family Advocate	209.8	211.3	224.6	253.5	6.5%	3.5%	270.9	288.0	298.3	5.6%	3.8%
Magistrate's Commission	12.4	13.3	13.8	21.6	20.2%	0.2%	21.5	22.8	23.5	2.9%	0.3%
Facilities Management	1 101.0	994.2	813.0	656.1	-15.8%	13.9%	939.0	991.7	1 038.0	16.5%	12.2%
Administration of Lower Courts	549.4	535.9	536.4	660.8	6.3%	8.9%	668.0	713.7	780.1	5.7%	9.5%
Total	6 272.6	6 340.6	6 320.1	6 736.9	2.4%	100.0%	7 180.3	7 688.4	8 007.3	5.9%	100.0%
Change to 2019 Budget estimate				(88.0)			(110.3)	(121.0)	(62.2)		

Table 25.7 Court Services expenditure trends and estimates by subprogramme and economic classification

Economic classification					Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Adjusted appropriation			Medium-term expenditure estimate				
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	5 105.6	5 269.6	5 399.8	6 037.9	5.8%	85.0%	6 186.8	6 641.3	6 911.1	4.6%	87.0%
Compensation of employees	3 667.3	3 783.6	3 920.2	4 324.8	5.7%	61.1%	4 622.2	4 923.3	5 167.8	6.1%	64.3%
Goods and services ¹	1 438.3	1 486.0	1 479.5	1 713.2	6.0%	23.8%	1 564.6	1 718.0	1 743.3	0.6%	22.8%
of which:											
Communication	101.0	88.9	85.0	94.8	-2.1%	1.4%	98.1	103.8	103.3	2.9%	1.4%
Agency and support/outsourced services	162.9	121.9	49.2	193.4	5.9%	2.1%	89.6	87.0	94.4	-21.3%	1.6%
Consumables: Stationery, printing and office supplies	138.2	142.0	172.4	171.4	7.5%	2.4%	195.2	192.1	191.6	3.8%	2.5%
Property payments	477.8	593.0	596.3	675.4	12.2%	9.1%	662.5	646.8	674.4	–	9.0%
Travel and subsistence	188.3	188.0	208.8	173.7	-2.6%	3.0%	179.4	224.8	214.1	7.2%	2.7%
Operating payments	75.5	67.6	77.8	118.1	16.1%	1.3%	107.6	189.0	180.2	15.1%	2.0%
Transfers and subsidies ¹	24.6	27.6	29.5	29.8	6.7%	0.4%	31.0	32.8	34.3	4.7%	0.4%
Provinces and municipalities	0.6	0.6	0.5	0.7	6.9%	–	0.7	0.8	0.8	4.6%	–
Departmental agencies and accounts	0.1	0.0	0.0	0.0	-34.0%	–	0.0	0.0	0.0	-2.4%	–
Households	23.9	26.9	28.9	29.1	6.8%	0.4%	30.2	32.0	33.4	4.7%	0.4%
Payments for capital assets	1 136.3	1 035.9	874.5	668.9	-16.2%	14.5%	962.5	1 014.3	1 062.0	16.7%	12.5%
Buildings and other fixed structures	1 023.0	963.8	795.8	510.6	-20.7%	12.8%	874.4	922.6	966.7	23.7%	11.1%
Machinery and equipment	113.1	72.1	78.7	158.2	11.8%	1.6%	88.1	91.8	95.3	-15.6%	1.5%
Software and other intangible assets	0.2	–	–	0.1	-24.6%	–	–	–	–	-100.0%	–
Payments for financial assets	6.2	7.5	16.4	0.2	-69.8%	0.1%	–	–	–	-100.0%	–
Total	6 272.6	6 340.6	6 320.1	6 736.9	2.4%	100.0%	7 180.3	7 688.4	8 007.3	5.9%	100.0%
Proportion of total programme expenditure to vote expenditure	39.1%	38.2%	36.8%	35.9%	–	–	36.2%	36.3%	36.3%	–	–
Details of selected transfers and subsidies											
Households											
Social benefits											
Current	23.9	26.4	26.0	27.1	4.4%	0.4%	28.4	30.0	31.4	5.0%	0.4%
Employee social benefits	23.9	26.4	26.0	27.1	4.4%	0.4%	28.4	30.0	31.4	5.0%	0.4%

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

Programme 3: State Legal Services

Programme purpose

Provide legal and legislative services to government. Supervise the registration of trusts, and the administration of deceased and insolvent estates and estates undergoing liquidation. Manage the Guardian's Fund. Prepare and promote legislation. Facilitate constitutional development and undertake research in support of this.

Objectives

- Deliver modern, accessible and people-centric justice services for all by maintaining the percentage of letters of appointment issued in deceased estates within 15 days of receipt of all required documents at 93 per cent over the 2020 MTEF period.
- Ensure effective and efficient state legal advisory and litigation services by:
 - increasing the percentage of legal opinions finalised within 40 days of receipt of instruction, from 82 per cent in 2019/20 to 86 per cent in 2022/23
 - increasing the percentage of international agreements and accompanying legal opinions finalised within 40 days of receipt of instruction, from 85 per cent in 2019/20 to 86 per cent in 2022/23
 - increasing the percentage of draft bills approved by Cabinet for introduction finalised within 40 days of receipt of instruction, from 82 per cent in 2019/20 to 85 per cent in 2022/23
 - maintaining the number of research papers submitted to the South African Law Reform Commission for consideration and approval at 11 from 2020/21 onwards.

- Ensure a regulated and transformed legal profession by increasing the percentage of briefs allocated to historically disadvantaged individuals, from 80 per cent in 2020/21 to 85 per cent in 2022/23.
- Enhance the protection and promotion of fundamental human rights and freedoms by:
 - maintaining sustained and visible anti-xenophobia campaigns conducted in collaboration with other departments and role players at 6 from 2020/21 onwards
 - maintaining the number of awareness sessions on lesbian, gay, bisexual, trans and intersex issues conducted with organisations as well as traditional and faith-based leaders' communities at 13 from 2020/21 onwards.
- Improve reparations accessed by qualifying beneficiaries of Paliament approved Truth and Reconciliation Commission recommendations by maintaining the number of community projects launched at 5 from 2020/21 onwards.

Subprogrammes

- *State Law Advisors* provides legal advice, representation and legislative drafting services to the executive, state departments, state-owned enterprises and other government bodies through the Office of the Chief State Law Advisor.
- *Litigation and Legal Services* provides attorney, conveyance and notary services to the executive, state departments, state-owned enterprises and other government bodies through the offices of the state attorney, and provides legal support to the department and ministry.
- *Legislative Development and Law Reform* conducts research, and prepares and promotes new and amended legislation.
- *Master of the High Court* funds the master's offices, which supervise the administration of deceased and insolvent estates, trusts, curatorship's and the Guardian's Fund.
- *Constitutional Development* conducts research; coordinates the implementation of constitutionally mandated legislation such as the Promotion of Equality and Prevention of Unfair Discrimination Act (2000) and the Promotion of Administrative Justice Act (2000); promotes the Constitution and its values; assists and protects independent institutions supporting constitutional democracy to ensure their independence and effectiveness; and coordinates, promotes and develops programmes in support of social justice and participatory democracy.

Expenditure trends and estimates

Table 25.8 State Legal Services expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
State Law Advisors	61.7	63.0	64.7	80.4	9.2%	5.5%	86.2	91.8	95.2	5.8%	5.9%
Litigation and Legal Services	447.4	457.8	491.8	559.7	7.8%	40.0%	535.0	567.9	595.1	2.1%	37.8%
Legislative Development and Law Reform	61.2	73.7	82.5	100.5	18.0%	6.5%	120.8	136.3	145.5	13.1%	8.4%
Master of the High Court	477.3	503.7	506.6	557.6	5.3%	41.8%	590.2	627.5	658.5	5.7%	40.7%
Constitutional Development	73.6	66.6	65.2	101.6	11.3%	6.3%	99.7	105.8	118.6	5.3%	7.1%
Total	1 121.2	1 164.9	1 210.8	1 399.8	7.7%	100.0%	1 431.9	1 529.3	1 612.9	4.8%	100.0%
Change to 2019				50.0			(14.3)	(7.5)	18.3		
Budget estimate											
Economic classification											
Current payments	1 076.4	1 129.6	1 168.1	1 354.9	8.0%	96.6%	1 388.3	1 483.7	1 565.3	4.9%	97.0%
Compensation of employees	928.2	979.5	1 022.4	1 162.5	7.8%	83.6%	1 238.7	1 325.1	1 401.8	6.4%	85.8%
Goods and services ¹	148.1	150.2	145.8	192.4	9.1%	13.0%	149.5	158.5	163.5	-5.3%	11.1%
of which:											
Minor assets	5.1	5.0	2.7	5.4	2.0%	0.4%	6.7	7.1	7.6	12.1%	0.4%
Communication	14.1	12.2	12.2	13.0	-2.7%	1.1%	14.2	15.3	15.8	6.9%	1.0%
Legal services	51.3	59.7	61.2	95.6	23.1%	5.5%	40.0	41.3	41.0	-24.6%	3.6%
Consumables: Stationery, printing and office supplies	14.1	13.9	13.9	16.0	4.2%	1.2%	17.6	18.9	19.5	7.0%	1.2%
Travel and subsistence	33.4	33.4	35.8	25.0	-9.1%	2.6%	31.6	33.4	35.4	12.2%	2.1%
Operating payments	7.8	11.4	4.2	6.9	-3.9%	0.6%	8.0	8.1	8.7	7.8%	0.5%

Table 25.8 State Legal Services expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Transfers and subsidies ¹	27.8	24.1	32.1	26.7	-1.4%	2.3%	24.3	25.6	26.6	-0.1%	1.7%
Provinces and municipalities	0.0	0.0	0.0	0.0	16.6%	–	0.0	0.0	0.0	8.1%	–
Departmental agencies and accounts	0.0	0.0	0.0	0.0	49.4%	–	0.0	0.0	0.0	-15.7%	–
Foreign governments and international organisations	13.5	14.4	12.8	17.9	9.9%	1.2%	18.9	19.9	20.7	4.9%	1.3%
Households	14.3	9.7	19.3	8.7	-15.2%	1.1%	5.3	5.6	5.9	-12.3%	0.4%
Payments for capital assets	15.7	10.9	10.2	18.2	5.1%	1.1%	19.4	20.0	21.0	4.8%	1.3%
Machinery and equipment	15.7	10.9	10.2	18.2	5.2%	1.1%	19.4	20.0	21.0	4.8%	1.3%
Software and other intangible assets	0.0	–	–	–	-100.0%	–	–	–	–	–	–
Payments for financial assets	1.4	0.1	0.4	0.0	-73.3%	–	–	–	–	-100.0%	–
Total	1 121.2	1 164.9	1 210.8	1 399.8	7.7%	100.0%	1 431.9	1 529.3	1 612.9	4.8%	100.0%
Proportion of total programme expenditure to vote expenditure	7.0%	7.0%	7.0%	7.5%	–	–	7.2%	7.2%	7.3%	–	–
Details of selected transfers and subsidies											
Foreign governments and international organisations											
Current	13.5	14.4	12.8	17.9	9.9%	1.2%	18.9	19.9	20.7	4.9%	1.3%
International Criminal Court	12.2	12.7	11.4	16.2	10.1%	1.1%	17.1	18.1	18.8	4.9%	1.2%
Hague Conference on Private International Law	1.0	–	1.4	1.2	7.5%	0.1%	1.3	1.4	1.4	4.9%	0.1%
International Institute for the Unification of Private Law	0.3	1.7	–	0.4	6.4%	–	0.4	0.5	0.5	5.0%	–

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

Programme 4: National Prosecuting Authority

Programme purpose

Provide a coordinated prosecuting service that ensures that justice is delivered to victims of crime through general and specialised prosecutions. Remove profit from crime. Protect certain witnesses.

Objectives

- Ensure successful prosecution over the medium term by maintaining a conviction rate of 87 per cent in the high courts, 74 per cent in regional courts, and 88 per cent in district courts.
- Conduct impactful prosecution over the medium term by increasing the number of persons convicted of corruption in the private sector, from 57 in 2019/20 to 166 in 2022/23.
- Reduce inequality through restorative justice processes by increasing the number of operational Thuthuzela care centres from 55 in 2019/20 to 60 in 2022/23
- Remove the profit from crime by intensifying the impact of asset forfeiture through increasing the value of recoveries relating to corruption or related offences from R1.6 billion in 2019/20 to R1.8 billion in 2022/23.
- Contribute to the effectiveness of the criminal justice system on an ongoing basis by ensuring that no witnesses and related persons are threatened, harmed or killed.

Subprogrammes

- *National Prosecutions Service* is primarily responsible for general and specialised prosecutions, and the appeals that might follow. These include resolving criminal matters outside of the formal trial process through alternative dispute resolution mechanisms, settling admissions of guilt for minor offences, and considering dockets brought by the police where persons have not been charged.
- *Asset Forfeiture Unit* seizes assets that are the proceeds of crime or have been part of an offence through a criminal or civil process.

- *Office for Witness Protection* provides for temporary protection, support and related services to vulnerable and intimidated witnesses and related persons in judicial proceedings in terms of the Witness Protection Act (1998).
- *Support Services* provides corporate support services to the National Prosecuting Authority in terms of finance, human resources, ICT, strategy support, integrity, ethics, security, communications and risk management.

Expenditure trends and estimates

Table 25.9 National Prosecuting Authority expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
National Prosecutions Service	2 776.3	2 946.3	3 058.8	3 231.9	5.2%	79.4%	3 701.5	3 969.0	4 123.1	8.5%	80.7%
Asset Forfeiture Unit	133.0	126.5	127.8	159.3	6.2%	3.6%	203.9	217.3	224.7	12.2%	4.3%
Office for Witness Protection	183.5	190.0	193.5	183.4	—	5.0%	196.7	208.9	217.4	5.8%	4.3%
Support Services	461.8	480.1	419.3	456.9	-0.3%	12.0%	481.7	510.8	531.0	5.1%	10.6%
Total	3 554.6	3 742.9	3 799.4	4 031.6	4.3%	100.0%	4 583.9	4 906.0	5 096.2	8.1%	100.0%
Change to 2019 Budget estimate				102.4			369.0	421.7	444.3		
Economic classification											
Current payments	3 502.7	3 698.3	3 750.5	3 978.7	4.3%	98.7%	4 528.0	4 847.2	5 034.5	8.2%	98.8%
Compensation of employees	3 040.0	3 202.8	3 317.2	3 512.0	4.9%	86.4%	3 974.2	4 259.4	4 423.0	8.0%	86.8%
Goods and services ¹	462.7	495.5	433.2	466.7	0.3%	12.3%	553.8	587.8	611.4	9.4%	11.9%
of which:											
Computer services	74.4	111.7	62.3	53.7	-10.3%	2.0%	68.2	71.4	73.7	11.1%	1.4%
Consultants: Business and advisory services	7.6	4.7	2.6	6.9	-3.1%	0.1%	42.3	46.7	49.0	92.3%	0.8%
Legal services	12.9	34.3	29.3	50.2	57.3%	0.8%	41.5	46.8	48.6	-1.1%	1.0%
Property payments	63.7	72.5	72.9	95.9	14.6%	2.0%	93.3	97.9	101.1	1.8%	2.1%
Travel and subsistence	69.4	63.9	63.9	58.6	-5.5%	1.7%	72.2	75.7	78.2	10.1%	1.5%
Operating payments	87.4	62.3	47.2	76.0	-4.6%	1.8%	81.9	86.7	90.7	6.1%	1.8%
Transfers and subsidies ¹	18.8	16.4	24.9	18.9	0.2%	0.5%	20.0	21.1	22.0	5.1%	0.4%
Departmental agencies and accounts	8.6	8.9	9.3	10.0	5.3%	0.2%	10.6	11.2	11.6	4.9%	0.2%
Households	10.2	7.5	15.6	8.9	-4.6%	0.3%	9.4	9.9	10.4	5.3%	0.2%
Payments for capital assets	31.9	27.7	19.5	33.9	2.1%	0.7%	36.0	37.7	39.8	5.5%	0.8%
Machinery and equipment	31.9	27.7	19.5	33.9	2.1%	0.7%	36.0	37.7	39.8	5.5%	0.8%
Payments for financial assets	1.2	0.5	4.6	0.0	-88.2%	—	—	—	—	-100.0%	—
Total	3 554.6	3 742.9	3 799.4	4 031.6	4.3%	100.0%	4 583.9	4 906.0	5 096.2	8.1%	100.0%
Proportion of total programme expenditure to vote expenditure	22.2%	22.5%	22.1%	21.5%	—	—	23.1%	23.2%	23.1%	—	—
Details of selected transfers and subsidies											
Households											
Social benefits											
Current	10.1	7.5	15.5	8.8	-4.5%	0.3%	9.4	9.9	10.4	5.5%	0.2%
Employee social benefits	10.1	7.5	15.5	8.8	-4.5%	0.3%	9.4	9.9	10.4	5.5%	0.2%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	8.6	8.9	9.3	10.0	5.3%	0.2%	10.6	11.2	11.6	4.9%	0.2%
Safety and Security Sector	8.6	8.9	9.3	10.0	5.3%	0.2%	10.6	11.2	11.6	4.9%	0.2%
Education and Training Authority											

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

Programme 5: Auxiliary and Associated Services

Programme purpose

Provide a variety of auxiliary services associated with the department's purpose. Fund the interdepartmental justice modernisation programme, the President's Fund, and transfer payments to public entities and constitutional institutions.

Objectives

- Deliver modern, accessible and people-centric justice services for all by:
 - maintaining the number of government departments and entities exchanging information electronically at 9 from 2020/21 to 2022/23
 - increasing the number of branches/sites/service centres of government departments and entities where person verification services are deployed, from 280 in 2019/20 to 560 in 2021/22.

Subprogrammes

- *Legal Aid South Africa* funds Legal Aid South Africa, which provides legal aid to indigent people and legal representation at the state's expense, as set out in the Constitution.
- *Special Investigating Unit* funds the Special Investigating Unit, which provides professional forensic investigating and litigation services to all state institutions at the national, provincial and local levels to combat maladministration, corruption and fraud; and protects state assets and public funds.
- *Public Protector of South Africa* funds the Public Protector of South Africa, which investigates any alleged improper conduct in state affairs, public administration or any sphere of government, as well as any conduct that results in impropriety or prejudice.
- *South African Human Rights Commission* funds the South African Human Rights Commission, which promotes and monitors the observance of human rights in South Africa.
- *Justice Modernisation* implements IT infrastructure and networks, and funds the integrated justice system programme, which seeks to re-engineer, automate and integrate business processes across the criminal justice value chain.

Expenditure trends and estimates

Table 25.10 Auxiliary and Associated Services 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Legal Aid South Africa	1 577.2	1 754.4	1 800.9	1 971.0	7.7%	50.5%	2 086.1	2 204.2	2 313.8	5.5%	48.3%
Special Investigating Unit	316.7	346.2	357.1	363.0	4.7%	9.8%	452.9	478.9	503.3	11.5%	10.1%
Public Protector of South Africa	264.1	316.1	326.6	321.4	6.8%	8.7%	339.1	357.8	374.9	5.3%	7.9%
South African Human Rights Commission	153.5	173.4	178.8	190.0	7.4%	4.9%	200.1	211.1	221.2	5.2%	4.6%
Justice Modernisation	826.4	810.7	759.6	1 264.1	15.2%	26.0%	1 229.8	1 301.2	1 353.5	2.3%	29.0%
Total	3 137.9	3 400.7	3 423.0	4 109.6	9.4%	100.0%	4 308.0	4 553.2	4 766.8	5.1%	100.0%
Change to 2019				0.8			(30.0)	(23.2)	(18.1)		
Budget estimate											
Economic classification											
Current payments	647.7	701.4	737.8	1 244.4	24.3%	23.7%	1 195.8	1 265.3	1 314.3	1.8%	28.3%
Goods and services ¹	647.7	701.4	737.8	1 244.4	24.3%	23.7%	1 195.8	1 265.3	1 314.3	1.8%	28.3%
of which:											
Minor assets	2.4	0.1	0.3	5.5	32.8%	0.1%	5.8	6.2	6.4	4.8%	0.1%
Computer services	611.2	634.8	639.8	1 108.9	22.0%	21.3%	1 053.1	1 114.7	1 158.1	1.5%	25.0%
Consultants: Business and advisory services	10.1	3.1	0.9	4.2	-25.6%	0.1%	4.4	4.6	4.8	4.9%	0.1%
Agency and support/outsourced services	9.0	52.1	95.4	121.9	138.4%	2.0%	128.4	135.4	140.5	4.8%	3.0%
Consumables: Stationery, printing and office supplies	8.9	2.6	0.7	1.7	-42.2%	0.1%	1.9	2.1	2.2	8.5%	–
Training and development	0.1	0.2	0.0	0.8	137.1%	–	0.9	0.9	1.0	4.9%	–
Transfers and subsidies¹	2 311.5	2 590.0	2 663.4	2 845.4	7.2%	74.0%	3 078.2	3 252.0	3 413.3	6.3%	71.0%
Departmental agencies and accounts	2 311.5	2 590.0	2 663.4	2 845.4	7.2%	74.0%	3 078.2	3 252.0	3 413.3	6.3%	71.0%
Payments for capital assets	178.7	109.3	21.9	19.8	-52.0%	2.3%	34.0	35.9	39.2	25.7%	0.7%
Machinery and equipment	178.7	94.8	21.9	19.8	-52.0%	2.2%	34.0	35.9	39.2	25.7%	0.7%
Software and other intangible assets	–	14.5	–	–	–	0.1%	–	–	–	–	–
Total	3 137.9	3 400.7	3 423.0	4 109.6	9.4%	100.0%	4 308.0	4 553.2	4 766.8	5.1%	100.0%
Proportion of total programme expenditure to vote expenditure	19.6%	20.5%	19.9%	21.9%	–	–	21.7%	21.5%	21.6%	–	–

Table 25.10 Auxiliary and Associated Services expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	2 311.5	2 590.0	2 663.4	2 845.4	7.2%	74.0%	3 078.2	3 252.0	3 413.3	6.3%	71.0%
Legal Aid South Africa	1 577.2	1 754.4	1 800.9	1 971.0	7.7%	50.5%	2 086.1	2 204.2	2 313.8	5.5%	48.3%
Special Investigating Unit	316.7	346.2	357.1	363.0	4.7%	9.8%	452.9	478.9	503.3	11.5%	10.1%
Public Protector of South Africa	264.1	316.1	326.6	321.4	6.8%	8.7%	339.1	357.8	374.9	5.3%	7.9%
South African Human Rights Commission	153.5	173.4	178.8	190.0	7.4%	4.9%	200.1	211.1	221.2	5.2%	4.6%

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

Entity

Legal Aid South Africa

Selected performance indicators

Table 25.11 Legal Aid South Africa performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Number of new legal matters approved for legal aid per year: – Criminal matters	Legal aid services and special projects	Priority 5: Social cohesion and safe communities	444 962	426 617	416 203	410 290	414 961	419 960	424 478
			385 972 (87%)	371 202 (87%)	362 213 (87%)	356 818 (86%)	357 073 (86%)	360 577 (86%)	364 183 (86%)
			58 990 (13%)	44 415 (13%)	53 990 (13%)	56 818 (14%)	57 954 (14%)	59 113 (14%)	60 295 (14%)
Number of finalised legal matters per year: – Criminal matters	Legal aid services and special projects	Priority 5: Social cohesion and safe communities	445 628	420 0621	410 396	408 198	412 279	416 403	420 566
			390 485 (88%)	364 268 (87%)	357 045 (87%)	358 254 (88%)	361 836 (88%)	365 455 (88%)	369 109 (88%)
			55 140 (12%)	55 794 (17%)	53 351 (13%)	49 446 (12%)	50 443 (12%)	50 948 (12%)	51 457 (12%)
Percentage of annual coverage of legal aid practitioners per district court	Legal aid services and special projects		— ¹	86%	84%	83%	83%	83%	83%
Percentage of annual coverage of legal aid practitioners per regional court	Legal aid services and special projects		— ¹	95%	94%	93%	93%	93%	93%

1. No historical data available.

Entity overview

Legal Aid South Africa was established in terms of section 2 of the Legal Aid South Africa Act (2014) to provide legal aid and legal advice to eligible people at the state's expense. The entity is mandated to ensure access to justice and the realisation of people's right to legal representation, as envisaged in the Constitution. To this end, over the medium term the entity will continue to focus on providing legal aid and representation to people who cannot afford it.

Expenditure is expected to increase at an average annual rate of 5.4 per cent, from R2 billion in 2019/20 to R2.3 billion in 2022/23. Compensation of employees is the main cost driver, spending on which accounts for 81.2 per cent (R5.4 billion) of the entity's total expenditure over the medium term. Revenue is mainly derived from transfers from the department, which are expected to increase at an average annual rate of 5.5 per cent, from R2 billion in 2019/20 to R2.3 billion in 2022/23. The entity has been allocated an additional R75 million over the MTEF period to assist with issuing a greater number of instructions on criminal matters to judicare practitioners.

Programmes/Objectives/Activities**Table 25.12 Legal Aid South Africa 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	352.3	334.7	346.4	334.8	-1.7%	18.9%	390.5	402.1	427.4	8.5%	17.9%
Legal aid services	1 298.7	1 397.8	1 390.0	1 600.3	7.2%	78.2%	1 656.1	1 757.8	1 838.8	4.7%	79.2%
Special projects	48.3	50.4	52.9	55.8	5.0%	2.9%	59.5	63.3	66.7	6.1%	2.8%
Total	1 699.3	1 783.0	1 789.3	1 991.0	5.4%	100.0%	2 106.1	2 223.2	2 332.8	5.4%	100.0%

Statement of historical financial performance**Table 25.13 Legal Aid South Africa statement of historical financial performance**

Statement of financial performance									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Revenue									
Non-tax revenue	114.2	29.3	32.5	25.5	33.0	26.0	20.0	20.0	50.5%
of which:									
Other non-tax revenue	114.2	29.3	32.5	25.5	33.0	26.0	20.0	20.0	50.5%
Transfers received	1 577.2	1 577.2	1 754.4	1 754.6	1 794.3	1 800.9	1 958.4	1 971.0	100.3%
Total revenue	1 691.4	1 606.5	1 786.9	1 780.1	1 827.3	1 826.9	1 978.4	1 991.0	98.9%
Expenses									
Current expenses	1 691.4	1 699.3	1 786.9	1 783.0	1 827.3	1 789.3	1 978.4	1 991.0	99.7%
Compensation of employees	1 363.3	1 331.2	1 444.9	1 369.6	1 508.5	1 420.2	1 616.6	1 605.1	96.5%
Goods and services	296.9	337.7	311.2	385.3	288.1	334.7	331.1	355.2	115.1%
Depreciation	30.8	30.2	30.8	27.9	30.8	34.3	30.7	30.7	100.0%
Interest, dividends and rent on land	0.4	0.2	—	0.2	—	0.2	—	—	155.4%
Total expenses	1 691.4	1 699.3	1 786.9	1 783.0	1 827.3	1 789.3	1 978.4	1 991.0	99.7%
Surplus/(Deficit)	—	(92.8)	—	(2.8)	—	37.6	—	—	

Statement of estimates of financial performance**Table 25.14 Legal Aid South Africa statement of estimates of financial performance**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate							
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Revenue								
Non-tax revenue	20.0	-11.9%	1.4%	20.0	19.0	19.0	-1.7%	0.9%
Other non-tax revenue	20.0	-11.9%	1.4%	20.0	19.0	19.0	-1.7%	0.9%
Transfers received	1 971.0	7.7%	98.6%	2 086.1	2 204.2	2 313.8	5.5%	99.1%
Total revenue	1 991.0	7.4%	100.0%	2 106.1	2 223.2	2 332.8	5.4%	100.0%
Current expenses	1 991.0	5.4%	100.0%	2 106.1	2 223.2	2 332.8	5.4%	100.0%
Compensation of employees	1 605.1	6.4%	78.8%	1 705.4	1 822.3	1 893.6	5.7%	81.2%
Goods and services	355.2	1.7%	19.5%	370.0	370.2	408.4	4.8%	17.4%
Depreciation	30.7	0.5%	1.7%	30.7	30.7	30.8	0.1%	1.4%
Total expenses	1 991.0	5.4%	100.0%	2 106.1	2 223.2	2 332.8	5.4%	100.0%
Surplus/(Deficit)	—			—	—	—		

Personnel information**Table 25.15 Legal Aid South Africa personnel numbers and cost by salary level**

Table 1: Legal Aid South Africa personnel numbers and salary levels																			
Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number		
Salary level	Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost
Legal Aid South Africa			2 557	1 420.2	0.6	2 755	1 605.1	0.6	2 727	1 705.4	0.6	2 727	1 822.3	0.7	2 727	1 893.6	0.7	5.7%	100.0%
1 – 6	1 079	1 079	999	245.6	0.2	1 079	278.6	0.3	1 055	291.9	0.3	1 055	311.9	0.3	1 055	326.2	0.3	5.4%	38.8%
7 – 10	801	801	740	346.5	0.5	801	393.7	0.5	800	420.6	0.5	800	449.5	0.6	800	469.8	0.6	6.1%	29.3%
11 – 12	565	565	527	533.0	1.0	565	601.7	1.1	563	641.1	1.1	563	685.0	1.2	563	706.9	1.3	5.5%	20.6%
13 – 16	310	310	291	295.1	1.0	310	331.1	1.1	309	351.8	1.1	309	375.9	1.2	309	390.8	1.3	5.7%	11.3%

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 **Public Protector of South Africa** is mandated to strengthen constitutional democracy by investigating any conduct in state affairs, or in the public administration in any sphere of government, that is alleged or suspected to be improper or to result in any impropriety or prejudice; to report on that conduct; and to take appropriate remedial action. The institution's total budget for 2020/21 is R341.8 million.
- The **South African Human Rights Commission** is an independent statutory body established to support constitutional democracy by promoting, protecting and monitoring matters relating to human rights. The commission's total budget for 2020/21 is R204.6 million.
- The **Special Investigating Unit** investigates and litigates on serious malpractice, maladministration and corruption in connection with the administration of state institutions. The unit is also empowered to institute and conduct civil proceedings in any court of law or special tribunal in its own name or on behalf of other state institutions. Its total budget for 2020/21 is R820.4 million.

Vote 26

Military Veterans

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	138.5	134.6	–	3.9	142.3	146.7
Socioeconomic Support	401.4	141.3	256.4	3.7	420.0	436.8
Empowerment and Stakeholder Management	143.1	129.6	4.5	9.1	148.7	151.4
Total expenditure estimates	683.1	405.5	260.9	16.7	711.0	735.0
Executive authority	Minister of Defence and Military Veterans					
Accounting officer	Director-General of Military Veterans					
Website	www.dmv.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Formulate policies and standards aimed at providing a comprehensive delivery system to military veterans and their dependants in recognition of their role in the democratisation of South Africa.

Mandate

The Department of Military Veterans derives its mandate from the Military Veterans Act (2011), which requires the department to provide national policy and standards on socioeconomic support to military veterans and their dependants, including benefits and entitlements to help realise a dignified, unified, empowered and self-sufficient community of military veterans.

Selected performance indicators

Table 26.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of military veterans provided with newly built houses per year	Socioeconomic Support	Priority 5: Social cohesion and safe communities	168	270	417	400	710	710	710
Number of bursaries provided to military veterans and their dependants per year	Socioeconomic Support	Priority 2: Education, skills and health	7 146	7 702	11 326	7 466	7 400	7 400	7 400
Total number of military veterans with access to health care services	Socioeconomic Support		15 740	16 673	17 197	18 000	19 000	20 000	21 000
Number of military veterans memorial sites erected per year	Empowerment and Stakeholder Management	Priority 5: Social cohesion and safe communities	2	0	0	3	3	3	3

Expenditure analysis

In acknowledging the role military veterans played in the creation of a democratic South Africa, the Department of Military Veterans contributes to the realisation of the National Development Plan's vision of a capable and ethical developmental state that treats its citizens with dignity. Over the medium term, the department will focus on continuing to deliver key benefits such as housing, education, training, skills development and access to health care to military veterans and their dependants; and implementing initiatives to improve the delivery of the services it provides. These activities support priority 2 (education, skills and health) and priority 5 (social cohesion and safe communities) of government's 2019-2024 medium-term strategic framework.

Delivering key benefits

To improve quality of life for military veterans and their dependants, almost 80 per cent (R1.7 billion) of the department's budget is allocated for the delivery of key benefits. To give effect to the recognition that the provision of adequate housing is central to upholding human dignity, the department expects to deliver 2 130 newly built houses to military veterans and their families at a projected cost of R161.4 million over the medium term in the *Socioeconomic Support* programme.

The department's commitment to social upliftment through education is underscored by its commitment to providing 7 400 bursaries per year over the MTEF period to military veterans and their dependants at a projected cost of R465 million in the *Socioeconomic Support* programme. It will also provide training and skills development programmes (such as driver training, short courses and hard skills through accredited service providers) to a targeted 16 500 military veterans and their dependants at an estimated cost of R148.8 million over the MTEF period, in the *Empowerment and Stakeholder Management* programme.

To enhance quality of life for military veterans, the department subsidises health care in full. Over the previous MTEF period, the department focused on conducting campaigns to increase awareness among eligible beneficiaries on the benefits available to them. As a result, the number of military veterans with access to health care services is set to increase from 18 000 in 2019/20 to 21 000 in 2022/23, leading to an increase in spending of 8.5 per cent, from R96.1 million in 2019/20 to R122.7 million in 2022/23, in the *Health Care and Wellbeing Support* subprogramme in the *Socioeconomic Support* programme.

Improving service delivery

The department plans to create an automated database of military veterans and implement a benefit management system to streamline its delivery of benefits, and improve the credibility, integrity and security of the register of military veterans. The creation of the database and implementation of the system are expected to result in expenditure of R57 million in the *Database and Benefits Management* subprogramme in the *Socioeconomic Support* programme.

Over the MTEF period, the department also expects to finalise and implement its education, transport, compensation and pension policies. These have been developed to align with existing policies in other government departments, provinces and municipalities in order to strengthen intergovernmental relations and increase access to services for military veterans and their dependants throughout the country, particularly in rural areas. The finalisation and implementation of these policies are expected to regularise and facilitate the rollout of these benefits, as provided for in the Military Veterans Act (2011). To complete this work, a projected R68.9 million has been allocated in the *Strategic Planning, Policy Development and Monitoring and Evaluation* subprogramme in the *Administration* programme.

Expenditure trends and estimates

Table 26.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Socioeconomic Support											
3. Empowerment and Stakeholder Management											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Programme 1	159.2	140.5	138.1	141.1	-4.0%	25.2%	138.5	142.3	146.7	1.3%	20.4%
Programme 2	243.9	356.4	334.7	365.4	14.4%	56.5%	401.4	420.0	436.8	6.1%	58.4%
Programme 3	101.5	104.5	69.2	146.1	12.9%	18.3%	143.1	148.7	151.4	1.2%	21.2%
Total	504.6	601.5	542.0	652.6	8.9%	100.0%	683.1	711.0	735.0	4.0%	100.0%
Change to 2019				(10.0)			(18.7)	(32.8)	(37.3)		
Budget estimate											

Table 26.2 Vote expenditure trends and estimates by programme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
Audited outcome			2019/20				2016/17 - 2019/20	2020/21	2021/22			2022/23
R million	2016/17	2017/18										
Current payments	327.0	316.5	336.4	391.5	6.2%	59.6%	405.5	423.6	436.0	3.7%	59.6%	
Compensation of employees	108.5	116.2	123.8	131.5	6.6%	20.9%	140.6	149.7	156.2	5.9%	20.8%	
Goods and services ¹	218.5	200.2	212.6	259.9	6.0%	38.7%	264.9	273.9	279.8	2.5%	38.8%	
of which:												
Communication	3.0	5.8	5.4	3.3	3.0%	0.8%	11.7	12.4	12.9	58.1%	1.4%	
Consultants: Business and advisory services	1.2	0.9	1.2	4.4	53.0%	0.3%	10.1	10.7	11.1	36.1%	1.3%	
Contractors	61.5	55.9	107.6	78.1	8.3%	13.2%	89.8	90.8	94.6	6.6%	12.7%	
Travel and subsistence	41.2	43.5	34.3	56.1	10.8%	7.6%	54.3	54.9	55.6	-0.3%	7.9%	
Training and development	24.7	22.4	6.8	30.0	6.7%	3.6%	26.0	27.6	26.8	-3.7%	4.0%	
Venues and facilities	1.8	7.1	1.7	7.0	56.9%	0.8%	11.9	12.6	13.0	22.8%	1.6%	
Transfers and subsidies ¹	166.1	278.3	203.1	240.7	13.2%	38.6%	260.9	275.2	286.1	5.9%	38.2%	
Households	166.1	278.3	203.1	240.7	13.2%	38.6%	260.9	275.2	286.1	5.9%	38.2%	
Payments for capital assets	11.5	6.7	2.5	20.4	20.8%	1.8%	16.7	12.1	12.8	-14.3%	2.2%	
Buildings and other fixed structures	—	—	—	2.0	0.0%	0.1%	—	—	—	-100.0%	0.1%	
Machinery and equipment	7.3	6.7	2.5	12.2	19.0%	1.2%	8.9	9.2	9.8	-7.2%	1.4%	
Heritage assets	4.3	—	—	5.0	5.3%	0.4%	5.0	—	—	-100.0%	0.4%	
Software and other intangible assets	—	—	—	1.1	0.0%	0.0%	2.8	2.9	3.0	39.6%	0.4%	
Total	504.6	601.5	542.0	652.6	8.9%	100.0%	683.1	711.0	735.0	4.0%	100.0%	

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

Transfers and subsidies expenditure trends and estimates

Table 26.3 Vote transfers and subsidies trends and estimates

					Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Adjusted appropriation			Medium-term expenditure estimate				
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Households											
Social benefits											
Current	166 109	272 663	203 064	240 736	13.2%	99.4%	260 880	275 228	286 100	5.9%	100.0%
Households	29	205	276	—	-100.0%	0.1%	—	—	—	—	—
Military veterans' benefits	166 080	272 458	202 788	240 736	13.2%	99.3%	260 880	275 228	286 100	5.9%	100.0%
Households											
Other transfers to households											
Current	—	5 648	—	—	—	0.6%	—	—	—	—	—
Military veterans' benefits	—	5 648	—	—	—	0.6%	—	—	—	—	—
Total	166 109	278 311	203 064	240 736	13.2%	100.0%	260 880	275 228	286 100	5.9%	100.0%

Personnel information

Table 26.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																					
1. Administration																					
2. Socioeconomic Support																					
3. Empowerment and Stakeholder Management																					
Number of posts estimated for 31 March 2020			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 (%)					
			2018/19			2019/20			2020/21		2021/22		2022/23								
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost							
Military Veterans			169	81	139	123.8	0.9	174	131.5	0.8	177	140.6	0.8	176	149.7	0.9	169	156.2	0.9	-1.0%	100.0%
Salary level	169	81	139	123.8	0.9	174	131.5	0.8	177	140.6	0.8	176	149.7	0.9	169	156.2	0.9	-1.0%	100.0%		
1 – 6	30	25	19	5.9	0.3	27	10.6	0.4	32	12.2	0.4	33	13.4	0.4	28	13.4	0.5	1.2%	17.2%		
7 – 10	61	28	51	21.9	0.4	77	44.6	0.6	76	46.8	0.6	75	49.2	0.7	74	51.4	0.7	-1.3%	43.4%		
11 – 12	48	23	43	48.7	1.1	47	41.2	0.9	44	40.9	0.9	43	43.9	1.0	42	45.5	1.1	-3.7%	25.3%		
13 – 16	30	5	26	47.4	1.8	23	35.1	1.5	25	40.7	1.6	25	43.2	1.7	25	45.9	1.8	2.8%	14.1%		
Programme	169	81	139	123.8	0.9	174	131.5	0.8	177	140.6	0.8	176	149.7	0.9	169	156.2	0.9	-1.0%	100.0%		
Programme 1	102	63	87	72.3	0.8	61	47.0	0.8	64	50.1	0.8	62	53.4	0.9	59	55.8	0.9	-1.1%	35.3%		
Programme 2	21	11	19	21.8	1.1	63	43.7	0.7	63	46.8	0.7	64	49.8	0.8	63	52.0	0.8	–	36.4%		
Programme 3	46	7	33	29.7	0.9	50	40.8	0.8	50	43.6	0.9	50	46.5	0.9	47	48.5	1.0	-2.0%	28.3%		

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

2. Rand million.

Departmental receipts

Table 26.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
R thousand				2019/20		2016/17 - 2019/20					2019/20 - 2022/23	
Departmental receipts	330	2 758	53	334	334	0.4%	100.0%	357	380	405	6.6%	100.0%
Sales of goods and services produced by department	28	32	36	34	34	6.7%	3.7%	37	40	45	9.8%	10.6%
Other sales	28	32	36	34	34	6.7%	3.7%	37	40	45	9.8%	10.6%
of which:												
Other	28	32	36	34	34	6.7%	3.7%	37	40	45	9.8%	10.6%
Transactions in financial assets and liabilities	302	2 726	17	300	300	-0.2%	96.3%	320	340	360	6.3%	89.4%
Total	330	2 758	53	334	334	0.4%	100.0%	357	380	405	6.6%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 26.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million				2019/20	2016/17 - 2019/20					2019/20 - 2022/23	
Management	10.2	10.9	12.5	12.1	6.0%	7.9%	7.5	8.0	8.4	-11.6%	6.3%
Corporate Services	94.3	81.4	71.4	66.2	-11.1%	54.1%	62.3	66.0	68.5	1.2%	46.3%
Financial Administration	22.3	18.9	22.2	14.5	-13.2%	13.5%	18.2	19.3	20.1	11.5%	12.7%
Internal Audit	10.6	10.0	8.1	10.9	1.0%	6.8%	11.4	12.1	12.6	5.2%	8.3%
Strategic Planning, Policy Development and Monitoring and Evaluation	9.4	8.3	10.3	19.9	28.5%	8.3%	21.8	23.1	24.0	6.5%	15.6%
Office Accommodation	12.5	11.1	13.6	17.4	11.6%	9.4%	17.2	13.8	13.0	-9.3%	10.8%
Total	159.2	140.5	138.1	141.1	-4.0%	100.0%	138.5	142.3	146.7	1.3%	100.0%
Change to 2019				5.0			(6.3)	(11.0)	(12.4)		
Budget estimate											
Economic classification											
Current payments	152.7	134.2	135.4	133.2	-4.5%	96.0%	134.6	138.2	142.3	2.2%	96.4%
Compensation of employees	65.1	69.8	72.3	47.0	-10.3%	43.9%	50.1	53.4	55.8	5.9%	36.3%
Goods and services ¹	87.6	64.4	63.2	86.1	-0.6%	52.1%	84.5	84.8	86.5	0.1%	60.1%
of which:											
Audit costs: External	6.0	6.3	5.8	6.6	3.6%	4.3%	5.3	5.6	5.8	-4.5%	4.1%
Communication	3.0	5.8	5.4	3.2	2.7%	3.0%	11.6	12.3	12.7	58.1%	7.0%
Consultants: Business and advisory services	1.2	0.9	1.2	3.3	39.3%	1.2%	9.4	9.9	10.3	45.9%	5.8%
Contractors	0.0	0.1	0.0	3.0	430.9%	0.5%	5.4	5.7	5.9	25.2%	3.5%
Operating leases	16.8	15.5	16.8	19.6	5.2%	11.9%	13.1	9.5	8.5	-24.4%	8.9%
Travel and subsistence	7.0	5.2	6.8	11.2	16.9%	5.2%	8.2	8.6	8.9	-7.2%	6.5%
Transfers and subsidies¹	0.0	0.2	0.3	—	-100.0%	0.1%	—	—	—	—	—
Households	0.0	0.2	0.3	—	-100.0%	0.1%	—	—	—	—	—
Payments for capital assets	6.4	6.1	2.4	7.9	6.9%	3.9%	3.9	4.1	4.4	-17.7%	3.6%
Buildings and other fixed structures	—	—	—	2.0	—	0.3%	—	—	—	-100.0%	0.4%
Machinery and equipment	6.4	6.1	2.4	5.4	-5.9%	3.5%	3.9	4.1	4.4	-6.6%	3.1%
Software and other intangible assets	—	—	—	0.5	—	0.1%	—	—	—	-100.0%	0.1%
Total	159.2	140.5	138.1	141.1	-4.0%	100.0%	138.5	142.3	146.7	1.3%	100.0%
Proportion of total programme expenditure to vote expenditure	31.5%	23.4%	25.5%	21.6%	—	—	20.3%	20.0%	20.0%	—	—

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

Programme 2: Socioeconomic Support

Programme purpose

Develop and monitor the implementation of legislation, policy frameworks and service delivery cooperation agreements on compensation for injury in military service, counselling, education, health care, public transport, pension and housing benefits for military veterans eligible for such support.

Objectives

- Establish an enabling environment to provide socioeconomic support services to military veterans by:
 - maintaining the credibility and security of the national database of military veterans by consolidating data, updating software and updating the personal files of military veterans on an ongoing basis
 - facilitating access to benefits espoused in section 5 of the Military Veterans Act (2011) for eligible military veterans by March 2023.
- Advance the delivery of social services to military veterans and their dependants by developing strategic partnerships with other organs of the state and in broader society, where applicable, to ensure that:
 - 2 130 military veterans are provided with newly built houses over the medium term
 - 21 000 military veterans have access to health care services by March 2023
 - 7 400 eligible military veterans and their dependants throughout the country are provided with ongoing education support each year over the medium term.
- Provide strategic leadership to the socioeconomic sector by conducting ongoing research on pertinent issues affecting military veterans and developing requisite policies; and implementing strategies, guidelines, frameworks, and norms and standards by March 2023.

Subprogrammes

- Database and Benefits Management* establishes systems for the seamless transition of servicemen and servicewomen from active military service to civilian life. This subprogramme also consolidates and ensures the credibility and security of the national database of military veterans, and oversees governance obligations and resources allocated to the unit based on the provisions of the Military Veterans Act (2011).
- Health Care and Wellbeing Support* facilitates the provision of health care services and wellbeing support to military veterans, including initiatives to prevent diseases.
- Socioeconomic Support Management* develops norms and standards for the provision of education, public transport, pension benefits, housing and social relief of distress for military veterans eligible for such support. This subprogramme also establishes strategic partnerships to advance service delivery, tracks delivery by service providers on agreed targets, ensures continual improvement, and reports on service delivery.

Expenditure trends and estimates

Table 26.7 Socioeconomic Support expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/Total (%)
R million											
Database and Benefits Management	6.5	5.5	6.4	14.7	31.5%	2.5%	18.0	19.1	19.9	10.7%	4.4%
Health Care and Wellbeing Support	70.5	66.9	124.7	96.1	10.9%	27.5%	115.2	117.7	122.7	8.5%	27.8%
Socioeconomic Support Management	167.0	283.9	203.6	254.6	15.1%	69.9%	268.2	283.2	294.2	4.9%	67.8%
Total	243.9	356.4	334.7	365.4	14.4%	100.0%	401.4	420.0	436.8	6.1%	100.0%
Change to 2019 Budget estimate				8.6			23.8	21.1	22.6		

Table 26.7 Socioeconomic Support expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	86.9	83.8	138.3	129.9	14.3%	33.7%	141.3	145.5	151.6	5.3%	35.0%
Compensation of employees	18.6	19.1	21.8	43.7	32.9%	7.9%	46.8	49.8	52.0	5.9%	11.8%
Goods and services ¹	68.3	64.7	116.4	86.2	8.0%	25.8%	94.5	95.7	99.6	4.9%	23.2%
of which:											
Catering: Departmental activities	0.2	0.0	0.2	0.5	37.1%	0.1%	1.0	1.0	1.1	28.6%	0.2%
Consultants: Business and advisory services	—	—	—	1.1	—	0.1%	0.7	0.8	0.8	-10.3%	0.2%
Contractors	61.5	55.8	107.6	75.0	6.9%	23.1%	84.5	85.1	88.7	5.7%	20.5%
Travel and subsistence	3.2	4.6	7.5	5.9	22.3%	1.6%	4.7	5.0	5.2	-4.3%	1.3%
Training and development	0.0	—	—	—	-100.0%	—	1.0	1.1	1.1	—	0.2%
Venues and facilities	0.0	0.0	0.0	0.5	136.3%	—	1.0	1.0	1.1	32.9%	0.2%
Transfers and subsidies ¹	156.9	272.4	196.3	232.5	14.0%	66.0%	256.4	270.5	281.2	6.5%	64.1%
Households	156.9	272.4	196.3	232.5	14.0%	66.0%	256.4	270.5	281.2	6.5%	64.1%
Payments for capital assets	0.1	0.2	0.1	3.0	202.9%	0.3%	3.7	3.9	4.1	10.9%	0.9%
Machinery and equipment	0.1	0.2	0.1	2.4	180.4%	0.2%	0.9	1.0	1.0	-24.1%	0.3%
Software and other intangible assets	—	—	—	0.6	—	—	2.8	2.9	3.0	70.0%	0.6%
Total	243.9	356.4	334.7	365.4	14.4%	100.0%	401.4	420.0	436.8	6.1%	100.0%
Proportion of total programme expenditure to vote expenditure	48.3%	59.3%	61.7%	56.0%	—	—	58.8%	59.1%	59.4%	—	—
Details of selected transfers and subsidies											
Households											
Social benefits											
Current	156.9	272.4	196.3	232.5	14.0%	66.0%	256.4	270.5	281.2	6.5%	64.1%
Military veterans' benefits	156.9	272.4	196.3	232.5	14.0%	66.0%	256.4	270.5	281.2	6.5%	64.1%

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

Programme 3: Empowerment and Stakeholder Management

Programme purpose

Manage and facilitate the implementation of military veteran empowerment and stakeholder management programmes.

Objectives

- Ensure the empowerment of deserving military veterans by:
 - continuing to develop and implement a fully functional special-purpose vehicle that will facilitate business opportunities by March 2023
 - forming partnerships with 12 companies in the private sector and other organs of state, and entering into service-level agreements and memorandums of understanding over the medium term
 - monitoring and evaluating the implementation of agreements and memorandums of understanding to ensure that support is provided annually
 - providing 18 000 military veterans with access to relevant training and skills development, and concluding 12 formal agreements with institutions of higher education and training for the provision of skills development over the medium term
 - facilitating the association of military veterans with the international community through the establishment of relevant exchange programmes by March 2023
 - facilitating the integration of military veterans into the national workforce on an ongoing basis.
- Honour and memorialise military veterans who played a meaningful role in the liberation of the country by ensuring that 3 memorial sites for military veterans are erected each year over the medium term.

Subprogrammes

- *Provincial Offices and Stakeholder Relations* facilitates and coordinates military veteran stakeholder institutions and provides administrative support to secure stakeholders from public and private institutions willing to contribute towards the wellbeing of military veterans.
- *Empowerment and Skills Development* provides skills programmes and related activities to ensure that military veterans contribute positively to mainstream economic activities.
- *Heritage, Memorials, Burials and Honours* provides services to honour the contributions made by military veterans in the struggle for democracy; and ensures that their memorials are adequately secured, articulated in a dignified manner and captured in historical texts.

Expenditure trends and estimates

Table 26.8 Empowerment and Stakeholder 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 (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/Total (%)
R million											
Provincial Offices and Stakeholder Relations	32.3	34.3	36.0	63.4	25.2%	39.4%	64.5	71.5	74.4	5.5%	46.4%
Empowerment and Skills Development	34.3	42.3	18.7	49.0	12.7%	34.2%	51.9	49.1	47.8	-0.8%	33.6%
Heritage, Memorials, Burials and Honours	34.9	27.9	14.6	33.7	-1.2%	26.4%	26.8	28.1	29.3	-4.6%	20.0%
Total	101.5	104.5	69.2	146.1	12.9%	100.0%	143.1	148.7	151.4	1.2%	100.0%
Change to 2019 Budget estimate				(23.6)			(36.2)	(42.9)	(47.4)		
Economic classification											
Current payments	87.3	98.5	62.7	128.4	13.7%	89.4%	129.6	139.9	142.1	3.4%	91.6%
Compensation of employees	24.8	27.4	29.7	40.8	18.1%	29.1%	43.6	46.5	48.5	5.9%	30.4%
Goods and services ¹	62.5	71.1	33.0	87.6	11.9%	60.3%	86.0	93.4	93.7	2.3%	61.2%
of which:											
Minor assets	0.2	0.0	0.2	1.5	96.5%	0.5%	4.3	4.5	4.7	44.9%	2.5%
Catering: Departmental activities	1.0	0.3	0.3	1.8	20.7%	0.8%	4.1	4.3	4.5	35.5%	2.5%
Agency and support/outsource services	0.7	4.2	2.2	5.2	92.1%	2.9%	0.2	5.2	5.4	1.0%	2.7%
Travel and subsistence	31.0	33.7	20.1	39.1	8.0%	29.4%	41.5	41.4	41.5	2.0%	27.7%
Training and development	23.3	21.9	6.2	29.0	7.5%	19.1%	20.9	22.1	21.2	-10.0%	15.8%
Venues and facilities	1.4	7.0	1.5	5.1	52.8%	3.6%	8.1	8.6	8.9	20.3%	5.2%
Transfers and subsidies¹	9.2	5.7	6.5	8.3	-3.6%	7.0%	4.5	4.7	4.9	-15.7%	3.8%
Households	9.2	5.7	6.5	8.3	-3.6%	7.0%	4.5	4.7	4.9	-15.7%	3.8%
Payments for capital assets	5.0	0.3	0.1	9.5	23.9%	3.5%	9.1	4.1	4.3	-22.9%	4.6%
Machinery and equipment	0.7	0.3	0.1	4.5	85.9%	1.3%	4.1	4.1	4.3	-0.9%	2.9%
Heritage assets	4.3	—	—	5.0	5.3%	2.2%	5.0	—	—	-100.0%	1.7%
Payments for financial assets	—	—	0.0	—	—	—	—	—	—	—	—
Total	101.5	104.5	69.2	146.1	12.9%	100.0%	143.1	148.7	151.4	1.2%	100.0%
Proportion of total programme expenditure to vote expenditure	20.1%	17.4%	12.8%	22.4%	—	—	21.0%	20.9%	20.6%	—	—
Details of selected transfers and subsidies											
Households											
Social benefits											
Current	9.2	0.1	6.5	8.3	-3.6%	5.7%	4.5	4.7	4.9	-15.7%	3.8%
Military veterans' benefits	9.2	0.1	6.5	8.3	-3.6%	5.7%	4.5	4.7	4.9	-15.7%	3.8%
Households											
Other transfers to households											
Current	—	5.6	—	—	—	1.3%	—	—	—	—	—
Military veterans' benefits	—	5.6	—	—	—	1.3%	—	—	—	—	—

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

Vote 27

Office of the Chief Justice and Judicial Administration

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	235.9	226.9	–	9.0	249.8	260.7
Superior Court Services	948.6	848.0	1.4	99.2	1 006.5	1 056.4
Judicial Education and Support	75.3	73.3	–	1.9	79.6	81.2
Subtotal	1 259.8	1 148.2	1.4	110.2	1 335.9	1 398.3
Direct charge against the National Revenue Fund						
Judges' salaries	1 190.9	1 064.2	126.7	–	1 268.7	1 318.9
Total expenditure estimates	2 450.8	2 212.4	128.1	110.2	2 604.6	2 717.3

Executive authority Minister of Justice and Correctional Services
 Accounting officer Secretary-General of the Office of the Chief Justice
 Website www.judiciary.org.za

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Strengthen judicial governance and independence by rendering effective support to the Chief Justice in executing administrative and judicial powers and duties as both head of the Judiciary and the Constitutional Court.

Mandate

The Office of the Chief Justice and Judicial Administration derives its mandate of providing effective administrative and technical support to the Chief Justice as the head of the Judiciary and the Constitutional Court from section 165 (6) of the Constitution, read together with the Superior Courts Act (2013). The mandate has the following supplementary functions: provide and coordinate legal and administrative support to the Chief Justice; provide communication and relationship management services; provide intergovernmental and internal coordination services; develop administration policies for courts; support the development of judicial policy, norms and standards; support the judicial function of the Constitutional Court; and support the Judicial Service Commission and South African Judicial Education Institute in the execution of their mandates.

Selected performance indicators

Table 27.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage of default judgments finalised by registrars within 14 days	Superior Court Services	Priority 5: Social cohesion and safe communities	– ¹	– ¹	– ¹	– ¹	70%	72%	74%
Percentage of taxations of legal bills of costs finalised within 60 days from date of being set down	Superior Court Services		– ¹	– ¹	– ¹	– ¹	70%	75%	80%

Table 27.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage of warrants of release (J1) delivered within 1 day of the release issued	Superior Court Services	Priority 5: Social cohesion and safe communities	88% (79/90)	98% (109/111)	98% (79/81)	98%	100%	100%	100%
Number of judicial education courses conducted per year	Judicial Education and Support		90	91	142	80	100	105	110

1. No historical data available.

Expenditure analysis

The Office of the Chief Justice and Judicial Administration provides support to the Judiciary to ensure it remains independent, accessible and effective in promoting accountability and fighting corruption. This is in line with the National Development Plan's vision of promoting accountability and the rule of law, and priority 5 (social cohesion and safe communities) of government's 2019-2024 medium-term strategic framework. To give expression to these guiding policies over the medium term, the department will focus on broadening access to justice, increasing efficiencies in court administration, and ensuring judicial accountability.

An estimated 38.9 per cent (R3 billion) of the department's total budget of R7.8 billion over the MTEF period is earmarked for spending in the *Superior Court Services* programme, which houses the *High Courts* subprogramme. Spending in this subprogramme alone is expected to account for 30.7 per cent (R2.4 billion) of the department's total projected expenditure. Due to the labour-intensive nature of the department's work, an estimated 69.9 per cent (R2.1 billion) of the budget in this programme is earmarked for spending on compensation of employees, increasing from R624.8 million in 2019/20 to R743.4 million in 2022/23. Total expenditure on compensation of employees accounts for an estimated 76.5 per cent (R5.9 billion) of the department's budget over the MTEF period, increasing from R1.8 billion in 2019/20 to R2.1 billion in 2022/23 at an average annual rate of 5.9 per cent.

Broadening access to justice

The official opening of the Mpumalanga High Court in 2019/20 marked a significant achievement in fulfilling government's democratic commitment to providing access to justice for all. The department will ensure that the court is fully operationalised over the MTEF period to provide access to quality Justice services to citizens of Mpumalanga at a projected cost of R136.2 million in the *Superior Court Services* programme.

Increasing efficiencies in court administration

There is a crucial need to improve data management at superior courts. Recognising that modernising processes and infrastructure at these institutions is key to ensuring their effective administration, expenditure in the *Corporate Services* subprogramme in the *Administration* programme is expected to increase from R121 million in 2019/20 to R134.2 million in 2022/23. This will provide for the implementation of an electronic filing system that will allow cases and evidence to be accessed more easily, and cloud-based software that enables evidence to be digitised in court to streamline court proceedings. Implementing these systems forms part of the broader implementation of the integrated criminal justice strategy, led by the Department of Justice and Constitutional Development.

By modernising systems and processes at superior courts to reduce inefficiencies in court administration, the department aims to increase its capacity to make Superior Court Services more widely available, as well as improve their quality. As a result of this anticipated greater efficiency, the department is targeting an increase in: the percentage of default judgements finalised within 14 days from 70 per cent in 2020/21 to 74 per cent in 2022/23; the percentage of taxations of legal costs finalised within 60 days from 70 per cent in 2020/21 to 80 per cent in 2022/23; and the percentage of warrants of release delivered within 1 day of release issued from 98 per cent in 2019/20 to 100 per cent in 2022/23.

Ensuring judicial accountability

The efficiencies gained through the modernisation and digitisation of systems at superior courts is also expected to improve the quality of the department's reporting on performance information by simplifying the monitoring and evaluation of norms and standards. The department supports the Chief Justice in monitoring and reporting on the implementation of norms and standards for the performance of judicial functions, whereas the Judiciary reports on court performance. These activities are carried out in the *Superior Court Services* programme.

The department further ensures judicial accountability by administering a record of judges' registrable interests, as informed by section 13 of the Judicial Service Commission Act (1994). Expenditure for this work is in the *Judicial Policy, Research and Support* subprogramme, which has a budget of R52.5 million over the MTEF period in the *Judicial Education and Support* programme.

Expenditure trends and estimates

Table 27.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Superior Court Services											
3. Judicial Education and Support											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23		
Programme 1	139.1	167.7	222.1	209.2	14.6%	9.0%	235.9	249.8	260.7	7.6%	9.5%
Programme 2	675.6	748.2	801.5	907.1	10.3%	38.2%	948.6	1 006.5	1 056.4	5.2%	38.9%
Programme 3	40.9	81.6	68.4	81.4	25.8%	3.3%	75.3	79.6	81.2	-0.1%	3.2%
Subtotal	855.6	997.5	1 092.0	1 197.7	11.9%	50.6%	1 259.8	1 335.9	1 398.3	5.3%	51.6%
Direct charge against the National Revenue Fund	930.7	998.4	1 022.2	1 098.5	5.7%	49.4%	1 190.9	1 268.7	1 318.9	6.3%	48.4%
Judges' salaries	930.7	998.4	1 022.2	1 098.5	5.7%	49.4%	1 190.9	1 268.7	1 318.9	6.3%	48.4%
Total	1 786.3	1 995.9	2 114.2	2 296.2	8.7%	100.0%	2 450.8	2 604.6	2 717.3	5.8%	100.0%
Change to 2019				–			(12.0)	(12.2)	1.1		
Budget estimate											
Economic classification											
Current payments	1 636.8	1 795.0	1 885.4	2 094.7	8.6%	90.5%	2 212.4	2 353.2	2 454.3	5.4%	90.5%
Compensation of employees	1 418.6	1 519.0	1 619.2	1 755.4	7.4%	77.0%	1 871.5	1 993.6	2 081.9	5.9%	76.5%
Goods and services ¹	218.1	276.0	266.3	339.3	15.9%	13.4%	340.9	359.6	372.4	3.2%	14.0%
of which:											
Communication	12.9	17.5	15.3	19.3	14.5%	0.8%	20.4	21.6	22.3	5.0%	0.8%
Computer services	32.4	46.3	32.9	61.7	24.0%	2.1%	59.3	62.5	64.8	1.6%	2.5%
Consultants: Business and advisory services	12.5	12.4	7.8	11.9	-1.5%	0.5%	13.3	14.1	14.6	7.0%	0.5%
Fleet services (including government motor transport)	21.3	25.0	26.5	26.4	7.3%	1.2%	28.9	30.5	31.6	6.2%	1.2%
Travel and subsistence	84.9	113.6	107.8	120.9	12.5%	5.2%	111.3	117.4	121.5	0.2%	4.7%
Venues and facilities	6.7	10.2	6.3	11.0	18.2%	0.4%	17.2	18.2	18.8	19.6%	0.6%
Interest and rent on land	0.0	0.0	–	–	-100.0%	0.0%	–	–	–	0.0%	0.0%
Transfers and subsidies¹	50.6	76.0	68.3	97.0	24.2%	3.6%	128.1	136.4	142.9	13.8%	5.0%
Provinces and municipalities	0.0	0.0	–	0.0	255.7%	0.0%	0.0	0.0	0.0	-27.7%	0.0%
Departmental agencies and accounts	–	0.0	–	0.0	0.0%	0.0%	0.0	0.0	0.0	10.1%	0.0%
Households	50.6	76.0	68.3	96.9	24.2%	3.6%	128.1	136.4	142.9	13.8%	5.0%
Payments for capital assets	99.0	124.8	160.5	104.5	1.8%	6.0%	110.2	114.9	120.0	4.7%	4.5%
Buildings and other fixed structures	0.1	–	0.0	–	-100.0%	0.0%	–	–	–	0.0%	0.0%
Machinery and equipment	98.9	124.6	123.9	104.2	1.8%	5.5%	110.2	114.9	120.0	4.8%	4.5%
Software and other intangible assets	–	0.2	36.5	0.4	0.0%	0.5%	–	–	–	-100.0%	0.0%
Total	1 786.3	1 995.9	2 114.2	2 296.2	8.7%	100.0%	2 450.8	2 604.6	2 717.3	5.8%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 27.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	–	2	–	3	–	–	4	4	4	10.1%	–
Communication	–	2	–	3	–	–	4	4	4	10.1%	–
Households											
Social benefits											
Current	50 573	76 027	68 313	96 933	24.2%	100.0%	128 118	136 409	142 902	13.8%	100.0%
Employee social benefits	1 568	2 375	2 333	2 483	16.6%	3.0%	1 399	1 453	1 525	-15.0%	1.4%
Judges' salaries	49 005	73 652	65 980	94 450	24.4%	97.0%	126 719	134 956	141 377	14.4%	98.6%
Provinces and municipalities											
Municipal bank accounts											
Current	1	7	–	45	255.7%	–	13	15	17	-27.7%	–
Vehicle licences	1	7	–	45	255.7%	–	13	15	17	-27.7%	–
Total	50 574	76 036	68 313	96 981	24.2%	100.0%	128 135	136 428	142 923	13.8%	100.0%

Personnel information

Table 27.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Superior Court Services																			
3. Judicial Education and Support																			
Number of posts estimated for 31 March 2020			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 (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost
Office of the Chief Justice and Judicial Administration																			
Salary level	1 848	8	2 415	1 619.2	0.7	2 648	1 755.4	0.7	2 682	1 871.5	0.7	2 687	1 993.6	0.7	2 642	2 081.9	0.8	-0.1%	100.0%
1 – 6	972	4	966	249.5	0.3	1 119	252.7	0.2	1 146	271.9	0.2	1 153	290.5	0.3	1 136	304.8	0.3	0.5%	42.7%
7 – 10	753	4	768	299.3	0.4	830	356.1	0.4	840	384.8	0.5	840	412.4	0.5	828	436.1	0.5	-0.1%	31.3%
11 – 12	86	–	87	68.5	0.8	107	91.6	0.9	106	96.4	0.9	103	99.4	1.0	100	102.3	1.0	-2.2%	3.9%
13 – 16	37	–	594	1 001.9	1.7	592	1 055.0	1.8	590	1 118.4	1.9	591	1 191.3	2.0	578	1 238.7	2.1	-0.8%	22.1%
Programme	1 848	8	2 415	1 619.2	0.7	2 648	1 755.4	0.7	2 682	1 871.5	0.7	2 687	1 993.6	0.7	2 642	2 081.9	0.8	-0.1%	100.0%
Programme 1	149	2	158	87.8	0.6	228	100.8	0.4	257	116.3	0.5	258	123.8	0.5	256	130.2	0.5	3.9%	9.4%
Programme 2	1 667	3	1 645	551.8	0.3	1 796	624.8	0.3	1 770	663.5	0.4	1 764	706.8	0.4	1 728	743.4	0.4	-1.3%	66.2%
Programme 3	32	3	55	23.4	0.4	74	25.6	0.3	107	27.5	0.3	116	29.2	0.3	122	30.7	0.3	18.1%	3.9%
Direct charges	–	–	557	956.2	1.7	550	1 004.1	1.8	548	1 064.2	1.9	549	1 133.7	2.1	536	1 177.5	2.2	-0.9%	20.5%

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

Departmental receipts

Table 27.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
R thousand				2019/20		2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental receipts	929	2 754	1 495	2 570	2 570	40.4%	100.0%	2 308	2 355	2 506	-0.8%	100.0%
Sales of goods and services produced by department	673	584	671	522	522	-8.1%	31.6%	564	583	590	4.2%	23.2%
Sales by market establishments	59	58	51	77	77	9.3%	3.2%	80	85	89	4.9%	3.4%
<i>of which:</i>												
<i>Rental dwellings</i>	—	—	5	—	—	—	0.1%	—	—	—	—	—
<i>Rental parking: Covered and open</i>	59	58	46	77	77	9.3%	3.1%	80	85	89	4.9%	3.4%

Table 27.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
Administrative fees	8	3	22	–	–	-100.0%	0.4%	25	27	29	–	0.8%
of which:												
Telecommunication services	8	3	22	–	–	-100.0%	0.4%	25	27	29	–	0.8%
Other sales	606	523	598	445	445	-9.8%	28.0%	459	471	472	2.0%	19.0%
of which:												
Services rendered: Commission on insurance and garnishees	344	375	399	310	310	-3.4%	18.4%	320	324	329	2.0%	13.2%
Services rendered: Photocopies and faxes	176	136	174	120	120	-12.0%	7.8%	130	132	133	3.5%	5.3%
Sales of assets less than R5 000	86	10	13	10	10	-51.2%	1.5%	9	15	10	–	0.5%
Replacement of lost office property	–	2	2	5	5	–	0.1%	–	–	–	-100.0%	0.1%
Sales: Department publications and productions	–	–	10	–	–	–	0.1%	–	–	–	–	–
Sales of scrap, waste, arms and other used current goods	23	6	3	5	5	-39.9%	0.5%	6	6	7	11.9%	0.2%
of which:												
Sales: Scrap	23	6	3	5	5	-39.9%	0.5%	6	6	7	11.9%	0.2%
Transfers received	–	753	–	–	–	–	9.7%	–	–	–	–	–
Fines, penalties and forfeits	50	20	40	9	9	-43.5%	1.5%	–	–	–	-100.0%	0.1%
Interest, dividends and rent on land	21	21	1	–	–	-100.0%	0.6%	1	1	1	–	–
Interest	21	21	1	–	–	-100.0%	0.6%	1	1	1	–	–
Sales of capital assets	–	126	–	12	12	–	1.8%	–	–	–	-100.0%	0.1%
Transactions in financial assets and liabilities	162	1 244	780	2 022	2 022	132.0%	54.3%	1 737	1 765	1 908	-1.9%	76.3%
Total	929	2 754	1 495	2 570	2 570	40.4%	100.0%	2 308	2 355	2 506	-0.8%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 27.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Management	28.5	27.1	31.2	39.4	11.4%	17.1%	52.2	55.4	58.0	13.8%	21.4%
Corporate Services	76.5	98.4	134.3	121.0	16.5%	58.3%	122.1	129.0	134.2	3.5%	53.0%
Financial Administration	20.2	25.7	29.3	31.1	15.6%	14.4%	31.5	33.5	35.2	4.2%	13.8%
Internal Audit	14.0	16.4	16.8	17.6	8.1%	8.8%	19.1	20.2	21.1	6.2%	8.2%
Office Accommodation	–	–	10.5	–	–	1.4%	11.0	11.7	12.1	–	3.6%
Total	139.1	167.7	222.1	209.2	14.6%	100.0%	235.9	249.8	260.7	7.6%	100.0%
Change to 2019				–			8.1	12.3	14.2		
Budget estimate											
Economic classification											
Current payments	133.3	146.9	161.8	199.5	14.4%	86.9%	226.9	240.5	251.1	8.0%	96.1%
Compensation of employees	67.7	74.0	87.8	100.8	14.2%	44.7%	116.3	123.8	130.2	8.9%	49.3%
Goods and services ¹	65.6	72.9	74.0	98.7	14.6%	42.2%	110.6	116.7	120.8	7.0%	46.8%
of which:											
Audit costs: External	5.1	6.3	5.9	5.6	3.2%	3.1%	5.7	6.0	6.2	3.7%	2.5%
Computer services	31.1	43.8	30.6	58.9	23.7%	22.3%	56.9	60.0	62.1	1.8%	24.9%
Operating leases	–	–	10.5	–	–	1.4%	10.1	10.7	11.1	–	3.3%

Table 27.6 Administration expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Travel and subsistence	7.0	7.9	8.4	9.9	12.7%	4.5%	9.8	10.3	10.7	2.5%	4.3%
Training and development	1.3	3.6	3.5	7.0	74.7%	2.1%	6.9	7.3	7.5	2.6%	3.0%
Venues and facilities	0.7	0.1	0.0	0.2	-31.6%	0.1%	6.1	6.4	6.7	204.9%	2.0%
Interest and rent on land	0.0	0.0	–	–	-100.0%	–	–	–	–	–	–
Transfers and subsidies ¹	0.0	0.0	0.2	0.0	-11.7%	–	–	–	–	-100.0%	–
Households	0.0	0.0	0.2	0.0	-11.7%	–	–	–	–	-100.0%	–
Payments for capital assets	5.8	20.8	60.1	9.6	18.4%	13.0%	9.0	9.3	9.6	–	3.9%
Machinery and equipment	5.8	20.8	23.6	9.3	16.9%	8.1%	9.0	9.3	9.6	1.3%	3.9%
Software and other intangible assets	–	–	36.5	0.4	–	5.0%	–	–	–	-100.0%	–
Payments for financial assets	–	0.0	–	–	–	–	–	–	–	–	–
Total	139.1	167.7	222.1	209.2	14.6%	100.0%	235.9	249.8	260.7	7.6%	100.0%
Proportion of total programme expenditure to vote expenditure	16.3%	16.8%	20.3%	17.5%	–	–	18.7%	18.7%	18.6%	–	–

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

Programme 2: Superior Court Services

Programme purpose

Provide court administration services to the superior courts.

Objectives

- Ensure the effective and efficient administration of the superior courts by:
 - increasing the percentage of default judgements finalised within 14 days from 70 per cent in 2020/21 to 74 per cent in 2022/23.
 - increasing the percentage of taxations of legal bills of costs finalised within 60 days from 70 per cent in 2020/21 to 80 per cent in 2022/23.
 - delivering all warrants of release (J1) within 1 day of the release being issued over the medium term.
 - monitoring the court order integrity project, guided by the court order integrity committee, to produce 4 reports per year over the medium term on the work of the committee.
 - monitoring the law reporting project to produce 4 reports per year over the medium term.
 - monitoring the judicial case flow management project to produce 4 reports per year over the medium term.

Subprogrammes

- *Administration of Superior Courts* provides administrative and technical support to the superior courts, monitors the overall performance of the superior courts and enhances judicial stakeholder relations.
- *Constitutional Court* funds the activities and operations of the Constitutional Court, which has jurisdiction over constitutional matters and matters of general public importance. The Constitutional Court has 11 judges, including the Chief Justice.
- *Supreme Court of Appeal* funds the activities and operations of the Supreme Court of Appeal, which adjudicates appeals in any matters arising from the high courts or courts of similar status. The court has 26 judges, including a president and a deputy president.
- *High Courts* funds the activities and operations of the various high court divisions, which have jurisdiction over defined geographical areas. There are 9 divisions of the high court in 16 physical locations, and 239 high court judges. These courts adjudicate and provide resolutions on serious criminal and civil disputes. They also hear appeals and reviews from the lower courts.

- *Specialised Courts* funds the activities and operations of labour and labour appeal courts, the Land Claims Court, the Competition Appeal Court and the Electoral Court. These courts adjudicate various types of matters excluded from the jurisdiction of the various high court divisions and lower courts.

Expenditure trends and estimates

Table 27.7 Superior Court Services expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	Average: Expenditure/ Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/ Total (%)
R million											
Administration of Superior Courts	11.1	11.3	11.2	21.9	25.5%	1.8%	29.1	30.9	34.2	15.9%	3.0%
Constitutional Court	45.2	68.6	55.8	61.8	11.0%	7.4%	61.9	65.5	68.4	3.5%	6.6%
Supreme Court of Appeal	32.4	32.5	34.2	38.2	5.6%	4.4%	40.3	42.5	44.5	5.2%	4.2%
High Courts	542.8	581.2	643.3	716.2	9.7%	79.3%	752.1	796.8	835.1	5.3%	79.1%
Specialised Courts	44.2	54.7	57.2	69.0	16.0%	7.2%	65.2	70.7	74.2	2.4%	7.1%
Total	675.6	748.2	801.5	907.1	10.3%	100.0%	948.6	1 006.5	1 056.4	5.2%	100.0%
Change to 2019 Budget estimate				–			(17.2)	(23.3)	(12.1)		
Economic classification											
Current payments	581.7	654.4	707.9	811.0	11.7%	88.0%	848.0	901.4	944.9	5.2%	89.5%
Compensation of employees	451.8	499.9	551.8	624.8	11.4%	67.9%	663.5	706.8	743.4	6.0%	69.9%
Goods and services ¹	129.9	154.6	156.1	186.1	12.7%	20.0%	184.5	194.6	201.5	2.7%	19.6%
of which:											
Minor assets	6.0	3.0	3.5	7.7	8.6%	0.6%	6.7	7.1	7.4	-1.6%	0.7%
Communication	4.1	15.6	10.6	17.7	62.3%	1.5%	19.1	20.2	20.9	5.8%	2.0%
Consultants: Business and advisory services	7.5	10.3	5.3	8.8	5.5%	1.0%	10.1	10.6	11.0	7.6%	1.0%
Fleet services (including government motor transport)	21.3	21.2	25.7	26.4	7.5%	3.0%	28.9	30.5	31.6	6.2%	3.0%
Consumables: Stationery, printing and office supplies	8.3	8.1	8.9	11.3	10.9%	1.2%	11.4	12.0	12.4	3.0%	1.2%
Travel and subsistence	64.1	73.9	78.3	77.9	6.7%	9.4%	73.9	77.9	80.7	1.2%	7.9%
Interest and rent on land	–	0.0	–	–	–	–	–	–	–	–	–
Transfers and subsidies¹	1.5	2.2	2.1	2.5	19.5%	0.3%	1.4	1.5	1.5	-15.0%	0.2%
Provinces and municipalities	0.0	0.0	–	0.0	255.7%	–	0.0	0.0	0.0	-27.7%	–
Departmental agencies and accounts	–	0.0	–	0.0	–	–	0.0	0.0	0.0	10.1%	–
Households	1.5	2.2	2.1	2.5	18.8%	0.3%	1.4	1.5	1.5	-14.9%	0.2%
Payments for capital assets	92.4	91.5	91.5	93.6	0.4%	11.8%	99.2	103.6	109.9	5.5%	10.4%
Buildings and other fixed structures	0.1	–	0.0	–	-100.0%	–	–	–	–	–	–
Machinery and equipment	92.3	91.5	91.4	93.6	0.4%	11.8%	99.2	103.6	109.9	5.5%	10.4%
Software and other intangible assets	–	0.1	0.1	–	–	–	–	–	–	–	–
Total	675.6	748.2	801.5	907.1	10.3%	100.0%	948.6	1 006.5	1 056.4	5.2%	100.0%
Proportion of total programme expenditure to vote expenditure	79.0%	75.0%	73.4%	75.7%	–	–	75.3%	75.3%	75.5%	–	–

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

Programme 3: Judicial Education and Support

Programme purpose

Provide education programmes to Judicial Officers, support services to the Judicial Service Commission, and policy development and research services to the department and the Judiciary for the optimal administration of justice.

Objectives

- Enhance the judicial skills of serving and aspiring Judicial Officers to perform optimally by increasing the number of judicial education training courses from 100 in 2020/21 to 110 in 2022/23.
- Improve the governance of the Judiciary and the department by producing 2 research monographs for judicial education per year over the medium term.
- Ensure that 4 litigation reports are produced per year over the medium term.

- Produce 3 reports on judicial appointments and complaints per year over the medium term.

Subprogrammes

- South African Judicial Education Institute* funds the activities of the South African Judicial Education Institute to provide continuing judicial education for Judicial Officers and training for aspirant Judicial Officers.
- Judicial Policy, Research and Support* provides advisory opinions on policy development, undertakes research, and offers legal support services to enhance the functioning of the Judiciary.
- Judicial Service Commission* provides secretariat and administrative support services to the Judicial Service Commission so that it can effectively fulfil its constitutional and legislative mandates.

Expenditure trends and estimates

Table 27.8 Judicial Education and Support expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/ Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/ Total (%)
R million											
South African Judicial Education Institute	26.5	41.0	37.7	48.6	22.4%	56.5%	50.6	53.4	53.9	3.5%	65.0%
Judicial Policy, Research and Support	4.5	24.7	23.5	24.9	77.1%	28.5%	16.6	17.6	18.4	-9.7%	24.4%
Judicial Service Commission	9.9	15.9	7.2	7.9	-7.3%	15.0%	8.1	8.6	9.0	4.1%	10.6%
Total	40.9	81.6	68.4	81.4	25.8%	100.0%	75.3	79.6	81.2	-0.1%	100.0%
Change to 2019 Budget estimate				–			(13.0)	(12.2)	(14.0)		
Economic classification	40.1	69.0	59.5	80.1	25.9%	91.3%	73.3	77.6	80.8	0.3%	98.2%
Current payments											
Compensation of employees	17.5	20.5	23.4	25.6	13.7%	31.9%	27.5	29.2	30.7	6.2%	35.6%
Goods and services ¹	22.6	48.5	36.1	54.4	34.0%	59.4%	45.8	48.3	50.1	-2.8%	62.6%
of which:											
Consultants: Business and advisory services	0.3	0.8	1.0	2.1	85.7%	1.5%	2.5	2.6	2.7	8.4%	3.1%
Legal services	0.5	1.3	0.9	4.7	107.7%	2.8%	4.9	5.2	5.4	4.3%	6.4%
Travel and subsistence	13.8	31.9	21.1	33.1	33.7%	36.7%	27.6	29.1	30.1	-3.1%	37.8%
Training and development	0.5	0.8	0.9	1.2	35.7%	1.2%	1.2	1.3	1.3	4.3%	1.6%
Operating payments	0.2	0.7	0.6	1.5	107.1%	1.1%	1.4	1.5	1.5	-0.5%	1.9%
Venues and facilities	4.9	6.0	5.3	7.9	17.2%	8.8%	4.8	5.1	5.3	-12.4%	7.3%
Transfers and subsidies¹	0.1	0.1	0.0	–	-100.0%	0.1%	–	–	–	–	–
Households	0.1	0.1	0.0	–	-100.0%	0.1%	–	–	–	–	–
Payments for capital assets	0.8	12.5	8.9	1.3	21.4%	8.6%	1.9	2.0	0.5	-29.3%	1.8%
Machinery and equipment	0.8	12.4	8.9	1.3	21.4%	8.6%	1.9	2.0	0.5	-29.3%	1.8%
Software and other intangible assets	–	0.1	–	–	–	–	–	–	–	–	–
Payments for financial assets	–	0.1	–	–	–	–	–	–	–	–	–
Total	40.9	81.6	68.4	81.4	25.8%	100.0%	75.3	79.6	81.2	-0.1%	100.0%
Proportion of total programme expenditure to vote expenditure	4.8%	8.2%	6.3%	6.8%	–	–	6.0%	6.0%	5.8%	–	–

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

Vote 28

Police

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	20 912.8	18 913.0	725.2	1 274.5	22 378.3	23 132.6
Visible Policing	52 327.3	50 556.3	479.8	1 291.2	55 705.3	58 130.3
Detective Services	20 624.2	19 756.7	234.7	632.7	21 821.6	22 754.1
Crime Intelligence	4 403.5	4 300.7	46.0	56.8	4 645.2	4 841.0
Protection and Security Services	3 443.3	3 349.3	11.9	82.1	3 658.5	3 825.5
Total expenditure estimates	101 711.0	96 876.1	1 497.7	3 337.3	108 208.8	112 683.6

Executive authority: Minister of Police
 Accounting officer: National Commissioner of the South African Police Service
 Website: www.saps.gov.za

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Prevent, combat and investigate crime; maintain public order; protect and secure the inhabitants of South Africa and their property; and uphold and enforce the law.

Mandate

The South African Police Service derives its powers and functions from section 205 of the Constitution and from the South African Police Service Act (1995). This legislation regulates the police service in terms of its core functions, which are to prevent, investigate and combat crime; maintain public order; protect and secure the inhabitants of South Africa and their property; and uphold and enforce the law.

Selected performance indicators

Table 28.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage reduction in the number of contact crimes reported per year	Visible Policing	Priority 5: Social cohesion and safe communities	– ¹	1.1% (6 716)	+2.6% ² (15 775)	6.7%	6.7%	6.7%	6.7%
Percentage reduction in the number of crimes against women reported per year	Visible Policing		0.03% (56)	+2.7% ² (4 659)	+1.2% ² (2 063)	6.7%	6.7%	6.7%	6.7%
Percentage reduction in the number of crimes against children reported per year	Visible Policing		+8% ² (3 563)	0.7% (392)	+3.9% ² (1 689)	6.7%	6.7%	6.7%	6.7%
Percentage of police stations that have functional community policing forums	Visible Policing		99.39% (1 137/ 1 144)	99.48% (1 140/ 1 146)	99.56% (1 144/ 1 149)	99%	99.56%	99.56%	99.56%
Detection rate for contact crimes per year	Detective Services		52.28% (407 349/ 779 149)	51.12% (391 528/ 765 846)	50.58% (401 222/ 793 213)	55.22%	55.47%	55.77%	56.07%

Table 28.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Detection rate for crimes against women per year	Detective Services	Priority 5: Social cohesion and safe communities	72.86% (150 007/ 205 879)	74.29% (143 638/ 193 346)	73.81% (147 933/ 200 422)	75.10%	75.15%	75.25%	75.35%
Detection rate for crimes against children per year	Detective Services		69.91% (39 629/ 56 684)	69.90% (38 298/ 54 786)	69.19% (40 807/ 58 975)	70.05%	70.10%	70.15%	70.20%
Conviction rate for serious fraud and corruption in the public and private sectors per year	Detective Services		— ¹	— ¹	— ¹	70%	70%	70%	70%
Percentage of registered serious organised crime-related project investigations successfully closed per year	Detective Services		— ¹	— ¹	— ¹	72%	72%	72%	72%
Percentage of original previous conviction reports for formally charged individuals generated within 15 calendar days per year	Detective Services		97.89% (1 178 912/ 1 204 379)	97.92% (1 185 210/ 1 210 422)	98.22% (1 117 190/ 1 137 455)	95%	95%	95%	95%
Percentage of network operations successfully terminated	Crime Intelligence		— ¹	— ¹	35.38% (311/879)	100%	100%	100%	100%
Number of security breaches recorded during the in-transit protection of VIPs and identified VIP residences	Protection and Security Services		0	0	0	0	0	0	0

1. No historical data available.

2. The positive sign (+) before the percentage represents an increase in the number of crimes reported.

Expenditure analysis

Chapter 12 of the National Development Plan outlines a vision to build safer communities through demilitarising and professionalising the police service, and adopting an integrated and holistic approach to safety and security in South Africa. This vision is given expression by priority 5 (social cohesion and safe communities) of government's 2019-2024 medium-term strategic framework, with which the work of the Department of Police is aligned. Accordingly, over the medium term, the department will focus on: strengthening safety in communities through community policing forums; reducing violent crime, specifically those committed against women and children; employing the stabilisation and normalisation approaches to fighting crime; and improving capacity for specialised investigations.

Expenditure is expected to increase at an average annual rate of 5.2 per cent, from R96.7 billion in 2019/20 to R112.7 billion in 2022/23. As policing is labour intensive, spending on compensation of employees accounts for 79.7 per cent (R257.9 billion) of the department's total expenditure over the medium term. The department's budget for compensation of employees was reduced by R2.6 billion over the MTEF period. Of this, R1 billion was due to a technical downward adjustment to align the rate of increase in spending on compensation of employees with the revised rate of inflation.

The remaining R1.6 billion represents estimated savings to be derived from implementing early retirement without penalisation of pension benefits for employees whose applications will be submitted for approval by the Minister of Police in terms of section 16(6) of the Public Service Act (1994). In 2019/20, the department received more than 3 000 applications from staff seeking early retirement. As a result, the department's funded establishment is expected to decrease from 192 412 posts in 2019/20 to 187 433 posts in 2022/23. To provide for pension benefits in line with section 16(6), R500 million is allocated to the department over the medium term for the payment of costs related to early retirement such as capped leave of more than 160 days and the medical subsidy.

Excluding the reductions on compensation of employees, Cabinet has approved further baseline reductions on the department's budget amounting to R2.9 billion over the medium term. These reductions will mainly be on goods and services to align the department's budget with government's overall expenditure ceiling. To minimise the effect on service delivery, some of these reductions will be on non-core goods and services items such as communications, minor assets and consumables such as stationery and office supplies. In addition, R2.8 billion has been reprioritised over the MTEF period from funds previously allocated to the department for the implementation of the criminal justice system seven-point plan. These funds have been shifted to other departments in the justice, crime prevention and security cluster, and will form part of implementing the broader integrated criminal justice strategy.

Strengthening safety in communities

The safe cities framework, which will be finalised in 2020/21, provides an overarching strategy for adopting a collaborative approach to strengthening safety and security in South Africa. The department has recognised that functioning community policing forums are central to the successful implementation of the framework. This is because these forums provide a critical interface between the police at the local level and the communities they serve. By the end of 2018/19, there were 1 144 out of 1 149 (99.56 per cent) functioning community policing forums across South Africa. Over the medium term, the department will ensure that at least 99.56 per cent of all community policing forums remain functioning to facilitate the successful implementation of the safe cities framework. All activities related to finalising and implementing the framework are carried out in the *Crime Prevention* subprogramme in the *Visible Policing* programme, which is allocated R129.3 billion over the MTEF period.

Reducing violent crime, specifically those committed against women and children

Government's 2019-2024 medium-term strategic framework sets out objectives towards a 50 per cent reduction in the number of violent crimes reported in South Africa in the next 10 years. These objectives relate to reducing violence against women and children, among other things. Accordingly, targets set out in government's 2019-2024 medium-term strategic framework reflect reductions of 6.7 per cent per year over the next 10 years in reported contact crimes and crimes against women and children. Effectively combating these crimes requires adopting an integrated approach that involves all sectors of society, including key business industries, supported by an effective criminal justice system that delivers quality and professional services. To prioritise alignment with and the implementation of the integrated criminal justice strategy, including for supporting interventions related to combating violent crime and crimes against women and children, R1.3 billion is allocated over the MTEF period in the *Detective Services* programme. As such, detection rates for all contact crimes are expected to increase from 50.58 per cent in 2018/19 to 56.07 per cent in 2022/23; detection rates for crimes against women are expected to increase from 73.81 per cent in 2018/19 to 75.35 per cent in 2022/23; and detection rates for crimes against children are expected to increase from 69.19 per cent in 2018/19 to 70.20 per cent in 2022/23.

Employing the stabilisation and normalisation approaches to fighting crime

Crime manifests in various forms and is largely influenced by geography, which necessitates 2 distinct yet interrelated tactical policing approaches: the stabilisation approach, which is immediate in nature and focuses on the removal of immediate threats in identified high-crime areas and hotspots; and the normalisation approach, which is gradual in nature and addresses the root causes of crime within predetermined timeframes. The stabilisation approach is supported by specific national crime prevention operations such as Operation Fiela Reclaim II, while the normalisation approach entails the implementation of ongoing policing and law enforcement strategies. Over the medium term, the department will focus on adopting the stabilising and normalising approaches in the 30 police stations across South Africa with the highest crime rates, or those that are identified as hotspots. To facilitate their transition from stabilisation to normalisation over the medium term, the department will ensure that focused crime prevention interventions are implemented in these police stations. To fund all visible policing activities in the police service across South Africa, including those related to the successful implementation of the stabilisation and normalisation approaches, R166.2 billion is allocated over the MTEF period in the *Visible Policing* programme, which is supported by more than 99 000 personnel.

Improving capacity for specialised investigations

The increase in cases involving serious corruption and commercial crime over the past few years, and the constant threat to safety and security posed by crimes against the state, requires that the Directorate for Priority Crime Investigation has sufficient capacity to effectively respond to these crimes. Accordingly, R985 million is reprioritised over the MTEF period from funds previously allocated to the *Detective Services* programme for functions related to the criminal justice system seven-point plan. These funds will be reprioritised to spending on compensation of employees in the *Specialised Investigations* subprogramme in the same programme. The funds will enable the Directorate for Priority Crime Investigation to appoint approximately 800 additional investigators over the medium term. By the end of September 2019, the directorate had approximately 19 000 cases for investigation, of which some were backlog cases from previous years that could not be finalised due to a lack of capacity. With the appointment of the additional investigators over the period ahead, the department expects to clear this backlog and maintain a conviction rate of 70 per cent in respect of cases relating to serious fraud and corruption in the public and private sectors.

Expenditure trends and estimates

Table 28.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Visible Policing											
3. Detective Services											
4. Crime Intelligence											
5. Protection and Security Services											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Programme 1	17 604.5	18 317.3	18 469.4	20 299.9	4.9%	21.1%	20 912.8	22 378.3	23 132.6	4.5%	20.7%
Programme 2	40 612.4	43 932.7	47 117.3	49 912.5	7.1%	51.2%	52 327.3	55 705.3	58 130.3	5.2%	51.5%
Programme 3	16 723.1	17 686.7	17 828.2	19 230.2	4.8%	20.2%	20 624.2	21 821.6	22 754.1	5.8%	20.1%
Programme 4	3 387.9	3 704.8	3 882.2	4 092.7	6.5%	4.3%	4 403.5	4 645.2	4 841.0	5.8%	4.3%
Programme 5	2 546.3	2 838.9	3 000.4	3 148.9	7.3%	3.3%	3 443.3	3 658.5	3 825.5	6.7%	3.4%
Total	80 874.2	86 480.4	90 297.5	96 684.2	6.1%	100.0%	101 711.0	108 208.8	112 683.6	5.2%	100.0%
Change to 2019				(764.4)			(2 455.2)	(2 804.4)	(2 504.8)		
Budget estimate											
Economic classification											
Current payments	77 267.0	82 469.3	86 118.7	92 251.9	6.1%	95.4%	96 876.1	103 458.3	107 892.4	5.4%	95.5%
Compensation of employees	62 038.1	67 124.5	71 282.4	76 357.7	7.2%	78.1%	81 112.2	86 516.2	90 275.1	5.7%	79.7%
Goods and services ¹	15 228.9	15 344.8	14 836.3	15 894.2	1.4%	17.3%	15 763.9	16 942.1	17 617.3	3.5%	15.8%
of which:											
Communication	584.1	496.3	465.1	508.2	-4.5%	0.6%	506.6	542.7	570.5	3.9%	0.5%
Computer services	3 392.7	2 808.7	1 733.6	2 522.5	-9.4%	3.0%	2 227.7	2 534.3	2 517.8	-0.1%	2.3%
Fleet services (including government motor transport)	3 472.2	4 038.7	4 549.6	4 191.0	6.5%	4.6%	4 291.0	4 617.4	4 809.7	4.7%	4.3%
Operating leases	2 712.9	2 791.3	2 943.3	3 193.5	5.6%	3.3%	3 236.0	3 398.5	3 583.7	3.9%	3.2%
Property payments	1 070.1	1 173.7	1 254.7	1 275.7	6.0%	1.3%	1 401.6	1 471.9	1 559.1	6.9%	1.4%
Travel and subsistence	969.3	1 008.2	1 177.8	1 075.7	3.5%	1.2%	1 104.7	1 197.4	1 273.7	5.8%	1.1%
Transfers and subsidies¹	941.8	1 049.3	1 268.5	1 064.9	4.2%	1.2%	1 497.7	1 299.2	1 228.9	4.9%	1.2%
Provinces and municipalities	42.6	44.5	49.5	50.4	5.8%	0.1%	53.2	56.1	58.2	4.9%	0.1%
Departmental agencies and accounts	39.9	39.7	45.6	48.3	6.6%	0.0%	51.0	53.8	55.8	4.9%	0.0%
Non-profit institutions	—	—	1.0	1.0	0.0%	0.0%	—	—	—	-100.0%	0.0%
Households	859.3	965.1	1 172.5	965.2	3.9%	1.1%	1 393.5	1 189.3	1 114.9	4.9%	1.1%
Payments for capital assets	2 653.1	2 947.9	2 894.7	3 367.4	8.3%	3.3%	3 337.3	3 451.3	3 562.3	1.9%	3.3%
Buildings and other fixed structures	1 001.3	575.4	686.3	870.7	-4.6%	0.9%	897.7	946.7	960.9	3.3%	0.9%
Machinery and equipment	1 634.7	2 340.4	2 201.4	2 489.7	15.1%	2.4%	2 432.7	2 497.3	2 593.8	1.4%	2.4%
Biological assets	4.4	5.9	7.0	7.0	16.8%	0.0%	6.9	7.3	7.6	2.7%	0.0%
Software and other intangible assets	12.8	26.2	—	—	-100.0%	0.0%	—	—	—	0.0%	0.0%
Payments for financial assets	12.3	13.9	15.6	—	-100.0%	0.0%	—	—	—	0.0%	0.0%
Total	80 874.2	86 480.4	90 297.5	96 684.2	6.1%	100.0%	101 711.0	108 208.8	112 683.6	5.2%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 28.3 Vote transfers and subsidies trends and estimates

				Adjusted appropriation	Average growth rate (%)	Average: Expen- diture/ Total (%)				Average growth rate (%)	Average: Expen- diture/ Total (%)
Audited outcome							Medium-term expenditure estimate				
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	39 909	39 726	45 628	48 315	6.6%	4.0%	50 975	53 779	55 777	4.9%	4.1%
Safety and Security Sector	39 909	39 726	45 628	48 315	6.6%	4.0%	50 975	53 779	55 777	4.9%	4.1%
Education and Training Authority											
Households											
Social benefits											
Current	432 928	522 777	601 081	508 002	5.5%	47.7%	914 612	684 017	590 853	5.2%	53.0%
Employee social benefits	432 928	522 777	601 081	508 002	5.5%	47.7%	914 612	684 017	590 853	5.2%	53.0%
Provinces and municipalities											
Municipal bank accounts											
Current	42 564	44 518	49 466	50 415	5.8%	4.3%	53 205	56 132	58 223	4.9%	4.3%
Vehicle licences	42 564	44 518	49 466	50 415	5.8%	4.3%	53 205	56 132	58 223	4.9%	4.3%
Households											
Other transfers to households											
Current	426 386	442 282	571 372	457 159	2.4%	43.9%	478 897	505 236	524 017	4.7%	38.6%
Claims against the state	372 284	396 700	527 018	397 200	2.2%	39.2%	415 400	438 247	454 538	4.6%	33.5%
Detainee medical expenses	54 102	45 582	44 354	59 959	3.5%	4.7%	63 497	66 989	69 479	5.0%	5.1%
Non-profit institutions											
Current	–	–	1 000	1 000	–	–	–	–	–	-100.0%	–
South African Police Service	–	–	1 000	1 000	–	–	–	–	–	-100.0%	–
Education Trust											
Total	941 787	1 049 303	1 268 547	1 064 891	4.2%	100.0%	1 497 689	1 299 164	1 228 870	4.9%	100.0%

Personnel information

Table 28.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Visible Policing																			
3. Detective Services																			
4. Crime Intelligence																			
5. Protection and Security Services																			
Number of posts estimated for 31 March 2020			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 (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Police			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	189 865	–	192 007	71 282.4	0.4	192 412	76 357.7	0.4	191 763	81 112.2	0.4	190 979	86 516.2	0.5	187 433	90 275.1	0.5	-0.9%	100.0%
1 – 6	131 679	–	132 593	35 141.3	0.3	135 884	39 256.1	0.3	135 820	42 077.6	0.3	136 496	45 338.2	0.3	136 824	48 694.2	0.4	0.2%	71.5%
7 – 10	55 008	–	56 159	26 079.5	0.5	53 421	26 473.4	0.5	52 954	28 019.3	0.5	51 388	29 302.1	0.6	47 512	29 214.7	0.6	-3.8%	26.9%
11 – 12	2 297	–	2 353	1 944.4	0.8	2 205	2 146.1	1.0	2 116	2 190.4	1.0	2 200	2 422.8	1.1	2 201	2 575.9	1.2	-0.1%	1.1%
13 – 16	879	–	900	1 045.0	1.2	900	1 076.6	1.2	871	1 107.8	1.3	893	1 208.2	1.4	894	1 285.3	1.4	-0.2%	0.5%
Other	2	–	2	7 072.2	3 536.1	2	7 405.4	3 702.7	2	7 717.1	3 858.6	2	8 244.9	4 122.4	2	8 505.0	4 252.5	–	0.0%
Programme	189 865	–	192 007	71 282.4	0.4	192 412	76 357.7	0.4	191 763	81 112.2	0.4	190 979	86 516.2	0.5	187 433	90 275.1	0.5	-0.9%	100.0%
Programme 1	36 207	–	36 629	12 908.5	0.4	36 133	13 764.7	0.4	35 708	14 499.8	0.4	35 529	15 465.5	0.4	34 744	16 118.8	0.5	-1.3%	18.6%
Programme 2	99 367	–	101 131	36 920.6	0.4	101 952	39 804.8	0.4	101 096	42 016.2	0.4	100 832	44 859.5	0.4	99 135	46 817.0	0.5	-0.9%	52.8%
Programme 3	38 858	–	38 740	15 231.7	0.4	38 808	16 230.9	0.4	39 182	17 480.8	0.4	38 998	18 640.3	0.5	38 235	19 444.5	0.5	-0.5%	20.4%
Programme 4	8 793	–	8 830	3 541.1	0.4	8 842	3 758.3	0.4	8 897	4 030.3	0.5	8 789	4 268.1	0.5	8 616	4 459.0	0.5	-0.9%	4.6%
Programme 5	6 640	–	6 677	2 680.5	0.4	6 677	2 798.9	0.4	6 880	3 085.2	0.4	6 831	3 282.7	0.5	6 703	3 435.9	0.5	0.1%	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 28.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
R thousand				2019/20		2016/17 - 2019/20					2019/20 - 2022/23	
Departmental receipts	756 016	677 686	563 149	530 406	530 406	-11.1%	100.0%	538 015	548 112	556 621	1.6%	100.0%
Sales of goods and services produced by department	220 942	325 005	318 863	299 522	300 533	10.8%	46.1%	291 410	297 238	301 942	0.2%	54.8%
Administrative fees	35 754	31 599	31 904	29 130	29 185	-6.5%	5.1%	29 750	30 345	30 785	1.8%	5.5%
of which:												
Firearm licences	35 754	31 599	31 904	29 130	29 185	-6.5%	5.1%	29 750	30 345	30 785	1.8%	5.5%
Other sales	185 188	293 406	286 959	270 392	271 348	13.6%	41.0%	261 660	266 893	271 157	—	49.3%
of which:												
House rentals	32 388	127 359	118 553	110 303	110 303	50.5%	15.4%	110 303	112 509	113 456	0.9%	20.5%
Commission on insurance	70 643	77 361	81 207	83 400	83 400	5.7%	12.4%	76 500	78 030	80 250	-1.3%	14.6%
Other	82 157	88 686	87 199	76 689	77 645	-1.9%	13.3%	74 857	76 354	77 451	-0.1%	14.1%
Sales of scrap, waste, arms and other used current goods	44 566	8 129	10 504	5 100	5 090	-51.5%	2.7%	5 400	5 508	5 600	3.2%	1.0%
of which:												
Sales of scrap, waste and other used goods	44 566	8 129	10 504	5 100	5 090	-51.5%	2.7%	5 400	5 508	5 600	3.2%	1.0%
Fines, penalties and forfeits	9 740	31 354	6 732	13 700	26 044	38.8%	2.9%	7 890	8 020	8 250	-31.8%	2.3%
Interest, dividends and rent on land	1 375	1 366	1 333	1 325	1 410	0.8%	0.2%	1 065	1 080	1 095	-8.1%	0.2%
Interest	1 375	1 366	1 333	1 325	1 410	0.8%	0.2%	1 065	1 080	1 095	-8.1%	0.2%
Sales of capital assets	89 539	160 439	86 231	65 165	66 834	-9.3%	15.9%	84 250	86 457	87 680	9.5%	15.0%
Transactions in financial assets and liabilities	389 854	151 393	139 486	145 594	130 495	-30.6%	32.1%	148 000	149 809	152 054	5.2%	26.7%
Total	756 016	677 686	563 149	530 406	530 406	-11.1%	100.0%	538 015	548 112	556 621	1.6%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 28.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million				2019/20		2016/17 - 2019/20				2019/20 - 2022/23	
Ministry	56.6	67.2	50.2	65.1	4.8%	0.3%	64.6	68.1	70.7	2.8%	0.3%
Management	59.0	47.3	69.3	86.5	13.6%	0.4%	87.1	92.5	100.0	5.0%	0.4%
Corporate Services	17 488.8	18 202.7	18 350.0	20 148.3	4.8%	99.3%	20 761.1	22 217.7	22 961.9	4.5%	99.3%
Total	17 604.5	18 317.3	18 469.4	20 299.9	4.9%	100.0%	20 912.8	22 378.3	23 132.6	4.5%	100.0%
Change to 2019 Budget estimate				—			(783.4)	(699.7)	(831.4)		
Economic classification											
Current payments	15 780.3	16 775.6	16 790.8	18 438.3	5.3%	90.8%	18 913.0	20 310.3	21 025.5	4.5%	90.7%
Compensation of employees	11 237.9	12 245.7	12 908.5	13 764.7	7.0%	67.2%	14 499.8	15 465.5	16 118.8	5.4%	69.0%
Goods and services ¹	4 542.4	4 529.9	3 882.3	4 673.5	1.0%	23.6%	4 413.2	4 844.8	4 906.7	1.6%	21.7%
of which:											
Computer services	2 624.9	2 428.5	1 685.7	2 462.2	-2.1%	12.3%	2 181.3	2 483.7	2 463.8	—	11.1%
Legal services	293.3	332.1	344.4	362.1	7.3%	1.8%	366.2	383.6	395.6	3.0%	1.7%
Contractors	129.0	173.7	172.8	183.6	12.5%	0.9%	193.6	204.3	211.9	4.9%	0.9%
Fleet services (including government motor transport)	262.4	326.6	344.0	311.0	5.8%	1.7%	329.1	353.2	366.3	5.6%	1.6%
Inventory: Clothing material and accessories	223.2	191.2	218.1	287.0	8.7%	1.2%	287.3	301.8	311.2	2.7%	1.4%
Travel and subsistence	250.5	254.4	269.8	251.9	0.2%	1.4%	272.3	286.9	297.7	5.7%	1.3%

Table 28.6 Administration expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Transfers and subsidies ¹	564.4	609.5	780.9	633.3	3.9%	3.5%	725.2	723.7	728.4	4.8%	3.2%
Provinces and municipalities	6.1	6.2	7.7	8.2	10.2%	—	8.7	9.1	9.5	4.9%	—
Departmental agencies and accounts	39.9	39.7	45.6	48.3	6.6%	0.2%	51.0	53.8	55.8	4.9%	0.2%
Households	518.4	563.6	727.6	576.8	3.6%	3.2%	665.6	660.8	663.1	4.8%	3.0%
Payments for capital assets	1 247.4	918.3	882.2	1 228.3	-0.5%	5.7%	1 274.5	1 344.3	1 378.7	3.9%	6.0%
Buildings and other fixed structures	999.8	565.1	685.0	870.7	-4.5%	4.2%	897.7	946.7	960.9	3.3%	4.2%
Machinery and equipment	242.7	347.3	190.1	350.7	13.1%	1.5%	369.9	390.3	410.3	5.4%	1.8%
Biological assets	4.4	5.9	7.0	7.0	16.8%	—	6.9	7.3	7.6	2.7%	—
Software and other intangible assets	0.5	—	—	—	-100.0%	—	—	—	—	—	—
Payments for financial assets	12.3	13.9	15.6	—	-100.0%	0.1%	—	—	—	—	—
Total	17 604.5	18 317.3	18 469.4	20 299.9	4.9%	100.0%	20 912.8	22 378.3	23 132.6	4.5%	100.0%
Proportion of total programme expenditure to vote expenditure	21.8%	21.2%	20.5%	21.0%	—	—	20.6%	20.7%	20.5%	—	—
Details of selected transfers and subsidies											
Households											
Social benefits											
Current	148.5	168.1	205.3	179.6	6.5%	0.9%	250.2	222.6	208.6	5.1%	1.0%
Employee social benefits	148.5	168.1	205.3	179.6	6.5%	0.9%	250.2	222.6	208.6	5.1%	1.0%
Households											
Other transfers to households											
Current	369.9	395.5	522.3	397.2	2.4%	2.3%	415.4	438.2	454.5	4.6%	2.0%
Claims against the state	369.9	395.5	522.3	397.2	2.4%	2.3%	415.4	438.2	454.5	4.6%	2.0%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	39.9	39.7	45.6	48.3	6.6%	0.2%	51.0	53.8	55.8	4.9%	0.2%
Safety and Security Sector	39.9	39.7	45.6	48.3	6.6%	0.2%	51.0	53.8	55.8	4.9%	0.2%
Education and Training Authority											

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

Programme 2: Visible Policing

Programme purpose

Enable police stations to institute and preserve safety and security, and provide for specialised interventions and the policing of South Africa's borders.

Objectives

- Provide a proactive and responsive policing service to discourage and prevent violent crime by reducing the number of contact crimes and crimes against women and children reported by 6.7 per cent per year over the medium term through the implementation of priorities and interventions aligned with the integrated criminal justice strategy.
- Strengthen safety and security in urban and rural communities across the country by ensuring that at least 99.56 per cent of community policing forums are functioning over the medium term.

Subprogrammes

- *Crime Prevention* provides for basic crime prevention and visible policing services at police stations and community service centres.
- *Border Security* provides for the policing of South Africa's borders.
- *Specialised Interventions* provides for interventions in medium-risk to high-risk operations, including the air wing, the special task force and crime combating units; and the protection of valuable and dangerous cargo.
- *Facilities* provides for office accommodation budgets and related expenditure devolved to the department by the Department of Public Works and Infrastructure.

Expenditure trends and estimates

Table 28.7 Visible Policing 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Crime Prevention	31 754.9	34 101.4	36 473.5	39 048.0	7.1%	77.9%	40 695.6	43 402.1	45 176.1	5.0%	77.9%
Border Security	1 808.4	1 923.6	2 021.5	2 183.0	6.5%	4.4%	2 348.5	2 504.1	2 656.3	6.8%	4.5%
Specialised Interventions	3 428.2	4 117.9	4 638.1	4 374.7	8.5%	9.1%	4 807.2	5 101.8	5 326.2	6.8%	9.1%
Facilities	3 621.0	3 789.7	3 984.2	4 306.8	6.0%	8.6%	4 476.0	4 697.3	4 971.7	4.9%	8.5%
Total	40 612.4	43 932.7	47 117.3	49 912.5	7.1%	100.0%	52 327.3	55 705.3	58 130.3	5.2%	100.0%
Change to 2019 Budget estimate				–			(958.7)	(1 108.8)	(805.9)		
Economic classification											
Current payments	39 483.1	42 261.3	45 169.5	48 308.6	7.0%	96.5%	50 556.3	53 975.7	56 392.1	5.3%	96.8%
Compensation of employees	32 262.8	34 588.0	36 920.6	39 804.8	7.3%	79.1%	42 016.2	44 859.5	46 817.0	5.6%	80.3%
Goods and services ¹	7 220.3	7 673.3	8 248.9	8 503.8	5.6%	17.4%	8 540.1	9 116.2	9 575.1	4.0%	16.5%
of which:											
Communication	315.2	261.5	252.9	266.4	-5.5%	0.6%	272.5	287.9	306.1	4.7%	0.5%
Contractors	191.9	206.2	160.3	253.5	9.7%	0.4%	225.6	234.7	250.7	-0.4%	0.4%
Fleet services (including government motor transport)	1 970.3	2 280.1	2 565.5	2 392.8	6.7%	5.1%	2 383.3	2 617.4	2 728.9	4.5%	4.7%
Operating leases	2 632.3	2 683.3	2 824.8	3 095.3	5.6%	6.2%	3 132.4	3 289.1	3 470.3	3.9%	6.0%
Property payments	1 057.5	1 159.8	1 235.8	1 256.6	5.9%	2.6%	1 381.5	1 450.7	1 537.1	6.9%	2.6%
Travel and subsistence	334.8	371.1	525.6	409.2	6.9%	0.9%	415.2	468.8	486.6	5.9%	0.8%
Transfers and subsidies¹	240.5	276.5	309.5	282.8	5.5%	0.6%	479.8	369.7	327.8	5.0%	0.7%
Provinces and municipalities	23.3	25.8	28.9	28.7	7.1%	0.1%	30.3	32.0	33.2	5.0%	0.1%
Non-profit institutions	–	–	1.0	1.0	–	–	–	–	–	-100.0%	–
Households	217.2	250.8	279.6	253.1	5.2%	0.6%	449.5	337.7	294.6	5.2%	0.6%
Payments for capital assets	888.8	1 394.9	1 638.3	1 321.2	14.1%	2.9%	1 291.2	1 360.0	1 410.5	2.2%	2.5%
Buildings and other fixed structures	1.3	0.3	1.3	–	-100.0%	–	–	–	–	–	–
Machinery and equipment	887.5	1 394.6	1 637.0	1 321.2	14.2%	2.9%	1 291.2	1 360.0	1 410.5	2.2%	2.5%
Total	40 612.4	43 932.7	47 117.3	49 912.5	7.1%	100.0%	52 327.3	55 705.3	58 130.3	5.2%	100.0%
Proportion of total programme expenditure to vote expenditure	50.2%	50.8%	52.2%	51.6%	–	–	51.4%	51.5%	51.6%	–	–
Details of selected transfers and subsidies											
Households											
Social benefits											
Current	161.0	204.9	232.1	193.1	6.3%	0.4%	386.0	270.7	225.1	5.2%	0.5%
Employee social benefits	161.0	204.9	232.1	193.1	6.3%	0.4%	386.0	270.7	225.1	5.2%	0.5%
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	23.3	25.8	28.9	28.7	7.1%	0.1%	30.3	32.0	33.2	5.0%	0.1%
Vehicle licences	23.3	25.8	28.9	28.7	7.1%	0.1%	30.3	32.0	33.2	5.0%	0.1%
Households											
Other transfers to households											
Current	56.2	45.8	47.5	60.0	2.2%	0.1%	63.5	67.0	69.5	5.0%	0.1%
Claims against the state	2.1	0.3	3.1	–	-100.0%	–	–	–	–	–	–
Detainee medical expenses	54.1	45.6	44.4	60.0	3.5%	0.1%	63.5	67.0	69.5	5.0%	0.1%

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

Programme 3: Detective Services

Programme purpose

Enable the investigative work of the South African Police Service, including providing support to investigators in terms of forensic evidence and criminal records.

Objectives

- Contribute to the successful prosecution of offenders by:
 - increasing the detection rate for contact crimes from 50.58 per cent in 2018/19 to 56.07 per cent in 2022/23
 - increasing the detection rate for crimes against women from 73.81 per cent in 2018/19 to 75.35 per cent in 2022/23

- increasing the detection rate for crimes against children from 69.19 per cent in 2018/19 to 70.20 per cent in 2022/23
- generating 95 per cent of original previous conviction reports for formally charged individuals within 15 calendar days over the medium term.

Subprogrammes

- *Crime Investigations* provides for detectives at police stations who investigate crimes, including crimes against women and children.
- *Criminal Record Centre* provides for effective and credible criminal record centres in respect of crime scene management or processing, and provides criminal records and related information.
- *Forensic Science Laboratory* funds forensic science laboratories, which provide specialised, evidence-related technical analysis and support to investigators.
- *Specialised Investigations* provides for the prevention, combating and investigation of national priority offences, including the investigation of organised crime syndicates, serious and violent crime, commercial crime, and corruption.

Expenditure trends and estimates

Table 28.8 Detective Services expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19		2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23		
R million											
Crime Investigations	10 964.0	12 092.0	12 655.8	13 476.3	7.1%	68.8%	14 176.7	15 026.5	15 693.8	5.2%	69.1%
Criminal Record Centre	2 233.0	2 359.2	2 365.9	2 596.2	5.2%	13.4%	2 803.6	2 990.8	3 120.7	6.3%	13.6%
Forensic Science Laboratory	2 091.6	1 682.7	1 178.9	1 424.6	-12.0%	8.9%	1 514.3	1 569.3	1 644.5	4.9%	7.3%
Specialised Investigations	1 434.5	1 552.8	1 627.5	1 733.0	6.5%	8.9%	2 129.7	2 235.0	2 295.0	9.8%	9.9%
Total	16 723.1	17 686.7	17 828.2	19 230.2	4.8%	100.0%	20 624.2	21 821.6	22 754.1	5.8%	100.0%
Change to 2019 Budget estimate				(764.4)			(738.9)	(975.0)	(898.3)		
Economic classification											
Current payments	16 173.6	17 075.4	17 416.7	18 420.9	4.4%	96.7%	19 756.7	21 056.2	21 990.8	6.1%	96.2%
Compensation of employees	13 150.0	14 397.1	15 231.7	16 230.9	7.3%	82.6%	17 480.8	18 640.3	19 444.5	6.2%	85.0%
Goods and services ¹	3 023.5	2 678.3	2 185.0	2 190.0	-10.2%	14.1%	2 275.9	2 415.9	2 546.4	5.2%	11.2%
of which:											
Communication	139.7	115.8	101.0	106.3	-8.7%	0.6%	110.8	124.1	128.9	6.6%	0.6%
Fleet services (including government motor transport)	1 087.0	1 252.9	1 433.9	1 291.5	5.9%	7.1%	1 372.3	1 429.2	1 488.8	4.9%	6.6%
Consumable supplies	428.7	334.8	146.5	229.1	-18.9%	1.6%	222.4	242.7	253.5	3.4%	1.1%
Consumables: Stationery, printing and office supplies	89.0	87.0	61.4	79.6	-3.6%	0.4%	76.9	81.4	86.0	2.6%	0.4%
Travel and subsistence	202.8	203.9	175.4	208.8	1.0%	1.1%	213.4	226.4	263.3	8.0%	1.1%
Operating payments	68.7	80.7	67.1	51.8	-9.0%	0.4%	56.2	58.8	61.1	5.6%	0.3%
Transfers and subsidies¹	107.7	117.7	136.6	123.0	4.5%	0.7%	234.7	164.8	142.7	5.1%	0.8%
Provinces and municipalities	11.2	10.2	10.5	11.1	-0.3%	0.1%	11.6	12.3	12.7	4.8%	0.1%
Households	96.5	107.5	126.1	111.9	5.1%	0.6%	223.1	152.5	130.0	5.1%	0.7%
Payments for capital assets	441.9	493.6	274.8	686.3	15.8%	2.7%	632.7	600.6	620.6	-3.3%	3.0%
Buildings and other fixed structures	0.1	10.0	–	–	-100.0%	–	–	–	–	–	–
Machinery and equipment	429.5	457.3	274.8	686.3	16.9%	2.6%	632.7	600.6	620.6	-3.3%	3.0%
Software and other intangible assets	12.3	26.2	–	–	-100.0%	0.1%	–	–	–	–	–
Total	16 723.1	17 686.7	17 828.2	19 230.2	4.8%	100.0%	20 624.2	21 821.6	22 754.1	5.8%	100.0%
Proportion of total programme expenditure to vote expenditure	20.7%	20.5%	19.7%	19.9%	–	–	20.3%	20.2%	20.2%	–	–

Table 28.8 Detective Services 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Households											
Social benefits											
Current	96.2	107.0	124.5	111.9	5.2%	0.6%	223.1	152.5	130.0	5.1%	0.7%
Employee social benefits	96.2	107.0	124.5	111.9	5.2%	0.6%	223.1	152.5	130.0	5.1%	0.7%
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	11.2	10.2	10.5	11.1	-0.3%	0.1%	11.6	12.3	12.7	4.8%	0.1%
Vehicle licences	11.2	10.2	10.5	11.1	-0.3%	0.1%	11.6	12.3	12.7	4.8%	0.1%

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

Programme 4: Crime Intelligence

Programme purpose

Manage crime intelligence and analyse crime information, and provide technical support for investigations and crime prevention operations.

Objective

- Contribute to combating crime on an ongoing basis by ensuring that 100 per cent of network operations are successfully terminated over the medium term in support of crime prevention, investigation and prosecution.

Subprogrammes

- Crime Intelligence Operations* provides for intelligence-based criminal investigations.
- Intelligence and Information Management* provides for the analysis of crime intelligence patterns that will facilitate crime detection in support of crime prevention and crime investigation.

Expenditure trends and estimates

Table 28.9 Crime Intelligence expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Crime Intelligence Operations	1 362.3	1 499.1	1 590.5	1 689.8	7.4%	40.8%	1 781.4	1 876.5	1 968.2	5.2%	40.7%
Intelligence and Information Management	2 025.6	2 205.7	2 291.8	2 402.9	5.9%	59.2%	2 622.1	2 768.7	2 872.8	6.1%	59.3%
Total	3 387.9	3 704.8	3 882.2	4 092.7	6.5%	100.0%	4 403.5	4 645.2	4 841.0	5.8%	100.0%
Change to 2019	-						14.5	(31.0)	(9.7)		
Budget estimate											
Economic classification											
Current payments	3 326.7	3 600.2	3 798.6	4 019.0	6.5%	97.9%	4 300.7	4 553.9	4 755.7	5.8%	98.0%
Compensation of employees	3 106.8	3 366.3	3 541.1	3 758.3	6.6%	91.4%	4 030.3	4 268.1	4 459.0	5.9%	91.8%
Goods and services ¹	219.8	233.9	257.5	260.7	5.8%	6.5%	270.4	285.7	296.7	4.4%	6.2%
of which:											
Communication	22.1	16.6	13.6	21.2	-1.5%	0.5%	15.2	16.2	16.8	-7.4%	0.4%
Fleet services (including government motor transport)	91.2	103.0	122.5	116.0	8.3%	2.9%	123.1	129.9	134.7	5.1%	2.8%
Consumables: Stationery, printing and office supplies	13.6	14.0	15.8	15.3	4.0%	0.4%	16.1	17.0	17.7	4.9%	0.4%
Operating leases	14.0	14.1	14.0	17.5	7.7%	0.4%	18.5	19.5	20.2	5.0%	0.4%
Travel and subsistence	53.2	57.7	57.0	56.2	1.8%	1.5%	61.1	64.6	67.4	6.3%	1.4%
Operating payments	9.3	8.5	14.9	12.4	10.0%	0.3%	13.1	13.8	14.4	5.0%	0.3%
Transfers and subsidies ¹	23.1	34.3	32.6	19.8	-4.9%	0.7%	46.0	31.4	23.0	5.1%	0.7%
Provinces and municipalities	1.1	1.2	1.2	1.3	7.0%	-	1.4	1.4	1.5	4.9%	-
Households	22.0	33.1	31.4	18.6	-5.6%	0.7%	44.7	30.0	21.6	5.1%	0.6%

Table 28.9 Crime Intelligence expenditure trends and estimates by subprogramme and economic classification

R million	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19		2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23		
Payments for capital assets	38.2	70.3	51.0	53.9	12.2%	1.4%	56.8	59.9	62.4	5.0%	1.3%
Machinery and equipment	38.2	70.3	51.0	53.9	12.2%	1.4%	56.8	59.9	62.4	5.0%	1.3%
Total	3 387.9	3 704.8	3 882.2	4 092.7	6.5%	100.0%	4 403.5	4 645.2	4 841.0	5.8%	100.0%
Proportion of total programme expenditure to vote expenditure	4.2%	4.3%	4.3%	4.2%	–	–	4.3%	4.3%	4.3%	–	–
Details of selected transfers and subsidies											
Households											
Social benefits											
Current	22.0	32.8	31.4	18.6	-5.6%	0.7%	44.7	30.0	21.6	5.1%	0.6%
Employee social benefits	22.0	32.8	31.4	18.6	-5.6%	0.7%	44.7	30.0	21.6	5.1%	0.6%

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

Programme 5: Protection and Security Services

Programme purpose

Provide protection and security services to all identified dignitaries and government interests.

Objectives

- Minimise security violations on an ongoing basis by:
 - protecting all identified local and foreign dignitaries while in transit, without any security breaches
 - protecting the locations in which dignitaries, including persons related to the president and deputy president, are present, without security breaches.

Subprogrammes

- VIP Protection Services* provides for the protection of the president, deputy president, former presidents, their spouses, and other identified dignitaries while in transit.
- Static Protection* provides for the protection of other local and foreign dignitaries and the places in which all dignitaries, including persons related to the president and deputy president, are present.
- Government Security Regulator* provides for security regulations and evaluations, the administration of national key points, and strategic installations.
- Operational Support* provides administrative support to the programme, including personnel development.

Expenditure trends and estimates

Table 28.10 Protection and Security Services expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19		2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23		
R million											
VIP Protection Services	1 222.5	1 472.8	1 573.4	1 626.5	10.0%	51.1%	1 821.8	1 935.4	2 029.7	7.7%	52.7%
Static Protection	969.7	1 026.6	1 081.4	1 132.6	5.3%	36.5%	1 229.7	1 307.3	1 356.8	6.2%	35.7%
Government Security Regulator	101.7	91.8	82.2	101.2	-0.2%	3.3%	94.1	99.8	107.1	1.9%	2.9%
Operational Support	252.4	247.8	263.4	288.6	4.6%	9.1%	297.6	316.0	331.9	4.8%	8.8%
Total	2 546.3	2 838.9	3 000.4	3 148.9	7.3%	100.0%	3 443.3	3 658.5	3 825.5	6.7%	100.0%
Change to 2019				–			11.3	10.2	40.5		
Budget estimate											

Table 28.10 Protection and Security Services expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	2 503.4	2 756.9	2 943.1	3 065.1	7.0%	97.7%	3 349.3	3 562.3	3 728.3	6.7%	97.4%
Compensation of employees	2 280.6	2 527.4	2 680.5	2 798.9	7.1%	89.2%	3 085.2	3 282.7	3 435.9	7.1%	89.5%
Goods and services ¹	222.8	229.5	262.6	266.2	6.1%	8.5%	264.2	279.6	292.4	3.2%	7.8%
of which:											
Minor assets	2.9	6.3	1.9	4.9	18.3%	0.1%	5.1	5.4	5.6	4.9%	0.1%
Communication	5.9	4.6	4.6	6.2	2.1%	0.2%	5.8	6.9	7.1	4.6%	0.2%
Fleet services (including government motor transport)	61.3	76.0	83.6	79.7	9.1%	2.6%	83.1	87.7	91.0	4.5%	2.4%
Consumable supplies	4.2	4.7	5.3	4.1	-1.4%	0.2%	4.3	4.5	4.7	4.8%	0.1%
Consumables: Stationery, printing and office supplies	7.4	7.1	6.6	7.3	-0.1%	0.2%	7.8	8.2	8.5	4.9%	0.2%
Travel and subsistence	128.0	121.1	150.0	149.5	5.3%	4.8%	142.7	150.7	158.7	2.0%	4.3%
Transfers and subsidies ¹	6.0	11.2	9.0	6.0	-0.2%	0.3%	11.9	9.6	7.0	5.2%	0.2%
Provinces and municipalities	0.8	1.1	1.1	1.1	10.8%	—	1.2	1.3	1.3	4.9%	—
Households	5.2	10.2	7.9	4.8	-2.2%	0.2%	10.7	8.3	5.7	5.2%	0.2%
Payments for capital assets	36.9	70.8	48.4	77.8	28.3%	2.0%	82.1	86.6	90.2	5.0%	2.4%
Machinery and equipment	36.9	70.8	48.4	77.8	28.3%	2.0%	82.1	86.6	90.2	5.0%	2.4%
Total	2 546.3	2 838.9	3 000.4	3 148.9	7.3%	100.0%	3 443.3	3 658.5	3 825.5	6.7%	100.0%
Proportion of total programme expenditure to vote expenditure	3.1%	3.3%	3.3%	3.3%	—	—	3.4%	3.4%	3.4%	—	—
Details of selected transfers and subsidies											
Households											
Social benefits											
Current	5.2	9.9	7.9	4.8	-2.2%	0.2%	10.7	8.3	5.7	5.2%	0.2%
Employee social benefits	5.2	9.9	7.9	4.8	-2.2%	0.2%	10.7	8.3	5.7	5.2%	0.2%
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	0.8	1.1	1.1	1.1	10.8%	—	1.2	1.3	1.3	4.9%	—
Vehicle licences	0.8	1.1	1.1	1.1	10.8%	—	1.2	1.3	1.3	4.9%	—
Households											
Other transfers to households											
Current	—	0.2	—	—	—	—	—	—	—	—	—
Claims against the state	—	0.2	—	—	—	—	—	—	—	—	—

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

Entity

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

- The **Private Security Industry Regulatory Authority** was established in terms of section 2 of the Private Security Industry Regulation Act (2001), which replaced the Security Officers Act (1987). The authority is mandated to regulate the private security industry, and exercise control over the practice of the occupation of security service providers in the public and national interest, as well as in the interest of the private security industry itself. The authority's total budget for 2020/21 is R319.5 million.

Vote 29

Agriculture, Land Reform and Rural Development

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	2 732.2	2 447.6	1.6	283.0	2 889.7	3 002.0
Agricultural Production, Health, Food Safety, Natural Resources and Disaster Management	3 220.7	1 301.0	1 903.0	16.7	3 463.4	3 522.9
Food Security, Land Reform and Restitution	8 117.2	1 826.1	6 246.7	44.3	8 677.8	9 147.4
Rural Development	1 097.8	992.9	90.3	14.5	1 160.4	1 010.1
Economic Development, Trade and Marketing	885.6	754.5	128.8	2.3	944.5	989.4
Land Administration	756.6	711.3	40.7	4.6	811.1	849.1
Total expenditure estimates	16 810.1	8 033.6	8 411.0	365.4	17 946.9	18 520.9
Executive authority	Minister of Agriculture, Land Reform and Rural Development					
Accounting officer	Director-General of Agriculture, Land Reform and Rural Development					
Website	www.daff.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Provide equitable access to land, integrated rural development, sustainable agriculture and food security for all.

Mandate

The mandate of the Department of Agriculture, Land Reform and Rural Development includes developing agricultural value chains, providing agricultural inputs, and monitoring production and consumption in the agriculture sector, as well as facilitating comprehensive rural development. The department executes its legislative mandate by implementing, managing and overseeing the following key pieces of legislation, among others:

- the Restitution of Land Rights Act (1994), which makes provision for the restitution of rights to land to people or communities dispossessed of such rights after 19 June 1913 as a result of racially discriminatory laws or practices of the past. To administer this task, the act established a Commission on the Restitution of Land Rights and a Land Claims Court
- the Provision of Land and Assistance Act (1993), which makes provision for the designation of certain land, the regulation of the subdivision of such land and the settlement of persons thereon. It also provides for the acquisition, maintenance, planning, development, improvement and disposal of property, and the provision of financial assistance for land reform purposes
- the Spatial Planning and Land Use Management Act (2013), which seeks to enable the transformation of South Africa's settlement patterns by adopting a new approach to spatial planning and land use management
- the Agricultural Product Standards Act (1990), which provides for control over the sale and export of certain agricultural products, and the sale of some imported agricultural products
- the Conservation of Agricultural Resources Act (1983), which makes provision for control over use of the country's natural agricultural resources to conserve soil, water sources and vegetation.

Selected performance indicators

Table 29.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of surveys on plant diseases conducted per year	Agricultural Production, Health, Food Safety, Natural Resources and Disaster Management	Priority 1: Economic transformation and job creation	1	1	1	1	3	3	3
Number of surveys on animal diseases conducted per year	Agricultural Production, Health, Food Safety, Natural Resources and Disaster Management		2	2	2	2	3	3	3
Percentage of veterinary graduates deployed for the compulsory veterinary services programme per year	Agricultural Production, Health, Food Safety, Natural Resources and Disaster Management		90.7% (127/140)	84.6% (127/150)	120.6 % (181/150)	126% (189/150)	100%	100%	100%
Number of subsistence and smallholder producers supported per year	Food Security, Land Reform and Restitution		36 795	36 795	145 000	145 000	145 000	145 000	145 000
Number of hectares cultivated in underutilised communal areas per year	Food Security, Land Reform and Restitution		35 213	37 300	120 000	120 000	120 000	120 000	120 000
Number of hectares of strategically located land acquired per year	Food Security, Land Reform and Restitution		201 430	155 791	85 325	94 050	99 653	103 690	108 875
Number of land claims finalised per year	Food Security, Land Reform and Restitution		672	865	995	637	479	459	473
Number of rural enterprises supported per year	Economic Development, Trade and Marketing		243	251	302	227	240	250	260
Number of agropreneurs who are provided with capacity on food manufacturing standards per year	Economic Development, Trade and Marketing		16	16	14	45	185	205	210

Expenditure analysis

Chapter 6 of the National Development Plan envisions an integrated and inclusive economy that involves the expansion of agricultural activity, the need for effective land reform and the promotion of sustainable rural development. This vision is expressed specifically in terms of priority 1 (economic transformation and job creation) of government's 2019-2024 medium-term strategic framework, with which the work of the Department of Agriculture, Land Reform and Rural Development is directly aligned. The nature and extent of the department's interventions are, therefore, underpinned by reducing poverty and inequality, and creating employment by allocating adequate resources and requisite skills to address the persistent challenges associated with agriculture, land reform and rural development in South Africa.

Accordingly, over the medium term the department will focus on: providing redress and equitable access to land, increasing food security and creating employment in the agricultural sector, improving agricultural production, developing the agricultural value chain through greater market access, and promoting an inclusive rural economy.

Expenditure is expected to increase at an average annual rate of 2.4 per cent, from R17.2 billion in 2019/20 to R18.5 billion in 2022/23. Transfers and subsidies are the department's largest cost drivers, accounting for 50.9 per cent (R26.7 billion) of its total expenditure over the MTEF period.

Providing redress and equitable access to land

The department's focus on providing redress and equitable access to land is far reaching in that these provisions contribute to ensuring inclusive and sustainable economic development. Over the medium term, as part of the land restitution programme, the department expects to finalise 1 411 restitution claims at a cost of R8.7 billion, which accounts for 16.3 per cent of the total budget.

The One Household, One Hectare initiative is aimed at providing landless South Africans with access to land and promoting agrarian transformation. The initiative aims to support rural enterprises by creating smallholder producers, who will, in turn, supply their produce to agri-parks in poor districts in the country and other densely populated areas. In this regard, over the period ahead the department aims to acquire approximately 312 218 hectares of strategically located land, and provide agricultural inputs and infrastructure to make resettled farms productive. For this purpose, R2.9 billion will be transferred to the agricultural land holding account over the MTEF period. These transfers are made in the *Land Acquisition and Redistribution* subprogramme in the *Food Security, Land Reform and Restitution* programme. Since the initiative began in 2008/09, about 1 675 farms have been created from more than 4.9 million hectares of land acquired.

Increasing food security and creating employment in the agricultural sector

Over the period ahead, the department will focus on food security, job creation and increasing the agriculture sector's contribution to GDP. In this regard, the department's interventions over the medium term will involve increasing support to subsistence, smallholder and black commercial farmers through the Fetsa Tlala food production initiative, which is funded through the *Ilima/Letsema projects grant*. As part of the initiative, in each year over the MTEF period, 145 000 subsistence and smallholder producers are expected to be supported with agricultural inputs and the mechanisation of farms, and 120 000 hectares of productive land are expected to be planted. To fund these activities, the *Ilima/Letsema projects grant* is allocated R1.8 billion over the medium term in the *Plant Production and Health* subprogramme in the *Agricultural Production, Health, Food Safety, Natural Resources and Disaster Management* programme. In 2020/21, the department plans to spend R35.9 million from an indirect grant created from the *Ilima/Letsema projects grant* to conduct a survey aimed at setting the baseline for poverty, vulnerability and food insecurity in South Africa. This project will be undertaken as part of the department's continued involvement in the regional vulnerability assessment committee of the Southern African Development Community.

Funds from the *comprehensive agricultural support programme grant* over the period ahead will be used to provide subsistence, smallholder and commercial farmers with infrastructure in the areas of grain, livestock and horticultural production. These farmers will also be assisted with infrastructure, in particular agro-processing infrastructure, both on and off farms. In addition, over the MTEF period, R278.3 million from the grant will be used to revitalise provincial agricultural colleges, and R957.1 million will be used for the recruitment and training of extension officers as well as for the placement of unemployed agricultural graduates in commercial farms in all provinces. The *comprehensive agricultural support programme grant* is allocated R4.8 billion over the medium term in the *Food Security, Land Reform and Restitution* programme.

To streamline the provision of agricultural finance, the department will transfer R1.2 billion over the MTEF period to the Land and Agricultural Development Bank of South Africa. This transfer will enable the bank to offer blended finance (a combination of government grants and loans at cheaper rates) to emerging black farmers in the black producer commercialisation programme with the aim of creating a projected 450 black commercial farmers in each year over the period ahead.

Improving agriculture production and food safety

The department's ongoing objective is to increase its capacity to respond to biosecurity threats and ensure food safety in South Africa, strengthen animal and plant health, and improve inspection and laboratory services. This includes local and international surveillance of specific animal and plant diseases, especially in areas where there is a prevalence of foot-and-mouth disease, ovine rinderpest and Newcastle disease. Spending on related activities over the medium term is expected to amount to R130 million in the *Animal Production and Health* subprogramme in the *Agricultural Production, Health, Food Safety, Natural Resources and Disaster Management* programme. In the same subprogramme, R45 million is earmarked over the medium term for the implementation of microbial and antimicrobial monitoring, and all relevant pathogen reduction programmes. Related activities include conducting inspections of facilities that produce food of animal origin.

Developing the agricultural value chain through greater market access

Over the period ahead, the department plans to continue monitoring the implementation of the Southern

African Development Community-European Economic Partnership Agreement, which commenced in October 2016. The agreement has already provided new and greater market access for about 32 South African agricultural products including sugar, flower varieties, fruit and wine. For this purpose, R1.9 billion is allocated over the MTEF period in the *Agro-processing, Marketing and Rural Industrial Development* subprogramme in the *Economic Development, Trade and Marketing* programme to ensure that primary product commodities are converted into value-added products, and that there is domestic and international market access for South African agricultural products.

The availability of an integrated system to identify and trace livestock and other products of animal origin will provide the local agriculture industry with the necessary credibility for improving and expanding market access. In this regard, R40 million is earmarked in the *Economic Development, Trade and Marketing* programme over the MTEF period for the development and implementation of a livestock identification and traceability system in South Africa.

Promoting an inclusive rural economy

The department's ongoing commitment is to promote inclusive economic growth, broadly, and an inclusive rural economy, specifically. This commitment is realised through activities carried out in the *Rural Development* programme, which is allocated R3.3 billion over the medium term, representing 6.2 per cent of the department's total budget. Accordingly, over the medium term, 750 rural enterprises and 270 farmer production support units will be supported through the programme for the provision of infrastructure and inputs, both on and off farms.

Expenditure trends and estimates

Table 29.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Agricultural Production, Health, Food Safety, Natural Resources and Disaster Management											
3. Food Security, Land Reform and Restitution											
4. Rural Development											
5. Economic Development, Trade and Marketing											
6. Land Administration											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	2 239.5	1 982.0	2 551.3	2 633.1	5.5%	14.6%	2 732.2	2 889.7	3 002.0	4.5%	16.0%
Programme 2	2 435.8	2 607.3	3 247.9	3 054.1	7.8%	17.6%	3 220.7	3 463.4	3 522.9	4.9%	18.8%
Programme 3	7 909.4	7 718.0	7 870.4	8 776.5	3.5%	50.1%	8 117.2	8 677.8	9 147.4	1.4%	49.2%
Programme 4	1 203.2	1 194.8	1 107.3	1 150.6	-1.5%	7.2%	1 097.8	1 160.4	1 010.1	-4.2%	6.3%
Programme 5	900.7	1 055.5	1 196.3	900.9	0.0%	6.3%	885.6	944.5	989.4	3.2%	5.3%
Programme 6	668.6	618.2	626.9	713.9	2.2%	4.1%	756.6	811.1	849.1	6.0%	4.4%
Subtotal	15 357.2	15 175.8	16 600.2	17 228.9	0.0	1.0	16 810.1	17 946.9	18 520.9	0.0	1.0
Total	15 357.2	15 175.8	16 600.2	17 228.9	3.9%	100.0%	16 810.1	17 946.9	18 520.9	2.4%	100.0%
Change to 2019				(169.7)			(527.7)	(502.6)	(519.4)		
Budget estimate											
Economic classification											
Current payments	5 706.5	5 883.3	6 482.2	7 286.2	8.5%	39.4%	8 033.6	8 582.6	8 802.0	6.5%	46.4%
Compensation of employees	3 290.8	3 398.0	3 624.0	4 059.1	7.2%	22.3%	4 444.5	4 724.0	4 930.0	6.7%	25.8%
Goods and services ¹	2 414.9	2 481.3	2 857.3	3 226.9	10.1%	17.1%	3 589.1	3 858.6	3 872.0	6.3%	20.6%
of which:											
Consultants: Business and advisory services	228.5	187.7	126.3	467.1	26.9%	1.6%	315.3	344.9	381.4	-6.5%	2.1%
Contractors	39.3	26.7	28.4	49.6	8.0%	0.2%	767.2	923.0	772.3	149.7%	3.6%
Inventory: Farming supplies	217.6	228.1	533.4	207.8	-1.5%	1.8%	383.6	412.5	440.6	28.5%	2.0%
Operating leases	301.0	269.8	400.8	291.4	-1.1%	2.0%	297.4	312.6	324.1	3.6%	1.7%
Property payments	244.2	219.3	344.2	373.9	15.3%	1.8%	364.0	386.8	399.8	2.3%	2.2%
Travel and subsistence	354.9	327.3	354.4	463.8	9.3%	2.3%	293.1	310.6	324.5	-11.2%	2.0%
Interest and rent on land	0.8	4.0	0.9	0.2	-42.9%	0.0%	0.0	0.0	0.0	-81.3%	0.0%
Transfers and subsidies¹	8 780.8	8 462.8	9 212.1	9 197.8	1.6%	55.4%	8 411.0	8 979.2	9 309.2	0.4%	50.9%
Provinces and municipalities	2 318.3	2 460.1	3 071.9	2 342.3	0.3%	15.8%	2 236.1	2 407.0	2 482.4	2.0%	13.4%
Departmental agencies and accounts	2 388.9	2 454.9	2 567.6	2 844.1	6.0%	15.9%	2 383.2	2 524.0	2 485.0	-4.4%	14.5%
Foreign governments and international organisations	44.6	38.0	37.5	42.3	-1.8%	0.3%	43.8	46.2	48.0	4.3%	0.3%

Table 29.2 Vote expenditure trends and estimates by programme and economic classification

Transfers and subsidies ¹					Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome				Adjusted appropriation			Medium-term expenditure estimate				
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20	2022/23
Public corporations and private enterprises	94.2	146.4	169.1	403.8	62.4%	1.3%	407.3	437.2	465.0	4.8%	2.4%
Non-profit institutions	3.3	3.7	3.7	3.9	5.5%	0.0%	4.0	4.3	4.4	4.2%	0.0%
Households	3 931.3	3 359.8	3 362.2	3 561.5	-3.2%	22.1%	3 336.6	3 560.5	3 824.4	2.4%	20.3%
Payments for capital assets	844.4	825.6	902.8	744.9	-4.1%	5.2%	365.4	385.1	409.7	-18.1%	2.7%
Buildings and other fixed structures	620.5	617.2	744.4	644.7	1.3%	4.1%	307.1	329.3	350.2	-18.4%	2.3%
Machinery and equipment	117.1	77.5	121.8	96.3	-6.3%	0.6%	55.3	52.8	57.6	-15.8%	0.4%
Heritage assets	—	—	—	2.2	0.0%	0.0%	—	—	—	-100.0%	0.0%
Biological assets	0.2	0.0	0.3	—	-100.0%	0.0%	—	—	—	0.0%	0.0%
Land and subsoil assets	104.4	111.1	25.3	0.4	-83.9%	0.4%	—	—	—	-100.0%	0.0%
Software and other intangible assets	2.2	19.8	11.1	1.3	-16.0%	0.1%	3.1	3.0	2.0	15.1%	0.0%
Payments for financial assets	25.6	4.0	3.0	—	-100.0%	0.1%	—	—	—	0.0%	0.0%
Total	15 357.2	15 175.8	16 600.2	17 228.9	3.9%	100.0%	16 810.1	17 946.9	18 520.9	2.4%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 29.3 Vote transfers and subsidies trends and estimates

				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	2 270 285	2 330 324	2 435 870	2 562 769	4.1%	26.9%	2 098 963	2 241 844	2 326 835	-3.2%	25.7%
Communication	24	37	23	25	1.4%	—	26	27	27	2.6%	—
Primary Agriculture Sector	1 175	1 207	1 223	1 345	4.6%	—	1 308	1 394	1 459	2.7%	—
Education and Training Authority											
Agricultural Research Council	694 570	850 232	899 554	942 593	10.7%	9.5%	987 406	1 041 961	1 082 994	4.7%	11.3%
Agricultural land holding account	1 502 119	1 348 397	1 326 457	1 405 947	-2.2%	15.7%	891 646	967 863	1 003 190	-10.6%	11.9%
KwaZulu-Natal Ingonyama Trust Board	18 788	19 727	20 349	21 489	4.6%	0.2%	22 291	23 517	24 391	4.3%	0.3%
Office of the Valuer-General	14 300	64 807	141 125	142 127	115.0%	1.0%	144 531	152 480	158 148	3.6%	1.7%
National Agricultural Marketing Council	35 005	41 917	43 239	45 251	8.9%	0.5%	47 422	50 030	51 885	4.7%	0.5%
Small Enterprise Development Agency	304	—	—	—	-100.0%	—	—	—	—	—	—
South African Geomatics Council	4 000	4 000	3 900	3 992	-0.1%	—	4 333	4 572	4 741	5.9%	—
Capital	118 619	124 551	131 775	281 355	33.4%	1.8%	284 213	282 179	158 138	-17.5%	2.8%
Agricultural Research Council	118 619	124 551	131 775	281 355	33.4%	1.8%	284 213	282 179	158 138	-17.5%	2.8%
Households											
Social benefits											
Current	12 780	10 054	10 727	3 570	-34.6%	0.1%	1 224	1 288	1 351	-27.7%	—
Employee social benefits	12 780	10 054	10 727	3 570	-34.6%	0.1%	1 224	1 288	1 351	-27.7%	—
Provinces and municipalities											
Municipal bank accounts											
Current	115 889	218 367	225 962	183 602	16.6%	2.1%	82 688	87 235	90 480	-21.0%	1.2%
Vehicle licences	10 170	981	773	802	-57.1%	—	715	754	784	-0.8%	—
Municipal rates and taxes	—	17 399	4 822	6 138	—	0.1%	6 444	6 798	7 050	4.7%	0.1%
Rates and taxes	105 719	199 987	220 367	176 662	18.7%	2.0%	75 529	79 683	82 646	-22.4%	1.2%
Households											
Other transfers to households											
Current	859 752	895 063	615 323	445 206	-19.7%	7.9%	405 393	412 463	391 617	-4.2%	4.6%
Claims against the state	226	2 047	6 608	—	-100.0%	—	—	—	—	—	—
Avian Influenza	—	40 000	—	—	—	0.1%	—	—	—	—	—
Rural Disaster Mitigation Training	—	10 213	29 501	—	—	0.1%	—	—	—	—	—
Agricultural colleges	1 499	1 773	1 794	1 900	8.2%	—	2 005	2 115	2 217	5.3%	—
Female entrepreneur of the year awards	—	900	300	250	—	—	250	250	263	1.7%	—
Gifts and donations: Youth in Agriculture, Forestry and Fisheries	—	300	400	250	—	—	250	250	263	1.7%	—
Grootfontein Agricultural Development Institute: Studies	1 400	1 500	1 600	1 690	6.5%	—	1 783	1 872	1 965	5.2%	—

Table 29.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Land reform grants: Land redistribution payments	–	333 660	82 146	305 500	–	2.0%	258 127	305 899	288 572	-1.9%	3.2%
National Student Financial Aid Scheme	18 862	19 955	20 621	21 608	4.6%	0.2%	22 796	24 050	24 896	4.8%	0.3%
Thaba Nchu FET	29 951	25 355	12 179	–	-100.0%	0.2%	–	–	–	–	–
Rural Infrastructure Development	93 880	83 209	85 610	1	-97.8%	0.7%	1	1	1	–	–
Rural Enterprise and Industrial Development	374 961	12 026	12 696	–	-100.0%	1.1%	1	1	1	–	–
Bursaries for non-employees	19 501	15 607	22 769	26 464	10.7%	0.2%	29 884	31 528	32 699	7.3%	0.3%
National Rural Youth Services Corps	319 472	348 518	339 099	87 543	-35.0%	3.1%	90 296	46 497	40 740	-22.5%	0.7%
Capital	3 058 810	2 454 686	2 736 146	3 112 697	0.6%	31.9%	2 930 018	3 146 744	3 431 445	3.3%	35.2%
Land reform grants: Land redistribution payments	380 169	41 588	12 205	18 200	-63.7%	1.3%	19 201	20 257	21 323	5.4%	0.2%
Land reform grants: Land tenure payments	1 246	4 429	66 589	174 785	419.6%	0.7%	230 521	276 775	258 053	13.9%	2.6%
Restitution grants	2 677 395	2 408 669	2 657 352	2 919 712	2.9%	29.9%	2 680 296	2 849 712	3 152 069	2.6%	32.3%
Public corporations and private enterprises											
Other transfers to private enterprises											
Current	58	19	–	–	-100.0%	–	–	–	–	–	–
Claims against the state	58	19	–	–	-100.0%	–	–	–	–	–	–
Provinces and municipalities											
Provincial revenue funds											
Current	2 202 452	2 241 689	2 845 942	2 158 650	-0.7%	26.5%	2 153 424	2 319 739	2 391 963	3.5%	25.1%
Ililima/Letsema projects grant	491 363	522 139	552 423	538 091	3.1%	5.9%	548 815	613 807	631 974	5.5%	6.5%
Land care programme grant	69 265	73 604	274 904	82 234	5.9%	1.4%	82 419	86 037	88 399	2.4%	0.9%
Comprehensive agricultural support programme grant: Disasters: Flood damaged infrastructure	76 734	139 071	157 240	60 349	-7.7%	1.2%	–	–	–	-100.0%	0.2%
Comprehensive agricultural support programme grant: Disasters: Drought relief	–	–	266 500	–	–	0.7%	–	–	–	–	–
Comprehensive agricultural support programme grant: Infrastructure	1 148 115	1 112 138	1 164 766	1 032 853	-3.5%	12.5%	1 120 645	1 203 487	1 254 142	6.7%	12.8%
Comprehensive agricultural support programme grant: Extension recovery planning services	346 149	337 906	355 648	368 558	2.1%	3.9%	315 014	322 763	319 297	-4.7%	3.7%
Comprehensive agricultural support programme grant: Upgrading of provincial agricultural colleges	70 826	56 831	74 461	76 565	2.6%	0.8%	86 531	93 645	98 151	8.6%	1.0%
Public corporations and private enterprises											
Other transfers to public corporations											
Current	94 167	146 412	169 104	403 773	62.5%	2.3%	407 256	437 177	465 012	4.8%	4.8%
Land and Agricultural Development Bank of South Africa	88 232	140 166	162 496	403 773	66.0%	2.2%	407 256	437 177	465 012	4.8%	4.8%
Ncera Farms (Pty) Limited	5 935	6 246	6 608	–	-100.0%	0.1%	–	–	–	–	–
Foreign governments and international organisations											
Current	44 629	37 992	37 544	42 275	-1.8%	0.5%	43 826	46 235	47 954	4.3%	0.5%
Consultative Group on International Agricultural Research	7 020	6 045	6 945	8 400	6.2%	0.1%	9 000	10 000	10 700	8.4%	0.1%
International Union for the Protection of New Varieties of Plants	789	724	752	890	4.1%	–	899	908	915	0.9%	–
Commonwealth Agricultural Bureau International	337	268	270	300	-3.8%	–	400	405	500	18.6%	–
International Commission of Agricultural Engineering	21	–	20	20	-1.6%	–	21	22	23	4.8%	–
Food and Agriculture Organisation of the United Nations	30 140	24 363	22 196	25 500	-5.4%	0.3%	26 244	27 263	27 800	2.9%	0.3%
Foreign rates and taxes	457	520	349	700	15.3%	–	453	465	507	-10.2%	–
International Cotton Advisory Council	374	303	396	300	-7.1%	–	400	405	426	12.4%	–
International Dairy Federation	50	50	50	50	–	–	50	50	50	–	–
International Grains Council	212	193	204	212	–	–	300	320	330	15.9%	–
International Seed Testing Association	120	158	146	200	18.6%	–	200	220	220	3.2%	–
International Organisation of Vine and Wine	977	823	994	830	-5.3%	–	1 000	1 106	1 200	13.1%	–
World Organisation for Animal Health	1 616	1 832	1 960	1 852	4.6%	–	2 500	2 600	2 700	13.4%	–

Table 29.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Organisation for Economic Cooperation and Development	183	328	1 094	450	35.0%	—	410	415	450	—	—
Regional centre for mapping of resources for development	2 333	2 385	2 168	2 571	3.3%	—	1 949	2 056	2 133	-6.0%	—
Non-profit institutions											
Current	3 326	3 662	3 695	3 902	5.5%	—	4 035	4 256	4 415	4.2%	—
Wine and Spirit Board	—	170	—	—	—	—	—	—	—	—	—
South African Council for Planners	3 326	3 492	3 695	3 902	5.5%	—	4 035	4 256	4 415	4.2%	—
Total	8 780 767	8 462 819	9 212 088	9 197 799	1.6%	100.0%	8 411 040	8 979 160	9 309 210	0.4%	100.0%

Personnel information

Table 29.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																					
1. Administration																					
2. Agricultural Production, Health, Food Safety, Natural Resources and Disaster Management																					
3. Food Security, Land Reform and Restitution																					
4. Rural Development																					
5. Economic Development, Trade and Marketing																					
6. Land Administration																					
Number of posts estimated for 31 March 2020			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 (%)						
		2018/19			2019/20			2020/21		2021/22		2022/23									
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost								
Agriculture, Land Reform and Rural Development			7 496	766	7 505	3 637.3	0.5	7 784	4 073.7	0.5	8 080	4 459.9	0.6	7 981	4 740.5	0.6	7 762	4 947.2	0.6	-0.1%	100.0%
Salary level	7 496	766	7 505	3 637.3	0.5	7 784	4 073.7	0.5	8 080	4 459.9	0.6	7 981	4 740.5	0.6	7 762	4 947.2	0.6	-0.1%	100.0%		
1 – 6	1 942	27	1 953	484.2	0.2	2 023	541.7	0.3	2 078	590.0	0.3	2 049	624.4	0.3	2 011	658.5	0.3	-0.2%	25.8%		
7 – 10	3 572	132	3 564	1 734.8	0.5	3 706	1 954.0	0.5	3 817	2 125.3	0.6	3 794	2 263.1	0.6	3 727	2 374.8	0.6	0.2%	47.6%		
11 – 12	1 220	206	1 222	969.0	0.8	1 278	1 084.4	0.8	1 312	1 212.0	0.9	1 321	1 298.3	1.0	1 291	1 345.3	1.0	0.3%	16.5%		
13 – 16	365	7	369	400.9	1.1	380	441.9	1.2	381	469.3	1.2	376	492.3	1.3	367	509.9	1.4	-1.2%	4.8%		
Other	397	394	397	48.4	0.1	397	51.6	0.1	492	63.2	0.1	441	62.4	0.1	366	58.7	0.2	-2.7%	5.4%		
Programme	7 496	766	7 505	3 637.3	0.5	7 784	4 073.7	0.5	8 080	4 459.9	0.6	7 981	4 740.5	0.6	7 762	4 947.2	0.6	-0.1%	100.0%		
Programme 1	2 336	199	2 355	1 099.7	0.5	2 447	1 233.5	0.5	2 474	1 282.6	0.5	2 404	1 358.8	0.6	2 289	1 408.5	0.6	-2.2%	30.4%		
Programme 2	1 618	169	1 608	748.1	0.5	1 775	893.4	0.5	1 891	1 012.3	0.5	1 883	1 078.2	0.6	1 846	1 128.8	0.6	1.3%	23.4%		
Programme 3	2 004	255	1 983	918.3	0.5	2 003	1 016.0	0.5	2 086	1 126.6	0.5	2 080	1 201.4	0.6	2 049	1 259.3	0.6	0.8%	26.0%		
Programme 4	285	18	296	142.9	0.5	288	150.3	0.5	301	163.5	0.5	292	170.6	0.6	285	176.9	0.6	-0.3%	3.7%		
Programme 5	374	5	374	269.1	0.7	404	301.5	0.7	410	321.9	0.8	409	344.4	0.8	393	357.2	0.9	-0.9%	5.1%		
Programme 6	879	120	889	459.1	0.5	867	478.9	0.6	918	553.0	0.6	913	587.0	0.6	900	616.5	0.7	1.3%	11.4%		

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

Departmental receipts

Table 29.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
Departmental receipts	244 114	266 704	289 358	300 066	300 066	7.1%	100.0%	281 846	300 360	318 794	2.0%	100.0%
Sales of goods and services produced by department	164 236	189 314	191 925	193 198	193 198	5.6%	67.1%	202 463	213 656	225 668	5.3%	69.5%
Sales by market establishments of which:	2 463	2 208	1 985	2 123	2 123	-4.8%	0.8%	2 562	2 699	2 768	9.2%	0.8%
Dwellings	1 094	1 079	1 044	1 195	1 195	3.0%	0.4%	1 257	1 320	1 374	4.8%	0.4%
Rental parking: Covered and open	361	361	287	334	334	-2.6%	0.1%	408	429	444	10.0%	0.1%
Wool and skin	279	5	—	—	—	-100.0%	—	—	—	—	—	—
Market establishment: Non-residential building	729	763	654	594	594	-6.6%	0.2%	897	950	950	16.9%	0.3%

Table 29.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
Administrative fees	151 782	176 622	179 985	180 887	180 887	6.0%	62.6%	187 350	197 357	208 863	4.9%	64.5%
of which:												
Farm feeds registration	8 970	7 579	12 426	8 352	8 352	-2.4%	3.4%	8 719	9 103	9 476	4.3%	3.0%
Plant breeders rights	2 889	3 021	3 368	3 152	3 152	2.9%	1.1%	3 336	3 528	3 673	5.2%	1.1%
Stock remedy	861	4 000	920	1 400	1 400	17.6%	0.7%	1 454	1 510	1 572	3.9%	0.5%
Inspection fees: Statutory services	76 306	94 181	85 514	94 754	94 754	7.5%	31.9%	99 496	104 448	108 730	4.7%	33.9%
Other	45 519	50 636	59 293	50 929	50 929	3.8%	18.8%	53 169	55 474	57 748	4.3%	18.1%
Servitude rights	2 405	597	582	3 300	3 300	11.1%	0.6%	1 619	1 781	4 000	6.6%	0.9%
Surveyor inspection fees	14 832	16 608	17 882	19 000	19 000	8.6%	6.2%	19 557	21 513	23 664	7.6%	7.0%
Other sales	9 991	10 484	9 955	10 188	10 188	0.7%	3.7%	12 551	13 600	14 037	11.3%	4.2%
of which:												
Service rendered: Boarding services (private)	1 625	1 731	–	1 648	1 648	0.5%	0.5%	1 650	1 718	1 788	2.8%	0.6%
Service rendered: Commission insurance	1 442	1 494	1 516	1 685	1 685	5.3%	0.6%	1 759	1 837	1 912	4.3%	0.6%
Service rendered: Course fees	2 011	1 321	1 689	1 990	1 990	-0.3%	0.6%	2 087	2 187	2 277	4.6%	0.7%
Laboratory services: Plant	884	824	561	862	862	-0.8%	0.3%	911	962	1 001	5.1%	0.3%
Other	1 040	1 133	3 381	1 043	1 043	0.1%	0.6%	1 997	2 334	2 364	31.4%	0.6%
Services rendered: Commission on insurance and garnishees	1 010	1 069	1 117	1 160	1 160	4.7%	0.4%	1 206	1 327	1 460	8.0%	0.4%
Sales: Maps	1 979	2 912	1 691	1 800	1 800	-3.1%	0.8%	2 941	3 235	3 235	21.6%	0.9%
Sales of scrap, waste, arms and other used current goods	91	8	6	10	10	-52.1%	–	12	14	16	17.0%	–
of which:												
Wastepaper	11	5	6	9	9	-6.5%	–	11	13	15	18.6%	–
Sales scrap	80	3	–	1	1	-76.8%	–	1	1	1	–	–
Transfers received	260	151	411	480	480	22.7%	0.1%	501	523	545	4.3%	0.2%
Fines, penalties and forfeits	19	16	11	26	26	11.0%	–	27	28	29	3.7%	–
Interest, dividends and rent on land	34 403	37 160	44 204	31 999	31 999	-2.4%	13.4%	36 185	39 720	42 201	9.7%	12.5%
Interest	23 118	23 273	39 863	27 370	27 370	5.8%	10.3%	23 773	26 090	28 539	1.4%	8.8%
Rent on land	11 285	13 887	4 341	4 629	4 629	-25.7%	3.1%	12 412	13 630	13 662	43.4%	3.7%
Sales of capital assets	1 307	3 003	473	3 191	3 191	34.7%	0.7%	2 684	2 860	3 045	-1.5%	1.0%
Transactions in financial assets and liabilities	43 798	37 052	52 328	71 162	71 162	17.6%	18.6%	39 974	43 559	47 290	-12.7%	16.8%
Total	244 114	266 704	289 358	300 066	300 066	7.1%	100.0%	281 846	300 360	318 794	2.0%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 29.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Ministry	87.0	85.3	89.4	98.6	4.2%	3.8%	78.9	83.3	86.3	-4.3%	3.1%
Department Management	147.2	145.0	130.8	177.0	6.3%	6.4%	163.8	173.0	179.2	0.4%	6.2%
Internal Audit	47.5	50.5	47.0	62.0	9.3%	2.2%	63.3	67.0	69.5	3.9%	2.3%
Financial Management	276.3	251.1	253.5	296.8	2.4%	11.5%	284.0	301.4	312.1	1.7%	10.6%
Corporate Services	946.5	743.6	843.1	943.1	-0.1%	37.0%	932.9	987.5	1 024.1	2.8%	34.5%
Provincial Operations	345.9	357.9	400.9	444.1	8.7%	16.5%	455.3	480.1	498.0	3.9%	16.7%
Office Accommodation	389.0	348.6	786.6	611.6	16.3%	22.7%	754.0	797.5	832.8	10.8%	26.6%
Total	2 239.5	1 982.0	2 551.3	2 633.1	5.5%	100.0%	2 732.2	2 889.7	3 002.0	4.5%	100.0%
Change to 2019				(157.7)			(147.9)	(157.0)	(171.0)		
Budget estimate											

Table 29.6 Administration expenditure trends and estimates by subprogramme and economic classification

Economic classification					Average growth rate	Average: Expenditure/ Total				Average growth rate	Average: Expenditure/ Total
	Audited outcome			Adjusted appropriation	rate (%)		Medium-term expenditure estimate			rate (%)	
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	2 190.6	1 933.3	2 296.0	2 441.6	3.7%	94.2%	2 447.6	2 584.4	2 677.2	3.1%	90.2%
Compensation of employees	1 012.1	1 020.1	1 099.7	1 233.5	6.8%	46.4%	1 282.6	1 358.8	1 408.5	4.5%	46.9%
Goods and services ¹	1 178.5	912.2	1 196.3	1 208.0	0.8%	47.8%	1 165.0	1 225.6	1 268.7	1.6%	43.2%
of which:											
Audit costs: External	27.3	32.1	26.6	36.6	10.2%	1.3%	36.5	38.5	40.0	3.0%	1.3%
Computer services	233.4	143.9	185.6	226.5	-1.0%	8.4%	217.1	228.7	237.2	1.6%	8.1%
Consultants: Business and advisory services	118.4	46.4	23.3	53.7	-23.2%	2.6%	37.5	34.8	35.8	-12.6%	1.4%
Operating leases	264.2	237.8	368.7	261.2	-0.4%	12.0%	269.6	283.1	293.5	4.0%	9.8%
Property payments	214.3	183.4	311.1	329.3	15.4%	11.0%	320.9	341.3	351.9	2.2%	11.9%
Travel and subsistence	122.6	100.2	102.3	107.4	-4.3%	4.6%	92.6	97.6	101.3	-1.9%	3.5%
Interest and rent on land	0.1	1.0	0.0	0.0	-32.7%	—	—	—	—	-100.0%	—
Transfers and subsidies ¹	5.7	5.7	8.4	2.6	-23.1%	0.2%	1.6	1.7	1.8	-12.1%	0.1%
Provinces and municipalities	0.1	0.1	0.1	0.1	7.6%	—	0.1	0.1	0.1	2.5%	—
Departmental agencies and accounts	1.2	1.2	1.2	1.4	4.5%	0.1%	1.3	1.4	1.5	2.7%	—
Households	4.4	4.4	7.1	1.1	-36.5%	0.2%	0.2	0.2	0.2	-45.9%	—
Payments for capital assets	38.0	41.1	246.1	188.9	70.7%	5.5%	283.0	303.6	323.0	19.6%	9.8%
Buildings and other fixed structures	8.5	21.0	218.4	159.3	166.0%	4.3%	268.6	288.6	307.2	24.5%	9.1%
Machinery and equipment	27.4	18.7	26.7	29.1	2.0%	1.1%	14.5	15.0	15.8	-18.4%	0.7%
Software and other intangible assets	2.1	1.5	1.0	0.5	-38.1%	0.1%	—	—	—	-100.0%	—
Payments for financial assets	5.2	1.9	0.7	—	-100.0%	0.1%	—	—	—	—	—
Total	2 239.5	1 982.0	2 551.3	2 633.1	5.5%	100.0%	2 732.2	2 889.7	3 002.0	4.5%	100.0%
Proportion of total programme expenditure to vote expenditure	14.6%	13.1%	15.4%	15.3%	—	—	16.3%	16.1%	16.2%	—	—
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1.2	1.2	1.2	1.4	4.5%	0.1%	1.3	1.4	1.5	2.7%	—
Communication	0.0	0.0	0.0	0.0	1.4%	—	0.0	0.0	0.0	2.6%	—
Primary Agriculture Sector	1.2	1.2	1.2	1.3	4.6%	0.1%	1.3	1.4	1.5	2.7%	—
Education and Training Authority											

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

Programme 2: Agricultural Production, Health, Food Safety, Natural Resources and Disaster Management

Programme purpose

Oversee livestock production, game farming, animal and plant health, natural resources, and disaster management.

Objectives

- Manage biosecurity and related sector risks over the medium term by:
 - conducting 9 countrywide surveys of plant pests and diseases, in particular the exotic fruit fly, citrus greening disease and banana bunchy top virus, to manage their spread and/or incursion, and eradicating them
 - conducting 9 planned animal risk surveillance exercises on foot-and-mouth disease, ovine rinderpest and Newcastle disease.
- Ensure access to primary animal health care services through the implementation of compulsory community services by deploying 100 per cent of veterinary graduates to rural areas by 2022/23.
- Enforce an animal disease regulatory framework to reduce the level of disease outbreaks and reduce interception at export channels in production areas to a minimum level by conducting 3 planned animal risk surveillance exercises each year on foot-and-mouth disease and goat plague over the medium term.
- Implement regulatory compliance and monitoring interventions to prevent plant and animal pest and disease outbreaks through quarantine inspections, surveillance, and testing and registration of products used in

agriculture by 2022/23.

Subprogrammes

- *Inspection and Quarantine Services* ensures compliance with regulatory frameworks for food safety.
- *Plant Production and Health* develops policy, and norms and standards to support plant production and plant health.
- *Animal Production and Health* promotes livestock production, game farming and animal health.
- *Natural Resources and Disaster Management* facilitates the development of infrastructure and the sustainable use of natural resources; and integrates, coordinates and implements disaster management policies and frameworks with special emphasis on mitigating disasters in rural and agricultural areas.
- *Agricultural Research Council* manages transfers to the Agricultural Research Council.

Expenditure trends and estimates

Table 29.7 Agricultural Production, Health, Food Safety, Natural Resources and Disaster Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome			2019/20				2016/17 - 2019/20	2020/21	2021/22		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Inspection and Quarantine Services	333.1	380.3	463.4	582.2	20.5%	15.5%	629.2	679.3	701.8	6.4%	19.5%
Plant Production and Health	575.8	627.4	665.2	635.6	3.4%	22.1%	688.3	776.9	841.0	9.8%	22.2%
Animal Production and Health	205.1	248.3	218.0	266.9	9.2%	8.3%	342.9	378.2	422.6	16.6%	10.6%
Natural Resources and Disaster Management	508.8	376.7	870.2	345.7	-12.1%	18.5%	289.0	305.0	316.7	-2.9%	9.5%
Agricultural Research Council	813.0	974.6	1 031.1	1 223.7	14.6%	35.6%	1 271.4	1 323.9	1 240.9	0.5%	38.2%
Total	2 435.8	2 607.3	3 247.9	3 054.1	7.8%	100.0%	3 220.7	3 463.4	3 522.9	4.9%	100.0%
Change to 2019 Budget estimate				(224.2)			(156.5)	(97.6)	(37.0)		
Economic classification											
Current payments	953.9	815.2	882.7	1 102.1	4.9%	33.1%	1 301.0	1 427.3	1 547.9	12.0%	40.6%
Compensation of employees	628.4	684.0	748.1	893.4	12.4%	26.0%	1 012.3	1 078.2	1 128.8	8.1%	31.0%
Goods and services ¹	325.4	131.2	134.5	208.7	-13.8%	7.1%	288.7	349.1	419.1	26.2%	9.5%
of which:											
Computer services	1.2	1.0	0.5	25.4	176.9%	0.2%	33.7	33.5	28.7	4.1%	0.9%
Consultants: Business and advisory services	16.3	17.2	18.0	18.1	3.6%	0.6%	28.9	44.1	68.7	55.9%	1.2%
Laboratory services	0.2	0.1	0.5	1.6	98.9%	—	21.0	24.8	34.0	175.7%	0.6%
Agency and support/outourced services	15.6	12.2	10.7	15.2	-1.0%	0.5%	27.6	29.1	30.2	25.8%	0.8%
Inventory: Farming supplies	215.7	15.9	5.7	23.6	-52.1%	2.3%	43.4	48.4	60.8	37.0%	1.3%
Travel and subsistence	28.5	21.7	33.9	29.9	1.6%	1.0%	37.2	42.0	46.1	15.5%	1.2%
Transfers and subsidies ¹	1 452.5	1 761.7	2 315.0	1 904.8	9.5%	65.5%	1 903.0	2 024.1	1 961.6	1.0%	58.8%
Provinces and municipalities	637.6	735.1	1 251.3	680.8	2.2%	29.1%	631.2	699.9	720.4	1.9%	20.6%
Departmental agencies and accounts	813.2	974.8	1 031.3	1 223.9	14.6%	35.6%	1 271.6	1 324.1	1 241.1	0.5%	38.2%
Households	1.7	51.8	32.4	0.1	-58.5%	0.8%	0.1	0.1	0.1	-4.4%	—
Payments for capital assets	29.0	30.2	50.1	47.1	17.6%	1.4%	16.7	12.0	13.4	-34.2%	0.7%
Buildings and other fixed structures	2.6	2.2	0.1	18.8	93.3%	0.2%	3.4	3.4	3.6	-42.2%	0.2%
Machinery and equipment	26.4	9.8	39.7	28.3	2.4%	0.9%	10.3	5.6	7.8	-34.8%	0.4%
Biological assets	—	—	0.3	—	—	—	—	—	—	—	—
Software and other intangible assets	—	18.2	10.0	—	—	0.2%	3.0	3.0	2.0	—	0.1%
Payments for financial assets	0.5	0.3	0.2	—	-100.0%	—	—	—	—	—	—
Total	2 435.8	2 607.3	3 247.9	3 054.1	7.8%	100.0%	3 220.7	3 463.4	3 522.9	4.9%	100.0%
Proportion of total programme expenditure to vote expenditure	15.9%	17.2%	19.6%	17.7%	—	—	19.2%	19.3%	19.0%	—	—
Details of selected transfers and subsidies											
Households											
Other transfers to households											
Current	—	50.2	29.5	—	—	0.7%	—	—	—	—	—
Avian Influenza	—	40.0	—	—	—	0.4%	—	—	—	—	—
Rural Disaster Mitigation Training	—	10.2	29.5	—	—	0.4%	—	—	—	—	—
Departmental agencies and accounts											
Departmental agencies (non-business entities)											

Table 29.7 Agricultural Production, Health, Food Safety, Natural Resources and Disaster Management expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/ Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/ Total (%)
R million				2019/20	2016/17 - 2019/20						
Current	694.4	850.0	899.3	942.4	10.7%	29.8%	987.2	1 041.7	1 082.7	4.7%	30.6%
Agricultural Research Council	694.4	850.0	899.3	942.4	10.7%	29.8%	987.2	1 041.7	1 082.7	4.7%	30.6%
Capital	118.6	124.6	131.8	281.4	33.4%	5.8%	284.2	282.2	158.1	-17.5%	7.6%
Agricultural Research Council	118.6	124.6	131.8	281.4	33.4%	5.8%	284.2	282.2	158.1	-17.5%	7.6%
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	637.4	734.8	1 251.1	680.7	2.2%	29.1%	631.2	699.8	720.4	1.9%	20.6%
Ilima/Letsema projects grant	491.4	522.1	552.4	538.1	3.1%	18.5%	548.8	613.8	632.0	5.5%	17.6%
Land care programme grant	69.3	73.6	274.9	82.2	5.9%	4.4%	82.4	86.0	88.4	2.4%	2.6%
Comprehensive agricultural support programme grant:	76.7	139.1	157.2	60.3	-7.7%	3.8%	—	—	—	-100.0%	0.5%
Disasters: Flood damaged infrastructure											
Comprehensive agricultural support programme grant:	—	—	266.5	—	—	2.3%	—	—	—	—	—
Disasters: Drought relief											

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

Programme 3: Food Security, Land Reform and Restitution

Programme purpose

Acquire and redistribute land, and promote food security and agrarian reform programmes.

Objectives

- Redress equitable access to land by conducting research and finalising land claims on an ongoing basis.
- Coordinate the implementation of the national policy on food and nutrition security by providing production inputs such as seeds and fertilisers, and cultivating 360 000 hectares of underutilised land in communal areas over the medium term.
- Improve delivery capacity in support of sustainable growth in the sector by:
 - implementing policies to develop capacity in the sectors, such as the national policy on extension and advisory services on an ongoing basis
 - facilitating collaborations with commodity organisations to build the capacity of 100 extension practitioners by March 2023
 - providing strategic leadership and support, such as research, training and extension services, to targeted subsistence and smallholder producers in the sector by transforming all agricultural colleges into agricultural training institutions by March 2023.
- Coordinate comprehensive support systems and programmes provided to producers by:
 - supporting 145 000 subsistence and smallholder producers over the medium term
 - supporting the commercialisation of 450 smallholder producers each year over the medium term through the blended finance model
 - placing 255 unemployed agricultural graduates in farms; and further supporting access to resources for agribusiness development over the medium term.

Subprogrammes

- *Food Security* provides national frameworks to promote sustainable household food security.
- *Land Tenure Reform* develops land tenure reform policies, programmes and procedures.
- *Land Acquisition and Redistribution* provides land acquisition and strategic institutional partnerships.

- *National Extension Services and Sector Capacity Development* provides national extension support services, and sustainable growth and equitable participation in the sector.
- *Farmer Support and Development* develops and provides strategic support to farmers, agro-processors and cooperatives.
- *Property Management and Advisory Support* provides property management and advisory support services.
- *Restitution* settles land restitution claims under the Restitution of Land Rights Act (1994).

Expenditure trends and estimates

Table 29.8 Food Security, Land Reform and Restitution 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Food Security	1 263.6	1 694.5	1 585.7	1 939.4	15.3%	20.1%	2 034.4	2 172.1	2 235.4	4.8%	24.1%
Land Tenure Reform	149.0	133.8	214.3	370.8	35.5%	2.7%	529.5	602.2	405.8	3.1%	5.5%
Land Acquisition and Redistribution	2 126.4	1 658.5	1 662.0	1 758.6	-6.1%	22.3%	1 214.6	1 307.2	1 360.3	-8.2%	16.2%
National Extension Services and Sector Capacity Development	633.4	615.4	597.1	640.2	0.4%	7.7%	603.6	630.7	640.9	—	7.2%
Farmer Support and Development	30.3	25.4	19.1	11.2	-28.2%	0.3%	13.4	15.6	16.2	13.0%	0.2%
Property Management and Advisory Support	375.6	496.5	536.3	462.9	7.2%	5.8%	290.0	302.8	504.3	2.9%	4.5%
Restitution	3 331.1	3 094.0	3 256.0	3 593.4	2.6%	41.1%	3 431.8	3 647.2	3 984.6	3.5%	42.2%
Total	7 909.4	7 718.0	7 870.4	8 776.5	3.5%	100.0%	8 117.2	8 677.8	9 147.4	1.4%	100.0%
Change to 2019 Budget estimate				(427.0)			(617.0)	(658.2)	(564.9)		
Economic classification											
Current payments	1 376.4	1 439.6	1 490.6	1 680.5	6.9%	18.6%	1 826.1	1 902.8	1 986.2	5.7%	21.3%
Compensation of employees	798.6	835.9	905.0	1 001.5	7.8%	11.0%	1 111.2	1 185.0	1 242.1	7.4%	13.1%
Goods and services ¹	577.1	600.7	584.8	679.1	5.6%	7.6%	714.9	717.9	744.1	3.1%	8.2%
of which:											
Consultants: Business and advisory services	25.8	41.3	20.8	105.4	59.8%	0.6%	148.0	159.1	165.1	16.1%	1.7%
Legal services	134.5	187.2	168.7	101.0	-9.1%	1.8%	106.3	112.4	116.6	4.9%	1.3%
Agency and support/outsourced services	14.6	8.8	16.9	78.5	75.0%	0.4%	70.1	41.7	43.3	-18.0%	0.7%
Travel and subsistence	87.8	121.8	136.4	112.5	8.6%	1.4%	98.0	102.6	106.1	-1.9%	1.2%
Training and development	34.1	37.3	10.4	29.9	-4.3%	0.3%	38.6	40.8	42.1	12.1%	0.4%
Venues and facilities	22.7	28.7	34.0	36.5	17.2%	0.4%	29.1	30.8	31.8	-4.5%	0.4%
Interest and rent on land	0.7	3.0	0.8	0.0	-88.7%	—	0.0	0.0	0.0	—	—
Transfers and subsidies¹	6 334.9	6 105.7	6 295.3	7 035.4	3.6%	79.9%	6 246.7	6 728.2	7 112.3	0.4%	78.1%
Provinces and municipalities	1 680.7	1 724.9	1 820.5	1 661.4	-0.4%	21.3%	1 604.8	1 707.0	1 761.9	2.0%	19.4%
Departmental agencies and accounts	1 535.2	1 432.9	1 487.9	1 569.6	0.7%	18.7%	1 058.5	1 143.9	1 185.7	-8.9%	14.3%
Public corporations and private enterprises	6.0	106.2	126.6	360.0	292.6%	1.9%	367.8	395.7	414.5	4.8%	4.4%
Households	3 113.0	2 841.6	2 860.3	3 444.4	3.4%	38.0%	3 215.7	3 481.7	3 750.2	2.9%	40.0%
Payments for capital assets	190.3	171.8	83.2	60.6	-31.7%	1.6%	44.3	46.7	48.9	-6.9%	0.6%
Buildings and other fixed structures	43.3	32.8	37.9	34.2	-7.5%	0.5%	35.1	37.2	39.3	4.7%	0.4%
Machinery and equipment	42.4	27.7	19.9	25.9	-15.2%	0.4%	9.2	9.5	9.6	-28.2%	0.2%
Biological assets	0.2	0.0	—	—	-100.0%	—	—	—	—	—	—
Land and subsoil assets	104.4	111.1	25.3	0.4	-83.9%	0.7%	—	—	—	-100.0%	—
Software and other intangible assets	0.0	0.1	0.1	—	-100.0%	—	—	—	—	—	—
Payments for financial assets	7.9	1.0	1.3	—	-100.0%	—	—	—	—	—	—
Total	7 909.4	7 718.0	7 870.4	8 776.5	3.5%	100.0%	8 117.2	8 677.8	9 147.4	1.4%	100.0%
Proportion of total programme expenditure to vote expenditure	51.5%	50.9%	47.4%	50.9%	—	—	48.3%	48.4%	49.4%	—	—

Table 29.8 Food Security, Land Reform and Restitution expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Details of selected transfers and subsidies											
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	115.6	217.6	225.6	183.4	16.6%	2.3%	82.6	87.1	90.4	-21.0%	1.3%
Vehicle licences	9.9	0.7	0.4	0.6	-61.0%	–	0.6	0.6	0.7	3.8%	–
Municipal rates and taxes	–	17.4	4.8	6.1	–	0.1%	6.4	6.8	7.1	4.7%	0.1%
Rates and taxes	105.7	199.5	220.4	176.7	18.7%	2.2%	75.5	79.7	82.6	-22.4%	1.2%
Households											
Other transfers to households											
Current	51.7	383.4	122.2	331.2	85.7%	2.8%	285.2	334.4	318.2	-1.3%	3.7%
Claims against the state	–	–	3.2	–	–	–	–	–	–	–	–
Agricultural colleges	1.5	1.8	1.8	1.9	8.2%	–	2.0	2.1	2.2	5.3%	–
Female entrepreneur of the year awards	–	0.9	0.3	0.3	–	–	0.3	0.3	0.3	1.7%	–
Gifts and donations: Youth in Agriculture, Forestry and Fisheries	–	0.3	0.4	0.3	–	–	0.3	0.3	0.3	1.7%	–
Grootfontein Agricultural Development Institute: Studies	1.4	1.5	1.6	1.7	6.5%	–	1.8	1.9	2.0	5.2%	–
Land reform grants: Land redistribution payments	–	333.7	82.1	305.5	–	2.2%	258.1	305.9	288.6	-1.9%	3.3%
National Student Financial Aid Scheme	18.9	20.0	20.6	21.6	4.6%	0.3%	22.8	24.1	24.9	4.8%	0.3%
Thaba Nchu FET	30.0	25.4	12.2	–	-100.0%	0.2%	–	–	–	–	–
Capital	3 058.8	2 454.7	2 736.1	3 112.7	0.6%	35.2%	2 930.0	3 146.7	3 431.4	3.3%	36.4%
Land reform grants: Land redistribution payments	380.2	41.6	12.2	18.2	-63.7%	1.4%	19.2	20.3	21.3	5.4%	0.2%
Land reform grants: Land tenure payments	1.2	4.4	66.6	174.8	419.6%	0.8%	230.5	276.8	258.1	13.9%	2.7%
Restitution grants	2 677.4	2 408.7	2 657.4	2 919.7	2.9%	33.0%	2 680.3	2 849.7	3 152.1	2.6%	33.4%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 535.2	1 432.9	1 487.9	1 569.6	0.7%	18.7%	1 058.5	1 143.9	1 185.7	-8.9%	14.3%
Communication	–	0.0	–	–	–	–	–	–	–	–	–
Agricultural land holding account	1 502.1	1 348.4	1 326.5	1 405.9	-2.2%	17.3%	891.6	967.9	1 003.2	-10.6%	12.3%
KwaZulu-Natal Ingonyama Trust Board	18.8	19.7	20.3	21.5	4.6%	0.2%	22.3	23.5	24.4	4.3%	0.3%
Office of the Valuer-General	14.3	64.8	141.1	142.1	115.0%	1.1%	144.5	152.5	158.1	3.6%	1.7%
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	1 565.1	1 506.9	1 594.9	1 478.0	-1.9%	19.0%	1 522.2	1 619.9	1 671.6	4.2%	18.1%
Comprehensive agricultural support programme grant: Infrastructure	1 148.1	1 112.1	1 164.8	1 032.9	-3.5%	13.8%	1 120.6	1 203.5	1 254.1	6.7%	13.3%
Comprehensive agricultural support programme grant: Extension recovery planning services	346.1	337.9	355.6	368.6	2.1%	4.4%	315.0	322.8	319.3	-4.7%	3.8%
Comprehensive agricultural support programme grant: Upgrading of provincial agricultural colleges	70.8	56.8	74.5	76.6	2.6%	0.9%	86.5	93.6	98.2	8.6%	1.0%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	5.9	106.2	126.6	360.0	292.9%	1.9%	367.8	395.7	414.5	4.8%	4.4%
Land and Agricultural Development Bank of South Africa	–	100.0	120.0	360.0	–	1.8%	367.8	395.7	414.5	4.8%	4.4%
Ncera Farms (Pty) Limited	5.9	6.2	6.6	–	-100.0%	0.1%	–	–	–	–	–

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

Programme 4: Rural Development

Programme purpose

Coordinate the implementation of rural development strategies for socioeconomic growth.

Objective

- Promote an integrated and inclusive rural economy through the coordination and implementation of rural development strategies over the medium.

Subprogrammes

- National Rural Youth Services Corps* provides social organisation, youth development and economic upliftment.
- Rural Social Infrastructure Coordination* coordinates infrastructure development in rural areas.
- Technology Research and Coordination* coordinates the provision of innovative and appropriate technologies in rural areas.

Expenditure trends and estimates

Table 29.9 Rural Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
National Rural Youth Services Corps	461.8	465.6	444.0	423.9	-2.8%	38.6%	290.3	202.5	202.8	-21.8%	25.3%
Rural Social Infrastructure Coordination	730.7	700.2	639.4	706.7	-1.1%	59.6%	779.3	928.0	776.2	3.2%	72.2%
Technology Research and Coordination	10.7	29.0	23.9	20.0	23.2%	1.8%	28.2	29.9	31.1	15.9%	2.5%
Total	1 203.2	1 194.8	1 107.3	1 150.6	-1.5%	100.0%	1 097.8	1 160.4	1 010.1	-4.2%	100.0%
Change to 2019 Budget estimate					(112.7)		(321.6)	(346.7)	(544.3)		
Economic classification											
Current payments	219.7	187.2	183.4	639.0	42.8%	26.4%	992.9	1 098.3	952.6	14.2%	83.3%
Compensation of employees	130.0	133.2	142.9	150.3	5.0%	12.0%	163.5	170.6	176.9	5.6%	15.0%
Goods and services ¹	89.7	53.9	40.5	488.7	76.0%	14.5%	829.5	927.7	775.7	16.7%	68.4%
of which:											
Consultants: Business and advisory services	12.6	10.4	0.0	197.7	150.4%	4.7%	3.2	3.3	3.4	-74.2%	4.7%
Contractors	0.8	0.0	0.1	0.2	-40.5%	—	709.0	852.7	698.0	1534.0%	51.1%
Fleet services (including government motor transport)	1.0	0.8	0.8	1.5	13.7%	0.1%	2.2	2.5	2.6	19.7%	0.2%
Consumables: Stationery, printing and office supplies	1.9	2.6	1.7	4.7	34.8%	0.2%	4.9	5.2	5.4	5.0%	0.5%
Travel and subsistence	40.1	28.4	26.3	157.7	57.9%	5.4%	18.9	20.0	20.7	-49.2%	4.9%
Training and development	0.0	0.1	—	91.0	1164.7%	2.0%	76.9	29.1	30.0	-30.9%	5.1%
Interest and rent on land	—	0.0	—	0.1	—	—	—	—	—	-100.0%	—
Transfers and subsidies ¹	413.9	431.9	425.1	87.6	-40.4%	29.2%	90.3	46.5	40.7	-22.5%	6.0%
Households	413.9	431.9	425.1	87.6	-40.4%	29.2%	90.3	46.5	40.7	-22.5%	6.0%
Payments for capital assets	569.2	575.5	498.5	424.0	-9.4%	44.4%	14.5	15.6	16.8	-65.9%	10.7%
Buildings and other fixed structures	566.2	561.3	488.0	419.3	-9.5%	43.7%	—	—	—	-100.0%	9.5%
Machinery and equipment	3.1	14.2	10.6	2.5	-6.6%	0.7%	14.5	15.6	16.8	88.9%	1.1%
Heritage assets	—	—	—	2.2	—	—	—	—	—	-100.0%	—
Payments for financial assets	0.4	0.2	0.3	—	-100.0%	—	—	—	—	—	—
Total	1 203.2	1 194.8	1 107.3	1 150.6	-1.5%	100.0%	1 097.8	1 160.4	1 010.1	-4.2%	100.0%
Proportion of total programme expenditure to vote expenditure	7.8%	7.9%	6.7%	6.7%	—	—	6.5%	6.5%	5.5%	—	—
Details of selected transfers and subsidies											
Households											
Other transfers to households											
Current	413.4	430.8	424.7	87.5	-40.4%	29.1%	90.3	46.5	40.7	-22.5%	6.0%
Rural Infrastructure Development	93.9	82.2	85.6	—	-100.0%	5.6%	—	—	—	—	—
National Rural Youth Services Corps	319.5	348.5	339.1	87.5	-35.0%	23.5%	90.3	46.5	40.7	-22.5%	6.0%

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

Programme 5: Economic Development, Trade and Marketing

Programme purpose

Promote economic development, trade and market access for agriculture products; and foster international relations for the sector.

Objectives

- Upskill agro-processing entrepreneurs by training 600 of them on food manufacturing norms and standards by 2022/23.
- Increase market access and maintain existing markets by certifying and accrediting producers of fresh produce for exports through good agricultural practice certification and an accreditation programme by 2022/23.
- Build national skills capabilities in international market research by providing for the transfer of marketing skills to small and medium agro-processing entrepreneurs by 2023.
- Provide technical sector leadership in trade negotiations and implement trade agreements to improve market access by linking producers to high-value markets by March 2023.
- Ensure shared growth by developing the agricultural value chain and improving market access by 2023.

Subprogrammes

- *International Relations and Trade* promotes, coordinates and supports international relations and trade through the development and implementation of appropriate policies and programmes.
- *Cooperatives Development* facilitates and supports the implementation of programmes and initiatives to promote cooperatives to participate in economic development.
- *Agro-processing, Marketing and Rural Industrial Development* ensures the transformation of primary product commodities into value-added products, and ensures domestic and international market access.

Expenditure trends and estimates

Table 29.10 Economic Development, Trade and Marketing 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
International Relations and Trade	181.4	198.1	259.7	241.8	10.1%	21.7%	211.8	225.0	233.4	-1.2%	24.5%
Cooperatives Development	117.5	68.2	74.8	81.5	-11.5%	8.4%	76.7	81.2	91.8	4.0%	8.9%
Agro-processing, Marketing and Rural Industrial Development	601.8	789.3	861.8	577.6	-1.4%	69.8%	597.1	638.3	664.2	4.8%	66.6%
Total	900.7	1 055.5	1 196.3	900.9	-	100.0%	885.6	944.5	989.4	3.2%	100.0%
Change to 2019				(461.7)			(534.3)	(568.0)	(588.9)		
Budget estimate											
Economic classification	354.1	923.4	1 043.3	753.8	28.6%	75.9%	754.5	806.3	838.7	3.6%	84.8%
Current payments											
Compensation of employees	256.0	272.5	269.1	301.5	5.6%	27.1%	321.9	344.4	357.2	5.8%	35.6%
Goods and services ¹	98.1	650.9	774.3	452.3	66.4%	48.7%	432.6	462.0	481.5	2.1%	49.1%
of which:											
Administrative fees	3.3	2.5	1.6	4.1	8.2%	0.3%	4.6	4.8	5.2	7.7%	0.5%
Consultants: Business and advisory services	0.0	11.0	10.4	13.3	1038.3%	0.9%	17.6	18.8	19.5	13.6%	1.9%
Agency and support/outsourced services	1.4	50.7	76.9	42.7	209.6%	4.2%	10.4	11.0	11.4	-35.6%	2.0%
Inventory: Farming supplies	-	186.0	476.0	182.7	-	20.8%	337.8	361.7	377.3	27.3%	33.9%
Travel and subsistence	54.0	38.3	35.7	43.5	-6.9%	4.2%	33.2	35.2	36.5	-5.7%	4.0%
Operating payments	7.6	8.9	22.2	6.3	-6.0%	1.1%	4.4	4.7	4.8	-8.6%	0.5%
Interest and rent on land	-	-	-	0.0	-	-	-	-	-	-100.0%	-

Table 29.10 Economic Development, Trade and Marketing expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Transfers and subsidies ¹	541.6	130.6	134.5	128.7	-38.1%	23.1%	128.8	135.7	148.2	4.8%	14.6%
Provinces and municipalities	0.0	0.0	0.0	0.0	14.5%	—	0.0	0.0	0.0	—	—
Departmental agencies and accounts	35.3	41.9	43.2	45.3	8.6%	4.1%	47.4	50.0	51.9	4.7%	5.2%
Foreign governments and international organisations	42.3	35.6	35.4	39.7	-2.1%	3.8%	41.9	44.2	45.8	4.9%	4.6%
Public corporations and private enterprises	88.2	40.2	42.5	43.8	-20.8%	5.3%	39.5	41.5	50.5	4.9%	4.7%
Non-profit institutions	—	0.2	—	—	—	—	—	—	—	—	—
Households	375.8	12.7	13.3	—	-100.0%	9.9%	0.0	0.0	0.0	—	—
Payments for capital assets	4.7	1.4	18.4	18.3	57.6%	1.1%	2.3	2.4	2.5	-48.3%	0.7%
Buildings and other fixed structures	—	—	—	13.0	—	0.3%	—	—	—	-100.0%	0.3%
Machinery and equipment	4.7	1.4	18.4	4.5	-0.9%	0.7%	2.2	2.4	2.5	-17.8%	0.3%
Software and other intangible assets	—	—	—	0.8	—	—	0.1	—	—	-100.0%	—
Payments for financial assets	0.3	0.1	0.2	—	-100.0%	—	—	—	—	—	—
Total	900.7	1 055.5	1 196.3	900.9	—	100.0%	885.6	944.5	989.4	3.2%	100.0%
Proportion of total programme expenditure to vote expenditure	5.9%	7.0%	7.2%	5.2%	—	—	5.3%	5.3%	5.3%	—	—
Details of transfers and subsidies											
Households											
Other transfers to households											
Current	375.0	12.0	12.7	—	-100.0%	9.9%	0.0	0.0	0.0	—	—
Rural Enterprise and Industrial Development	375.0	12.0	12.7	—	-100.0%	9.9%	0.0	0.0	0.0	—	—
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	35.0	41.9	43.2	45.3	8.9%	4.1%	47.4	50.0	51.9	4.7%	5.2%
National Agricultural Marketing Council	35.0	41.9	43.2	45.3	8.9%	4.1%	47.4	50.0	51.9	4.7%	5.2%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	88.2	40.2	42.5	43.8	-20.8%	5.3%	39.5	41.5	50.5	4.9%	4.7%
Land and Agricultural Development Bank of South Africa	88.2	40.2	42.5	43.8	-20.8%	5.3%	39.5	41.5	50.5	4.9%	4.7%
Foreign governments and international organisations											
Current	42.2	35.6	35.3	39.6	-2.1%	3.8%	41.8	44.1	45.7	4.9%	4.6%
Consultative Group on International Agricultural Research	7.0	6.0	6.9	8.4	6.2%	0.7%	9.0	10.0	10.7	8.4%	1.0%
International Union for the Protection of New Varieties of Plants	0.8	0.7	0.8	0.9	4.1%	0.1%	0.9	0.9	0.9	0.9%	0.1%
Commonwealth Agricultural Bureau International	0.3	0.3	0.3	0.3	-3.8%	—	0.4	0.4	0.5	18.6%	—
Food and Agriculture Organisation of the United Nations	30.1	24.4	22.2	25.5	-5.4%	2.5%	26.2	27.3	27.8	2.9%	2.9%
Foreign rates and taxes	0.5	0.5	0.3	0.7	15.3%	—	0.5	0.5	0.5	-10.2%	0.1%
International Cotton Advisory Council	0.4	0.3	0.4	0.3	-7.1%	—	0.4	0.4	0.4	12.4%	—
International Grains Council	0.2	0.2	0.2	0.2	—	—	0.3	0.3	0.3	15.9%	—
International Seed Testing Association	0.1	0.2	0.1	0.2	18.6%	—	0.2	0.2	0.2	3.2%	—
International Organisation of Vine and Wine	1.0	0.8	1.0	0.8	-5.3%	0.1%	1.0	1.1	1.2	13.1%	0.1%
World Organisation for Animal Health	1.6	1.8	2.0	1.9	4.6%	0.2%	2.5	2.6	2.7	13.4%	0.3%
Organisation for Economic Cooperation and Development	0.2	0.3	1.1	0.5	35.0%	0.1%	0.4	0.4	0.5	—	—

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

Programme 6: Land Administration

Programme purpose

Provide geospatial information, cadastral surveys, deeds registration and spatial planning; and technical services in support of sustainable land development.

Objectives

- Ensure spatial transformation and efficient land administration over the medium term by:
 - rolling out and implementing the electronic deeds registration system
 - reducing the number of working days taken to process general plans, sectional plans and diagrams to 14 days.

Subprogrammes

- *National Geomatics Management Services* is responsible for examining and approving all surveys of land and real rights intended to be registered in the deeds office; maintaining records; compiling, maintaining and revising maps of property boundaries; providing cadastral advisory services to other government institutions; promoting and controlling all matters related to geodetic and topographical surveying; establishing and maintaining a network of national geo-referencing stations; facilitating state surveys related to land reform; and providing cadastral and geospatial information services, including South African spatial data infrastructure.
- *Spatial Planning and Land Use* provides for national land use management and spatial planning systems; develops the national spatial development framework and rural development plans, guidelines, norms and standards; and ensures compliance with the Spatial Land Use Management Act (2013). This subprogramme also provides support to the South African Council for Planners and technical assistance to other spheres of government by providing spatial development frameworks and land use schemes; and establishing functional municipal land use tribunals.
- *Registration of Deeds Trading Account* provides a deeds registration system in which secure titles are registered and accurate information is provided.
- *South African Council of Planners* transfers funds annually to the South African Council for Planners, a non-profit organisation dealing with the registration and other activities of the planning profession.
- *South African Geomatics Council* regulates and promotes the transformation of the geomatics profession.

Expenditure trends and estimates

Table 29.11 Land 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 (%)
	2016/17	2017/18	2018/19		2016/17 - 2019/20	2019/20		2020/21	2021/22	2022/23		
R million												
National Geomatics Management Services	501.5	463.3	465.9	519.8	1.2%	74.2%		542.8	584.3	605.2	5.2%	71.9%
Spatial Planning and Land Use	159.8	147.4	153.4	186.2	5.2%	24.6%		205.4	218.0	234.7	8.0%	27.0%
South African Council of Planners	3.3	3.5	3.7	3.9	5.5%	0.5%		4.0	4.3	4.4	4.2%	0.5%
South African Geomatics Council	4.0	4.0	3.9	4.0	-0.1%	0.6%		4.3	4.6	4.7	5.9%	0.6%
Total	668.6	618.2	626.9	713.9	2.2%	100.0%		756.6	811.1	849.1	6.0%	100.0%
Change to 2019				1.1				(5.7)	(6.7)	0.7		
Budget estimate												
Economic classification												
Current payments	611.9	584.7	586.2	669.1	3.0%	93.3%		711.3	763.4	799.5	6.1%	94.0%
Compensation of employees	465.7	452.4	459.1	478.9	0.9%	70.6%		553.0	587.0	616.5	8.8%	71.4%
Goods and services ¹	146.1	132.3	126.9	190.2	9.2%	22.7%		158.3	176.4	183.0	-1.3%	22.6%
of which:												
Computer services	13.6	13.7	13.5	58.0	62.0%	3.8%		22.4	24.6	25.6	-23.9%	4.2%

Table 29.11 Land Administration expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Consultants: Business and advisory services	55.5	61.5	53.9	79.0	12.5%	9.5%	80.0	84.8	88.9	4.0%	10.6%
Contractors	17.4	14.0	12.9	14.2	-6.7%	2.2%	15.3	25.2	25.0	20.8%	2.5%
Consumables: Stationery, printing and office supplies	4.8	3.3	3.2	4.7	-0.7%	0.6%	5.2	5.5	5.7	7.0%	0.7%
Property payments	6.8	4.9	6.3	6.2	-2.7%	0.9%	7.1	7.7	8.0	8.5%	0.9%
Travel and subsistence	21.8	16.9	19.8	12.8	-16.2%	2.7%	13.3	13.2	13.7	2.3%	1.7%
Interest and rent on land	—	—	0.1	—	—	—	—	—	—	—	—
Transfers and subsidies ¹	32.2	27.3	33.7	38.7	6.3%	5.0%	40.7	42.9	44.5	4.8%	5.3%
Provinces and municipalities	0.0	0.0	0.0	0.0	91.3%	—	0.0	0.0	0.0	4.6%	—
Departmental agencies and accounts	4.0	4.0	3.9	4.0	-0.1%	0.6%	4.3	4.6	4.7	5.9%	0.6%
Foreign governments and international organisations	2.3	2.4	2.2	2.6	3.3%	0.4%	1.9	2.1	2.1	-6.0%	0.3%
Non-profit institutions	3.3	3.5	3.7	3.9	5.5%	0.5%	4.0	4.3	4.4	4.2%	0.5%
Households	22.6	17.4	23.9	28.2	7.8%	3.5%	30.4	32.0	33.2	5.6%	4.0%
Payments for capital assets	13.2	5.6	6.6	6.1	-22.8%	1.2%	4.6	4.8	5.1	-5.8%	0.7%
Machinery and equipment	13.2	5.6	6.6	6.1	-22.8%	1.2%	4.6	4.8	5.1	-5.8%	0.7%
Payments for financial assets	11.3	0.6	0.4	—	-100.0%	0.5%	—	—	—	—	—
Total	668.6	618.2	626.9	713.9	2.2%	100.0%	756.6	811.1	849.1	6.0%	100.0%
Proportion of total programme expenditure to vote expenditure	4.4%	4.1%	3.8%	4.1%	—	—	4.5%	4.5%	4.6%	—	—
Details of selected transfers and subsidies											
Households											
Other transfers to households											
Current	19.5	15.6	22.8	26.5	10.7%	3.2%	29.9	31.5	32.7	7.3%	3.9%
Bursaries for non-employees	19.5	15.6	22.8	26.5	10.7%	3.2%	29.9	31.5	32.7	7.3%	3.9%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	4.0	4.0	3.9	4.0	-0.1%	0.6%	4.3	4.6	4.7	5.9%	0.6%
South African Geomatics Council	4.0	4.0	3.9	4.0	-0.1%	0.6%	4.3	4.6	4.7	5.9%	0.6%
Non-profit institutions											
Current	3.3	3.5	3.7	3.9	5.5%	0.5%	4.0	4.3	4.4	4.2%	0.5%
South African Council for Planners	3.3	3.5	3.7	3.9	5.5%	0.5%	4.0	4.3	4.4	4.2%	0.5%
Foreign governments and international organisations											
Current	2.3	2.4	2.2	2.6	3.3%	0.4%	1.9	2.1	2.1	-6.0%	0.3%
Regional centre for mapping of resources for development	2.3	2.4	2.2	2.6	3.3%	0.4%	1.9	2.1	2.1	-6.0%	0.3%

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

Entities

Agricultural land holding account

Selected performance indicators

Table 29.12 Agricultural land holding account performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Number of hectares acquired per year	Increased access to productive use of land	Priority 1: Economic transformation and job creation	87 153	85 568	81 000	94 050	45 047	65 684	113 284
Number of farms supported through the land development support programme	Increased access to productive use of land		— ¹	— ¹	— ¹	162	45	55	— ²

1. No historical data available

2. Indicator discontinued.

Entity overview

The agricultural land holding account was established in 2009 in terms of the Provision of Land and Assistance Act (1993). The act authorises the Minister of Agriculture, Land Reform and Rural Development to: purchase land to enable the department to accelerate the land redistribution process, acquire land in nodal areas and other areas of high agricultural potential, improve the process of identifying and selecting beneficiaries and the planning of land on which people could be settled, and ensure the maximum productive use of land acquired. The entity's strategic objective over the period ahead is to promote equitable land redistribution and agricultural development by acquiring strategically located land by 2023. Accordingly, over the medium term, 224 015

hectares of strategically located land will be acquired through the account, which will be used for redistribution and to promote agricultural development. About 141 511 hectares of acquired land will be allocated to smallholder farmers over the medium term.

The entity derives 72.6 per cent (R2.9 billion) of its revenue over the MTEF period from transfers from the department. Due to the nature of the entity's work, its expenditure over the period ahead is in line with revenue.

Programmes/Objectives/Activities

Table 29.13 Agricultural land holding account 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	687.9	692.3	440.1	856.1	7.6%	100.0%	1 203.6	685.4	242.6	-34.3%	100.0%
Total	687.9	692.3	440.1	856.1	7.6%	100.0%	1 203.6	685.4	242.6	-34.3%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 29.14 Agricultural land holding account statements of historical financial performance, cash flow and financial position

Statement of financial performance									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Revenue									
Non-tax revenue	267.1	75.5	202.6	105.5	885.8	149.6	90.4	1 239.9	108.6%
of which:									
Other non-tax revenue	267.1	75.5	202.6	105.5	885.8	149.6	90.4	1 239.9	108.6%
Transfers received	1 607.9	1 528.1	1 348.4	1 362.8	1 326.5	1 326.5	1 405.9	1 405.9	98.9%
Total revenue	1 875.0	1 603.6	1 551.0	1 468.3	2 212.2	1 476.1	1 496.3	2 645.9	100.8%
Expenses									
Current expenses	496.9	296.9	371.9	298.3	348.7	131.5	163.3	295.2	74.0%
Goods and services	448.9	246.0	322.6	250.3	302.0	84.2	110.1	244.0	69.7%
Depreciation	48.0	47.1	49.3	48.0	46.7	46.3	48.2	50.2	99.7%
Interest, dividends and rent on land	—	3.9	—	—	—	1.0	5.0	1.0	116.8%
Transfers and subsidies	420.0	391.0	334.7	394.0	601.6	308.5	423.8	561.0	92.9%
Total expenses	916.9	687.9	706.5	692.3	950.3	440.1	587.1	856.1	84.7%
Surplus/(Deficit)	958.1	915.7	844.5	776.0	1 261.9	1 036.0	909.2	1 789.8	
Cash flow statement									
Cash flow from operating activities	1 077.2	789.1	819.5	1 099.2	593.4	1 189.7	963.3	11.3	89.5%
Receipts									
Non-tax receipts	50.1	38.7	25.6	64.6	38.3	64.9	46.7	100.0	166.8%
Sales of goods and services other than capital assets	2.4	0.2	—	0.1	0.1	0.3	—	—	29.4%
Other sales	2.4	0.2	—	0.1	0.1	0.3	—	—	29.4%
Other tax receipts	47.8	38.5	25.6	64.4	38.2	64.5	46.7	100.0	169.0%
Transfers received	1 502.1	1 502.1	1 348.4	1 348.4	1 326.5	1 326.5	1 405.9	1 405.9	100.0%
Total receipts	1 552.2	1 540.8	1 374.0	1 413.0	1 364.8	1 391.3	1 452.7	1 506.0	101.9%
Payment									
Current payments	97.0	455.3	326.8	107.9	169.8	169.8	120.4	281.5	142.1%
Goods and services	97.0	455.3	326.8	107.9	169.8	169.8	120.4	281.5	142.1%
Transfers and subsidies	378.0	296.4	227.7	205.9	601.6	31.8	369.0	1 213.3	110.9%
Total payments	475.0	751.8	554.5	313.7	771.4	201.7	489.4	1 494.7	120.6%
Net cash flow from investing activities	(1 164.1)	(712.7)	(1 040.0)	(577.2)	(1 157.7)	(699.5)	(1 003.1)	(1 190.9)	72.9%
Acquisition of property, plant, equipment and intangible assets	(664.1)	(712.7)	(515.0)	(577.2)	(980.7)	(699.5)	(695.6)	(1 190.9)	111.4%
Acquisition of software and other intangible assets	—	—	—	—	—	—	(25.0)	—	—
Other flows from investing activities	(500.0)	—	(525.0)	—	(177.0)	—	(282.5)	—	—
Net increase/(decrease) in cash and cash equivalents	(86.9)	76.4	(220.5)	522.0	(564.4)	490.1	(39.8)	(1 179.7)	
Statement of financial position									
Carrying value of assets	13 061.7	11 974.9	11 877.7	12 460.2	13 522.5	13 081.5	15 771.3	14 576.9	96.1%
Acquisition of assets	(664.1)	(712.7)	(515.0)	(577.2)	(980.7)	(699.5)	(695.6)	(1 190.9)	111.4%
Investments	284.2	311.6	316.6	307.3	325.7	324.4	175.7	337.1	116.2%
Receivables and prepayments	884.7	667.4	675.9	296.0	241.3	187.9	153.3	156.6	66.9%
Cash and cash equivalents	(86.9)	257.6	131.1	779.6	6.6	1 269.8	5.1	90.1	4 295.1%
Total assets	14 143.7	13 211.5	13 001.3	13 843.1	14 096.0	14 863.6	16 105.3	15 160.7	99.5%
Accumulated surplus/(deficit)	14 121.7	12 921.4	12 978.0	13 749.2	13 946.7	14 785.1	15 957.5	15 140.6	99.3%
Trade and other payables	22.0	200.6	23.3	94.0	21.7	78.5	20.1	20.1	451.4%
Provisions	—	89.6	—	—	127.7	—	127.7	—	35.1%
Total equity and liabilities	14 143.7	13 211.5	13 001.3	13 843.1	14 096.0	14 863.6	16 105.3	15 160.7	99.5%

Statements of estimates of financial performance, cash flow and financial position

Table 29.15 Agricultural land holding account statements of estimates of financial performance, cash flow and financial position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate								
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Revenue								
Non-tax revenue	1 239.9	154.2%	17.2%	376.3	198.7	194.3	-46.1%	27.4%
Other non-tax revenue	1 239.9	154.2%	17.2%	376.3	198.7	194.3	-46.1%	27.4%
Transfers received	1 405.9	-2.7%	82.8%	891.6	967.9	1 003.2	-10.6%	72.6%
Total revenue	2 645.9	18.2%	100.0%	1 267.9	1 166.6	1 197.5	-23.2%	100.0%
Current expenses	295.2	-0.2%	37.7%	481.8	299.0	240.0	-6.7%	54.5%
Goods and services	244.0	-0.3%	29.9%	430.0	247.2	187.9	-8.3%	44.6%
Depreciation	50.2	2.2%	7.5%	51.8	51.8	52.1	1.3%	9.9%
Interest, dividends and rent on land	1.0	-36.2%	0.2%	—	—	—	-100.0%	0.0%
Transfers and subsidies	561.0	12.8%	62.3%	722.0	386.4	—	-100.0%	45.5%
Total expenses	856.1	7.6%	100.0%	1 203.8	685.4	240.0	-34.6%	100.0%
Surplus/(Deficit)	1 789.8			64.1	481.2	957.5		
Cash flow statement								
Cash flow from operating activities	11.3	-75.7%	4.6%	275.4	458.9	1 011.9	-3.8%	6.8%
Receipts								
Non-tax receipts	100.0	37.2%	4.6%	52.2	69.7	89.2	-3.8%	6.8%
Other tax receipts	100.0	37.5%	4.6%	52.2	69.7	89.2	-3.8%	6.8%
Transfers received	1 405.9	-2.2%	95.4%	891.6	967.9	1 003.2	-10.6%	93.2%
Total receipts	1 506.0	-0.8%	100.0%	943.8	1 037.6	1 092.4	-10.2%	100.0%
Current payments	281.5	-14.8%	38.3%	215.5	77.1	80.4	-34.1%	41.1%
Goods and services	281.5	-14.8%	38.3%	215.5	77.1	80.4	-34.1%	41.1%
Transfers and subsidies	1 213.3	60.0%	55.4%	452.9	501.6	—	-100.0%	58.9%
Total payment	1 494.7	25.7%	100.0%	668.4	578.7	80.4	-62.2%	100.0%
Cash flow statement								
Net cash flow from investing activities	(1 190.9)	18.7%	100.0%	(320.4)	(504.0)	(1 011.9)	-5.3%	100.0%
Acquisition of property, plant, equipment and intangible assets	(1 190.9)	18.7%	100.0%	(320.4)	(504.0)	(935.2)	-7.7%	98.1%
Acquisition of software and other intangible assets	—	—	—	—	—	(76.8)	—	1.9%
Net increase/(decrease) in cash and cash equivalents	(1 179.7)	-349.0%	100.0%	(45.0)	(45.1)	0.0	-100.5%	100.0%
Statement of financial position								
Carrying value of assets	14 576.9	6.8%	91.2%	15 000.6	15 371.2	16 262.5	3.7%	96.5%
Acquisition of assets	(1 190.9)	18.7%	-5.5%	(320.4)	(504.0)	(935.2)	-7.7%	-4.7%
Investments	337.1	2.7%	2.2%	349.9	367.6	386.1	4.6%	2.3%
Receivables and prepayments	156.6	-38.3%	2.4%	148.4	59.9	60.4	-27.2%	0.7%
Cash and cash equivalents	90.1	-29.5%	4.2%	91.6	90.9	108.1	6.3%	0.6%
Total assets	15 160.7	4.7%	100.0%	15 590.6	15 889.5	16 817.2	3.5%	100.0%
Accumulated surplus/(deficit)	15 140.6	5.4%	99.1%	15 565.7	15 857.3	16 783.5	3.5%	99.8%
Trade and other payables	20.1	-53.5%	0.7%	24.8	32.2	33.7	18.7%	0.2%
Total equity and liabilities	15 160.7	4.7%	100.0%	15 590.6	15 889.5	16 817.2	3.5%	100.0%

Agricultural Research Council

Selected performance indicators

Table 29.16 Agricultural Research Council performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of peer-reviewed scientific publications per year	Crop production, improvement and protection	Priority 1: Economic transformation and job creation	160	142	111	84	83	72	70
Number of cultivars registered per year	Crop production, improvement and protection		5	7	9	12	9	5	4
Number of diagnostic and analytical services rendered per year	Crop production, improvement and protection		741	626	861	756	831	811	801
Number of smallholder farmers/clients supported per year	Smallholder agricultural development		1 577	979	813	514	684	689	689
Number of smallholder farmers participating in the Kaonafatso ya Dikgomo animal improvement scheme per year	Smallholder agricultural development		8 404	8 684	9 000	9 200	9 300	9 400	9 400

Entity overview

The Agricultural Research Council was established in terms of the Agricultural Research Act (1990) and is the main agricultural research institution in South Africa. The council's primary mandate is to conduct research, and

develop and effect the transfer of technology to promote agriculture and industry, contribute to a better quality of life, and facilitate and ensure the conservation of natural resources. Accordingly, at a cost of R400 million over the MTEF period, the council plans to construct a foot-and-mouth disease vaccine production facility in Onderstepoort, Gauteng, to reduce reliance on imports.

Expenditure increases at an average annual rate of 9.4 per cent, from R1.4 billion in 2019/20 to R1.8 billion in 2022/23. Spending on compensation of employees accounts for 55.4 per cent (R2.7 billion) of the council's total expenditure over the medium term. The council derives most of its revenue from transfers from the Department of Agriculture, Land Reform and Rural Development; and the Department of Science and Innovation. These transfers amount to 71 per cent (R3.9 billion) of the council's total budget over the medium term. The amount for the construction of the vaccine production facility in Onderstepoort is ring-fenced within departmental transfers. The council's remaining revenue is generated by the provision of analytical and research services, the sale of farm products and rental income.

Programmes/Objectives/Activities

Table 29.17 Agricultural Research Council 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	188.0	200.1	195.0	245.8	9.3%	15.6%	260.8	276.7	292.8	6.0%	16.8%
Crop production, improvement and protection	344.3	367.1	362.3	307.1	-3.7%	26.0%	491.2	517.5	526.7	19.7%	28.3%
Animal health, improvement and protection	309.3	326.7	323.0	382.0	7.3%	25.2%	405.3	430.0	455.0	6.0%	26.0%
Natural resource management and Mechanisation and Engineering	136.2	136.2	163.2	170.6	7.8%	11.4%	181.0	192.1	203.2	6.0%	11.6%
Mechanisation and engineering	18.8	19.8	—	—	-100.0%	0.7%	—	—	—	—	—
Agro-processing, food technology and safety	57.1	59.4	58.4	49.7	-4.5%	4.2%	52.8	56.0	59.2	6.0%	3.4%
Smallholder agricultural development	148.3	152.6	151.2	128.7	-4.6%	10.9%	136.6	144.9	153.3	6.0%	8.8%
Agricultural economics and commercialisation	53.2	55.4	54.5	46.4	-4.5%	3.9%	49.2	52.2	55.2	6.0%	3.2%
Training and extension	27.1	29.0	28.7	28.5	1.7%	2.1%	30.3	32.1	34.0	6.0%	1.9%
Total	1 282.2	1 346.3	1 336.4	1 358.8	2.0%	100.0%	1 607.2	1 701.4	1 779.4	9.4%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 29.18 Agricultural Research Council statements of historical financial performance, cash flow and financial position

Statement of financial performance										Average: Outcome/ Budget (%)	
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate			
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20		
Revenue											
Non-tax revenue	445.3	437.5	432.5	412.7	489.0	385.3	509.2	459.0	90.3%		
Sale of goods and services other than capital assets	409.9	421.2	389.2	365.5	456.0	332.0	475.2	387.0	87.0%		
of which:											
Sales by market establishment	409.9	421.2	389.2	365.5	456.0	332.0	475.2	387.0	87.0%		
Other non-tax revenue	35.4	16.3	43.3	47.2	33.0	53.2	34.0	72.0	129.6%		
Transfers received	739.5	758.6	882.5	895.5	932.1	929.1	1 092.0	1 090.1	100.7%		
Total revenue	1 184.7	1 196.1	1 315.0	1 308.2	1 421.1	1 314.3	1 601.2	1 549.1	97.2%		
Expenses											
Current expenses	1 290.5	1 282.2	1 369.0	1 346.3	1 421.1	1 336.4	1 488.1	1 358.8	95.6%		
Compensation of employees	818.3	744.5	826.0	805.6	867.4	820.4	908.9	813.4	93.1%		
Goods and services	432.0	495.2	498.3	495.7	508.1	472.3	532.8	498.4	99.5%		
Depreciation	40.2	42.5	44.7	45.0	45.6	43.6	46.5	47.0	100.7%		
Total expenses	1 290.5	1 282.2	1 369.0	1 346.3	1 421.1	1 336.4	1 488.1	1 358.8	95.6%		
Surplus/(Deficit)	(105.7)	(86.1)	(54.0)	(38.1)	–	(22.1)	113.0	190.2			
Cash flow statement											
Cash flow from operating activities	(27.0)	(104.6)	2.0	44.4	(10.1)	72.3	160.4	161.8	138.7%		
Receipts											
Non-tax receipts	293.9	406.7	306.3	391.6	293.2	374.4	363.2	432.8	127.8%		
Sales of goods and services other than capital assets	258.5	390.5	278.2	387.4	264.6	367.0	333.2	398.3	136.0%		
Sales by market establishment	258.5	390.5	278.2	387.4	264.6	367.0	333.2	398.3	136.0%		
Other tax receipts	35.4	16.2	28.0	4.3	28.6	7.4	30.0	34.6	51.1%		
Transfers received	855.4	813.2	974.8	881.2	1 031.2	928.4	1 223.8	1 249.9	94.8%		
Total receipts	1 149.3	1 219.8	1 281.1	1 272.8	1 324.4	1 302.9	1 587.0	1 682.7	102.6%		

Table 29.18 Agricultural Research Council statements of historical financial performance, cash flow and financial position

Cash flow statement									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Payment									
Current payments	1 176.3	1 324.4	1 279.0	1 228.4	1 334.5	1 230.6	1 426.6	1 521.0	101.7%
Compensation of employees	818.3	735.4	826.2	799.9	879.7	806.3	934.7	813.4	91.2%
Goods and services	358.0	588.9	452.9	428.5	454.8	424.2	491.9	707.6	122.3%
Interest and rent on land	—	0.1	—	0.1	—	0.1	—	—	—
Total payments	1 176.3	1 324.4	1 279.0	1 228.4	1 334.5	1 230.6	1 426.6	1 521.0	101.7%
Net cash flow from investing activities	(87.0)	(99.6)	(90.3)	(73.5)	(111.1)	(64.2)	(215.1)	(215.1)	89.9%
Acquisition of property, plant, equipment and intangible assets	(87.0)	(98.8)	(90.3)	(73.5)	(111.1)	(65.1)	(215.1)	(215.1)	89.9%
Acquisition of software and other intangible assets	—	(1.1)	—	(0.5)	—	(0.9)	—	—	—
Proceeds from the sale of property, plant, equipment and intangible assets	—	0.4	—	0.5	—	0.7	—	—	—
Other flows from investing activities	—	—	—	—	—	1.0	—	—	—
Net increase/(decrease) in cash and cash equivalents	(113.9)	(204.2)	(88.3)	(29.1)	(121.1)	8.0	(54.7)	(53.3)	
Statement of financial position									
Carrying value of assets	1 104.0	1 049.1	1 150.7	1 058.9	1 201.5	1 080.8	1 369.3	1 369.3	94.5%
Acquisition of assets	(87.0)	(98.8)	(90.3)	(73.5)	(111.1)	(65.1)	(215.1)	(215.1)	89.9%
Investments	4.3	5.2	4.3	5.2	4.3	5.0	4.6	4.6	114.0%
Inventory	15.4	15.4	16.5	19.7	16.5	18.9	17.4	17.4	108.6%
Receivables and prepayments	151.5	258.5	176.0	199.9	164.0	169.2	152.4	152.4	121.2%
Cash and cash equivalents	187.6	97.4	9.1	68.3	—	76.3	—	23.0	134.8%
Total assets	1 462.8	1 425.6	1 356.5	1 352.1	1 386.2	1 350.2	1 543.7	1 566.7	99.1%
Accumulated surplus/(deficit)	739.0	765.1	684.5	713.9	684.5	692.4	797.6	878.6	105.0%
Capital and reserves	2.4	2.4	2.4	3.0	3.0	3.0	3.0	3.0	107.0%
Capital reserve fund	112.0	112.0	112.0	112.0	112.0	112.0	112.0	112.0	100.0%
Borrowings	—	—	—	—	112.1	—	167.2	—	—
Deferred income	192.6	132.9	192.6	126.8	112.6	126.2	102.6	87.6	78.8%
Trade and other payables	348.8	328.9	293.1	371.6	293.8	394.9	290.6	414.9	123.2%
Taxation	—	5.3	—	9.5	—	8.2	—	—	—
Provisions	68.1	79.1	71.9	15.4	68.3	13.6	70.7	70.7	64.1%
Total equity and liabilities	1 462.8	1 425.6	1 356.5	1 352.1	1 386.2	1 350.2	1 543.7	1 566.7	99.1%

Statements of estimates of financial performance, cash flow and financial position**Table 29.19 Agricultural Research Council statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Revenue								
Non-tax revenue	459.0	1.6%	31.8%	496.0	536.0	555.6	6.6%	29.0%
Sale of goods and services other than capital assets	387.0	-2.8%	28.4%	418.0	452.0	488.2	8.0%	24.8%
<i>Sales by market establishment</i>	387.0	-2.8%	28.4%	418.0	452.0	488.2	8.0%	24.8%
Other non-tax revenue	72.0	64.0%	3.4%	78.0	84.0	67.5	-2.1%	4.3%
Transfers received	1 090.1	12.8%	68.2%	1 297.6	1 350.1	1 267.1	5.1%	71.0%
Total revenue	1 549.1	9.0%	100.0%	1 793.6	1 886.1	1 822.7	5.6%	100.0%
Current expenses	1 358.8	2.0%	100.0%	1 607.2	1 701.4	1 779.4	9.4%	100.0%
Compensation of employees	813.4	3.0%	59.8%	862.0	914.4	969.3	6.0%	55.4%
Goods and services	498.4	0.2%	36.9%	697.0	738.1	761.2	15.2%	41.6%
Depreciation	47.0	3.4%	3.3%	48.2	49.0	49.0	1.4%	3.0%
Total expenses	1 358.8	2.0%	100.0%	1 607.2	1 701.4	1 779.4	9.4%	100.0%
Surplus/(Deficit)	190.2			186.4	184.7	43.3		
Cash flow statement								
Cash flow from operating activities	161.8	-215.7%	86.8%	213.7	234.6	95.6	23.2%	77.5%
Receipts								
Non-tax receipts	432.8	2.1%	29.6%	455.3	513.4	544.0	7.9%	27.3%
Sales of goods and services other than capital assets	398.3	0.7%	28.6%	418.1	473.3	496.8	7.6%	25.1%
<i>Sales by market establishment</i>	398.3	0.7%	28.6%	418.1	473.3	496.8	7.6%	25.1%
Other tax receipts	34.6	28.8%	1.1%	37.2	40.1	47.3	11.0%	2.2%
Transfers received	1 249.9	15.4%	70.4%	1 297.6	1 350.1	1 267.1	0.5%	72.7%
Total receipts	1 682.7	11.3%	100.0%	1 752.9	1 863.5	1 811.1	2.5%	100.0%

Table 29.19 Agricultural Research Council statements of estimates of financial performance, cash flow and financial position

Cash flow statement		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	1 521.0	4.7%	99.6%	1 539.2	1 628.9	1 715.5	4.1%	100.0%
Compensation of employees	813.4	3.4%	59.2%	862.0	914.4	969.3	6.0%	55.5%
Goods and services	707.6	6.3%	40.4%	677.2	714.5	746.2	1.8%	44.5%
Total payment	1 521.0	4.7%	100.0%	1 539.2	1 628.9	1 715.5	4.1%	100.0%
Net cash flow from investing activities	(215.1)	29.3%	100.0%	(228.7)	(226.6)	(106.6)	-20.9%	100.0%
Acquisition of property, plant, equipment and intangible assets	(215.1)	29.6%	100.2%	(228.7)	(226.6)	(106.6)	-20.9%	100.0%
Net increase/(decrease) in cash and cash equivalents	(53.3)	-36.1%	100.0%	(15.0)	8.0	(11.0)	-40.9%	100.0%
Statement of financial position								
Carrying value of assets	1 369.3	9.3%	79.8%	1 552.7	1 731.4	1 789.0	9.3%	89.0%
Acquisition of assets	(215.1)	29.6%	-7.7%	(228.7)	(226.6)	(106.6)	-20.9%	-11.0%
Investments	4.6	-4.4%	0.4%	4.3	4.5	4.5	-0.2%	0.3%
Inventory	17.4	4.1%	1.3%	19.0	19.9	20.5	5.6%	1.1%
Receivables and prepayments	152.4	-16.1%	13.8%	162.3	172.0	163.4	2.4%	9.0%
Cash and cash equivalents	23.0	-38.2%	4.8%	8.0	13.0	2.0	-55.7%	0.7%
Total assets	1 566.7	3.2%	100.0%	1 746.3	1 940.9	1 979.5	8.1%	100.0%
Accumulated surplus/(deficit)	878.6	4.7%	53.5%	1 084.7	1 292.1	1 335.3	15.0%	63.2%
Capital and reserves	3.0	7.7%	0.2%	3.0	3.0	3.0	0.1%	0.2%
Capital reserve fund	112.0	—	7.9%	112.0	112.0	112.0	—	6.3%
Deferred income	87.6	-13.0%	8.4%	77.6	67.6	67.6	-8.3%	4.2%
Trade and other payables	414.9	8.0%	26.6%	400.9	398.2	375.4	-3.3%	22.3%
Provisions	70.7	-3.7%	3.1%	68.1	68.1	68.1	-1.2%	3.8%
Total equity and liabilities	1 566.7	3.2%	100.0%	1 746.3	1 940.9	1 961.4	7.8%	100.0%

Personnel information

Table 29.20 Agricultural Research Council personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number		
Salary level	Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Agricultural Research Council			2 719	820.4	0.3	2 719	813.4	0.3	2 719	862.0	0.3	2 719	914.4	0.3	2 719	969.3	0.4	6.0%	100.0%
1 – 6	1 537	1 537	1 537	176.2	0.1	1 537	174.0	0.1	1 537	184.2	0.1	1 537	196.4	0.1	1 537	209.6	0.1	6.4%	56.5%
7 – 10	1 032	1 032	1 032	495.9	0.5	1 032	491.5	0.5	1 032	529.7	0.5	1 032	569.8	0.6	1 032	611.3	0.6	7.5%	38.0%
11 – 12	100	100	100	81.4	0.8	100	81.0	0.8	100	81.1	0.8	100	81.3	0.8	100	81.4	0.8	0.2%	3.7%
13 – 16	47	47	47	58.1	1.2	47	58.1	1.2	47	58.1	1.2	47	58.1	1.2	47	58.1	1.2	–	1.7%
17 – 22	3	3	3	8.8	2.9	3	8.8	2.9	3	8.8	2.9	3	8.8	2.9	3	8.8	2.9	–	0.1%

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 **KwaZulu-Natal Ingonyama Trust Board** is a land management agency that ensures that commercial activity on communal land is developmental and beneficial to local communities. The KwaZulu-Natal Ingonyama Trust Act (1994) makes provision for the 2.8 million hectares of land spread across KwaZulu-Natal to be held in trust and managed on behalf of communities. The affairs of the trust are administered by the Ingonyama Trust Board. The board's total budget for 2020/21 is R121 million.
- The **National Agricultural Marketing Council** was established in terms of section 3 and section 4 of the Marketing of Agricultural Products Act (1996). The council is mandated to investigate the establishment, continuation, amendment or revocation of statutory measures affecting the marketing of agricultural products; and evaluate the desirability, necessity or efficiency of these statutory measures. It is also mandated to, if necessary, propose alternatives to the establishment, continuation, amendment or repeal of a statutory measure, and report to and advise the minister accordingly. The council's total budget for 2020/21 is R47.4 million.

- The **Office of the Valuer-General** values all land to be acquired for land reform purposes, in accordance with a defined set of criteria based on section 25(3) of the Constitution, to ensure fair and equitable prices. The Property Valuation Act (2014) prescribes that the office must be impartial in exercising its powers and performing its functions, and be accountable to the Minister of Agriculture, Land Reform and Rural Development. The office's total budget for 2020/21 is R142.6 million.
- **Onderstepoort Biological Products** was established as a public entity in terms of the Onderstepoort Biological Products Incorporation Act (1999), with government as its sole shareholder. The entity's mandate is to prevent and control animal diseases that affect food security, human health and livelihoods through the continued development and efficient manufacturing of innovative animal-related pharmaceuticals (including vaccines) and related products. The entity's total budget for 2020/21 is R209.5 million.
- The **Perishable Products Export Control Board** is an independent service provider of quality assurance, food safety, and cold chain management services for producers and exporters of perishable food products. It is mandated by government in terms of the Perishable Products Export Control Act (1983), which broadly requires the board to ensure the orderly export of perishables and monitor the proper maintenance of a continuous cold chain for exports. It also derives its mandate from the Agricultural Products Standards Act (1990), which broadly requires the board to monitor the minimum quality standards of perishable exports, as required by government and bilateral agreements with importing countries. The board's total budget for 2020/21 is R494.3 million.
- The **Registration of Deeds Trading Account** makes provision for the administration of the land registration system and the registration of rights in land. It requires that deeds and documents are prepared and lodged in the deeds registry by a conveyancer or public notary, and are scrutinised for accuracy and compliance with common law, case law and statutory law. The main goal of the trading account is to contribute to effective land planning, administration and property registration. The account's total budget for 2020/21 is R990.2 million.

Vote 30

Communications and Digital Technologies

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	313.7	283.9	0.0	29.7	336.8	346.4
ICT International Relations and Affairs	60.8	27.5	32.7	0.6	60.9	63.4
ICT Policy Development and Research	69.8	69.4	–	0.4	61.3	64.7
ICT Enterprise and Public Entity Oversight	1 750.2	43.0	1 706.7	0.5	1 764.6	1 734.8
ICT Infrastructure Development and Support	1 127.5	283.8	843.4	0.4	1 620.0	358.0
ICT Information Society and Capacity Development	72.5	72.3	–	0.2	74.9	75.6
Total expenditure estimates	3 394.5	780.0	2 582.8	31.8	3 918.6	2 643.0
Executive authority	Minister of Communications and Digital Technologies					
Accounting officer	Director-General of Communications and Digital Technologies					
Website	www.doc.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Create an enabling environment for inclusive growth in the ICT sector by developing policies and legislation that promote infrastructure investment and socioeconomic development.

Mandate

The Department of Communications and Digital Technologies is mandated to enable South Africa's digital transformation to achieve digital inclusion and economic growth by creating an enabling policy and regulatory environment. This is done through the implementation of the 2016 National Integrated ICT Policy White Paper, which provides for the participation of multiple stakeholders for inclusive digital transformation; interventions to reinforce competition and facilitate innovation across the value chain; measures to address issues raised by ICT and convergence; and the establishment of a new national postal policy framework. It also provides for policies to address the digital divide and affordable access, supply-side issues and infrastructure rollout, and demand-side issues to facilitate inclusivity. The department derives its mandate from a number of acts and policies. Key among these are the:

- Broadcasting Act (1999), as amended, which establishes broadcasting policy in South Africa
- Electronic Communications Act (2005), as amended, which provides the legal framework for convergence in the broadcasting, broadcasting signal distribution, and telecommunications sectors. It also allows for the granting of new licences and social obligations; the control of the radio frequency spectrum; and the regulation of electronic communication network services, electronic communication services, and broadcasting services
- Film and Publications Act (1996), as amended, which provides for the classification of certain films and publications, and establishes the Film and Publication Board and Tribunal
- Independent Communications Authority of South Africa Act (2000), which establishes the regulator in the sector
- Postal Services Act (1998), as amended, which makes provision for the regulation of postal services.

Selected performance indicators

Table 30.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of approved country position papers to support the digital economy per year	International Relations and Affairs	Priority 1: Economic transformation and job creation	– ¹	– ¹	– ¹	– ¹	3	2	2
Number of broadband connections to government facilities sustained per year	ICT Infrastructure Development and Support		– ¹	– ¹	266	570	970	970	970

1. No historical data available.

Expenditure analysis

Chapter 4 of the National Development Plan recognises that access to high-speed ICT is a key enabler for inclusive economic growth. The work of the Department of Communications and Digital Technologies is integral to the realisation of this recognition, and gives it effect through the department's contribution to priority 1 (economic transformation and job creation) of government's 2019-2024 medium-term strategic framework.

A priority for the department over the medium term is to develop and revise policies, strategies and legislation to align with the objectives of the 2016 National Integrated ICT Policy White Paper, taking into consideration developments necessitated by the fourth industrial revolution. As such, over the MTEF period, the department will focus on rolling out the South Africa Connect broadband policy, implementing the broadcasting digital migration policy, and submitting new bills to Parliament.

Cabinet has approved reductions to the department's baseline of R146.1 million over the medium term. Of this amount, R72.5 million is on Sentech's migration of digital signals project, as it is fully funded; R23 million on non-core goods and services items such as catering, and travel and subsistence; and R19.5 million on subsidy allocations to the South African Post Office.

The department is expected to spend a total of R10 billion over the medium term, of which R7.3 billion is earmarked to be transferred to public entities. As the entities within the department's portfolio are responsible for many of the deliverables emanating from these policies, the department will devote considerable attention to exercising its oversight role through signing shareholders compacts and governance agreements, analysing performance reports, and approving strategic and annual performance plans. Spending on compensation of employees is expected to amount to R1.1 billion over this period.

Rolling out broadband through South Africa Connect

The department will continue to provide broadband connectivity to government buildings over the medium term by implementing the digital development pillar of the South Africa Connect broadband policy. By 2022/23, a targeted 970 government buildings will be connected in the pilot phase, resulting in projected expenditure of R739 million over the medium term in the *ICT Infrastructure Development and Support* programme. The business case for the second phase, which aims to connect government buildings throughout the country, will be developed over the medium term.

Migrating towards digital broadcasting

The new model for the implementation of broadcasting digital migration over the medium term includes the provision of vouchers to indigent households for devices that will allow analogue televisions to receive digital signals, and compensation to the South African Post Office for the costs of administering the voucher and distribution systems. To subsidise the provision of these vouchers, R1.6 billion over the medium term is allocated to the Universal Services Access Fund, and R275 million is allocated to the Universal Service and Access Agency of South Africa to compensate the post office for the administration of the project. A further R100 million is allocated to Sentech in 2021/22 for dual illumination, which will allow the entity to operate both analogue and digital signals until digital migration is fully implemented. As a result, spending in the *Broadcasting Digital Migration* subprogramme in the *ICT Infrastructure Development and Support* programme is expected to increase

from R312.8 million in 2019/20 to R1.4 billion in 2021/22.

Implementing the 2016 National Integrated ICT Policy White Paper

It is envisaged that a number of bills required for the implementation of the 2016 National Integrated ICT Policy White Paper will be developed and submitted to Parliament over the medium term. These include the Digital Development Fund Bill, State IT Company Bill, State ICT Infrastructure Company Bill, Digital Transformation Bill, and Audio-visual Content Bill. This will allow for, among other things, the rationalisation of state-owned ICT companies for greater efficiency, and ensure that communities and individuals have access to ICT services and skills for the digital economy. To achieve this, expenditure in the *ICT Policy Development and Research* programme is expected to increase from R48.6 million in 2019/20 to R64.7 million in 2022/23 at an average annual rate of 10 per cent.

Expenditure trends and estimates

Table 30.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. ICT International Relations and Affairs											
3. ICT Policy Development and Research											
4. ICT Enterprise and Public Entity Oversight											
5. ICT Infrastructure Development and Support											
6. ICT Information Society and Capacity Development											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	268.8	274.9	294.2	325.6	6.6%	6.1%	313.7	336.8	346.4	2.1%	8.4%
Programme 2	46.9	50.6	84.9	57.6	7.1%	1.3%	60.8	60.9	63.4	3.3%	1.5%
Programme 3	33.6	35.9	38.4	48.6	13.1%	0.8%	69.8	61.3	64.7	10.0%	1.6%
Programme 4	1 516.6	4 636.5	3 933.0	4 679.1	45.6%	77.3%	1 750.2	1 764.6	1 734.8	-28.2%	63.1%
Programme 5	897.9	630.9	411.2	597.7	-12.7%	13.3%	1 127.5	1 620.0	358.0	-15.7%	23.5%
Programme 6	57.3	55.2	64.9	65.5	4.5%	1.3%	72.5	74.9	75.6	4.9%	1.8%
Total	2 821.2	5 684.1	4 826.6	5 774.1	27.0%	100.0%	3 394.5	3 918.6	2 643.0	-22.9%	100.0%
Change to 2019				3 202.1			670.5	1 279.1	(95.2)		
Budget estimate											
Economic classification											
Current payments	458.7	464.9	643.6	747.7	17.7%	12.1%	780.0	824.7	852.2	4.5%	20.4%
Compensation of employees	270.7	283.2	292.5	321.9	5.9%	6.1%	348.3	371.0	386.8	6.3%	9.1%
Goods and services ¹	188.0	181.7	351.1	425.8	31.3%	6.0%	431.7	453.8	465.4	3.0%	11.3%
of which:											
Computer services	6.0	6.3	7.9	17.8	43.9%	0.2%	197.5	10.3	10.5	-16.2%	1.5%
Consultants: Business and advisory services	8.9	26.0	113.8	216.9	189.8%	1.9%	39.3	222.2	225.8	1.3%	4.5%
Agency and support/outsourced services	0.1	0.0	6.4	4.4	329.7%	0.1%	0.7	20.5	23.7	74.7%	0.3%
Operating leases	42.1	34.8	42.6	40.0	-1.7%	0.8%	28.9	47.5	46.5	5.1%	1.0%
Property payments	12.1	12.7	10.3	15.3	8.1%	0.3%	14.3	15.7	16.3	2.3%	0.4%
Travel and subsistence	45.0	46.4	58.1	51.0	4.2%	1.0%	57.1	57.6	58.8	4.8%	1.4%
Transfers and subsidies¹	1 699.3	1 506.0	1 227.2	1 803.0	2.0%	32.6%	2 582.8	3 078.6	1 774.8	-0.5%	58.7%
Provinces and municipalities	0.0	0.0	0.0	0.0	0.0%	0.0%	0.0	0.0	0.0	16.7%	0.0%
Departmental agencies and accounts	1 250.3	817.2	786.1	817.9	-13.2%	19.2%	1 587.6	2 137.2	974.3	6.0%	35.1%
Foreign governments and international organisations	26.1	26.0	28.5	30.0	4.7%	0.6%	32.7	31.6	32.8	3.0%	0.8%
Public corporations and private enterprises	422.1	659.8	391.3	924.6	29.9%	12.6%	962.5	909.8	767.7	-6.0%	22.7%
Non-profit institutions	0.0	–	–	–	-100.0%	0.0%	–	–	–	0.0%	0.0%
Households	0.7	3.0	21.3	30.5	256.0%	0.3%	–	–	–	-100.0%	0.2%
Payments for capital assets	13.1	12.8	7.0	23.3	21.2%	0.3%	31.8	15.2	16.0	-11.9%	0.5%
Machinery and equipment	8.9	6.8	5.3	9.8	3.3%	0.2%	16.9	7.3	7.5	-8.3%	0.3%
Software and other intangible assets	4.2	6.0	1.7	13.5	47.6%	0.1%	14.8	8.0	8.4	-14.6%	0.3%
Payments for financial assets	650.1	3 700.3	2 948.7	3 200.0	70.1%	55.0%	–	–	–	-100.0%	20.3%
Total	2 821.2	5 684.1	4 826.6	5 774.1	27.0%	100.0%	3 394.5	3 918.6	2 643.0	-22.9%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 30.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 250 328	817 248	786 094	817 936	-13.2%	58.9%	1 587 582	2 137 164	974 282	6.0%	59.7%
Independent Communications Authority of South Africa	373 071	430 383	443 961	476 645	8.5%	27.6%	477 721	504 186	522 929	3.1%	21.4%
Film and Publication Board	86 472	91 684	94 577	99 373	4.7%	6.0%	103 978	109 731	113 772	4.6%	4.6%
National Electronic Media Institute of South Africa	77 200	85 785	90 761	95 347	7.3%	5.6%	99 195	104 651	109 712	4.8%	4.4%
Universal Service and Access Agency of South Africa	69 045	75 684	80 074	82 949	6.3%	4.9%	264 881	188 677	96 037	5.0%	6.8%
Universal Service and Access Fund	55 156	54 614	57 781	37 017	-12.4%	3.3%	63 086	66 556	69 766	23.5%	2.6%
Universal Service and Access Fund: Broadcasting digital migration	589 384	79 098	18 940	26 605	-64.4%	11.5%	578 721	1 163 363	62 066	32.6%	19.8%
Households											
Social benefits											
Current	517	2 335	2 286	891	19.9%	0.1%	–	–	–	-100.0%	–
Households	517	2 335	2 286	891	19.9%	0.1%	–	–	–	-100.0%	–
Provinces and municipalities											
Municipal bank accounts											
Current	–	14	13	17	–	–	19	26	27	16.7%	–
Vehicle licences	–	14	13	17	–	–	19	26	27	16.7%	–
Households											
Other transfers to households											
Current	158	700	18 966	29 573	472.0%	0.8%	–	–	–	-100.0%	0.3%
Claims against the state	–	–	18 940	29 573	–	0.8%	–	–	–	-100.0%	0.3%
Households	158	700	26	–	-100.0%	–	–	–	–	–	–
Public corporations and private enterprises											
Other transfers to private enterprises											
Current	5	–	–	–	-100.0%	–	–	–	–	–	–
Claims against the State	5	–	–	–	-100.0%	–	–	–	–	–	–
Public corporations and private enterprises											
Other transfers to public corporations											
Current	422 098	413 766	187 421	673 643	16.9%	27.2%	697 848	740 036	767 657	4.5%	31.2%
Claims against the state	5	–	–	–	-100.0%	–	–	–	–	–	–
South African Broadcasting Corporation: Channel Africa	52 271	54 885	58 068	61 320	5.5%	3.6%	63 399	66 886	69 371	4.2%	2.8%
South African Broadcasting Corporation: Public broadcaster	107 180	105 947	115 669	123 246	4.8%	7.2%	127 424	134 432	139 429	4.2%	5.7%
South African Broadcasting Corporation: Community radio stations	10 324	–	–	–	-100.0%	0.2%	–	–	–	–	–
South African Broadcasting Corporation: Programme productions	12 318	12 934	13 684	14 450	5.5%	0.9%	14 940	15 761	16 337	4.2%	0.7%
South African Post Office	–	–	–	474 627	–	7.6%	492 085	522 957	542 520	4.6%	22.0%
South African Post Office: Broadcasting digital migration	240 000	240 000	–	–	-100.0%	7.7%	–	–	–	–	–
Capital	–	246 000	203 900	250 934	–	11.2%	264 630	169 746	–	-100.0%	7.4%
Sentech: Migration of digital signals	–	53 000	–	58 440	–	1.8%	60 586	69 746	–	-100.0%	2.0%
Sentech: Dual illumination costs relating to the digital migration project	–	193 000	203 900	192 494	–	9.5%	204 044	100 000	–	-100.0%	5.4%
Foreign governments and international organisations											
Current	26 136	25 964	28 538	30 025	4.7%	1.8%	32 724	31 632	32 806	3.0%	1.4%
Organisation for Economic Cooperation and Development	166	158	200	186	3.9%	–	198	600	622	49.5%	–
Universal Postal Union	5 960	5 522	6 311	6 443	2.6%	0.4%	7 044	6 602	6 847	2.0%	0.3%
International Telecommunication Union	17 581	16 816	17 077	18 829	2.3%	1.1%	20 584	19 969	20 710	3.2%	0.9%
African Telecommunications Union	1 044	1 006	988	1 114	2.2%	0.1%	1 186	1 357	1 407	8.1%	0.1%
Pan-African Postal Union	1 033	1 031	1 061	1 142	3.4%	0.1%	1 215	1 247	1 294	4.3%	0.1%
Commonwealth Telecommunications Organisation	352	426	440	462	9.5%	–	493	518	536	5.1%	–
DONA Foundation	–	1 005	1 007	1 108	–	0.1%	1 214	1 339	1 390	7.9%	0.1%
Smart Africa Alliance	–	–	1 454	741	–	–	790	–	–	-100.0%	–
Total	1 699 242	1 506 027	1 227 218	1 803 019	2.0%	100.0%	2 582 803	3 078 604	1 774 772	-0.5%	100.0%

Personnel information

Table 30.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																					
1. Administration																					
2. ICT International Relations and Affairs																					
3. ICT Policy Development and Research																					
4. ICT Enterprise and Public Entity Oversight																					
5. ICT Infrastructure Development and Support																					
6. ICT Information Society and Capacity Development																					
Number of posts estimated for 31 March 2020			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 (%)					
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23				
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost							
Communications and Digital Technologies			347	6	360	292.5	0.8	382	314.9	0.8	395	348.3	0.9	395	371.0	0.9	389	386.8	1.0	0.6%	100.0%
Salary level																					
1 – 6	35	1	34	10.9	0.3	34	8.0	0.2	34	8.5	0.3	34	9.2	0.3	35	10.0	0.3	1.0%	8.8%		
7 – 10	123	3	125	59.2	0.5	130	51.7	0.4	132	56.2	0.4	132	60.3	0.5	130	63.3	0.5	–	33.6%		
11 – 12	77	–	80	73.9	0.9	87	83.9	1.0	96	98.1	1.0	96	104.3	1.1	93	107.2	1.2	2.2%	23.8%		
13 – 16	109	2	105	141.0	1.3	119	163.8	1.4	121	177.5	1.5	121	188.8	1.6	119	197.5	1.7	–	30.7%		
Other	3	–	16	7.5	0.5	12	7.6	0.6	12	7.9	0.7	12	8.4	0.7	12	8.9	0.7	–	3.1%		
Programme	347	6	360	292.5	0.8	382	314.9	0.8	395	348.3	0.9	395	371.0	0.9	389	386.8	1.0	0.6%	100.0%		
Programme 1	195	–	204	153.7	0.8	214	154.5	0.7	214	162.6	0.8	214	173.4	0.8	211	181.0	0.9	-0.5%	54.6%		
Programme 2	15	–	16	17.1	1.1	17	16.7	1.0	17	17.9	1.1	17	19.0	1.1	17	20.1	1.2	–	4.4%		
Programme 3	24	–	33	24.2	0.7	30	30.3	1.0	39	42.3	1.1	39	45.0	1.2	39	47.9	1.2	9.1%	9.4%		
Programme 4	32	1	15	21.4	1.4	30	29.1	1.0	34	35.7	1.1	34	38.0	1.1	34	40.4	1.2	4.3%	8.5%		
Programme 5	28	5	39	33.8	0.9	38	39.3	1.0	38	41.9	1.1	38	44.5	1.2	37	46.1	1.2	-0.9%	9.7%		
Programme 6	53	–	53	42.3	0.8	53	45.0	0.8	53	47.9	0.9	53	51.0	1.0	51	51.4	1.0	-1.3%	13.5%		

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

2. Rand million.

Departmental receipts

Table 30.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
	R thousand							2020/21	2021/22	2022/23		
Departmental receipts	833 990	1 143 331	751 780	601 130	601 130	-10.3%	100.0%	665 485	665 118	664 713	3.4%	100.0%
Sales of goods and services produced by department	112	108	111	166	166	14.0%	–	55	55	60	-28.8%	–
Sales by market establishments	50	41	111	76	76	15.0%	–	–	–	–	-100.0%	–
of which:												
Market Establishment:	50	41	111	76	76	15.0%	–	–	–	–	-100.0%	–
Rental Parking (covered and open)												
Administrative fees	4	4	–	26	26	86.6%	–	6	6	5	-42.3%	–
of which:												
Cryptography fees	4	4	–	5	5	7.7%	–	6	6	5	–	–
Accreditation electric signature fee	–	–	–	20	20	–	–	–	–	–	-100.0%	–
Cryptography registration fee	–	–	–	1	1	–	–	–	–	–	-100.0%	–
Other sales	58	63	–	64	64	3.3%	–	49	49	55	-4.9%	–
of which:												
Commission on insurance	58	63	–	64	64	3.3%	–	49	49	55	-4.9%	–
Transfers received	–	–	26 000	–	–	–	0.8%	377	–	–	–	–
Interest, dividends and rent on land	833 316	1 141 994	724 910	602 568	602 568	-10.2%	99.2%	664 598	664 608	664 638	3.3%	100.0%
Interest	2 503	295 391	2 019	2 568	2 568	0.9%	9.1%	120	130	160	-60.4%	0.1%
Dividends	830 813	846 603	722 891	600 000	600 000	-10.3%	90.1%	664 478	664 478	664 478	3.5%	99.9%
of which:												
Vodacom shares	–	–	32	–	–	–	–	32	32	32	–	–
Telkom shares	830 813	846 603	722 859	600 000	600 000	-10.3%	90.1%	664 446	664 446	664 446	3.5%	99.9%
Sales of capital assets	–	713	52	19	19	–	–	15	15	15	-7.6%	–
Transactions in financial assets and liabilities	562	516	707	(1 623)	(1 623)	-242.4%	–	440	440	–	-100.0%	–
Total	833 990	1 143 331	751 780	601 130	601 130	-10.3%	100.0%	665 485	665 118	664 713	3.4%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 30.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Ministry	8.4	8.6	7.9	6.6	-7.6%	2.7%	7.5	8.1	9.0	10.7%	2.4%
Departmental Management	87.8	83.8	82.0	71.5	-6.6%	27.9%	79.2	88.9	88.6	7.4%	24.8%
Internal Audit	4.8	6.5	7.5	13.0	39.3%	2.7%	11.5	10.8	11.2	-4.7%	3.5%
Corporate Services	80.4	87.5	108.2	132.6	18.1%	35.1%	112.5	112.7	118.4	-3.7%	36.0%
Financial Management	82.2	85.6	79.5	82.3	—	28.3%	71.8	81.2	84.2	0.8%	24.2%
Office Accommodation	5.2	2.8	9.2	19.7	55.8%	3.2%	31.1	35.3	34.9	20.9%	9.1%
Total	268.8	274.9	294.2	325.6	6.6%	100.0%	313.7	336.8	346.4	2.1%	100.0%
Change to 2019				(4.6)			(3.2)	(4.5)	(5.0)		
Budget estimate											
Economic classification											
Current payments	260.1	261.5	266.2	281.8	2.7%	91.9%	283.9	323.9	332.9	5.7%	92.4%
Compensation of employees	138.4	146.4	153.7	154.5	3.7%	51.0%	162.6	173.4	181.0	5.4%	50.8%
Goods and services ¹	121.7	115.1	112.5	127.3	1.5%	41.0%	121.3	150.5	152.0	6.1%	41.7%
of which:											
Audit costs: External	7.3	8.0	6.0	6.0	-6.5%	2.3%	7.5	7.5	7.8	9.5%	2.2%
Computer services	5.7	4.7	6.0	8.5	14.0%	2.1%	12.9	10.0	10.2	6.2%	3.1%
Legal services	6.7	7.6	6.4	6.8	0.8%	2.4%	6.2	10.8	11.9	20.4%	2.7%
Operating leases	41.2	33.8	40.3	38.9	-1.9%	13.2%	27.8	46.2	45.1	5.1%	11.9%
Property payments	11.7	11.9	10.3	15.3	9.2%	4.2%	14.3	15.7	16.3	2.3%	4.7%
Travel and subsistence	23.2	26.4	20.0	18.2	-7.9%	7.5%	20.4	27.3	27.2	14.4%	7.0%
Transfers and subsidies¹	0.3	1.9	21.1	30.2	343.7%	4.6%	0.0	0.0	0.0	-90.4%	2.3%
Provinces and municipalities	0.0	0.0	0.0	0.0	—	—	0.0	0.0	0.0	16.7%	—
Departmental agencies and accounts	0.0	—	—	—	-100.0%	—	—	—	—	—	—
Public corporations and private enterprises	0.0	—	—	—	-100.0%	—	—	—	—	—	—
Households	0.3	1.9	21.1	30.2	373.3%	4.6%	—	—	—	-100.0%	2.3%
Payments for capital assets	8.4	11.2	5.3	13.6	17.7%	3.3%	29.7	12.9	13.4	-0.5%	5.3%
Machinery and equipment	4.5	5.2	3.5	6.6	13.4%	1.7%	15.0	5.0	5.1	-8.3%	2.4%
Software and other intangible assets	3.8	6.0	1.7	7.0	22.5%	1.6%	14.7	7.9	8.3	5.8%	2.9%
Payments for financial assets	0.1	0.3	1.7	—	-100.0%	0.2%	—	—	—	—	—
Total	268.8	274.9	294.2	325.6	6.6%	100.0%	313.7	336.8	346.4	2.1%	100.0%
Proportion of total programme expenditure to vote expenditure	9.5%	4.8%	6.1%	5.6%	—	—	9.2%	8.6%	13.1%	—	—

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

Programme 2: ICT International Relations and Affairs

Programme purpose

Ensure alignment between South Africa's foreign policy and international activities in the field of ICT.

Objectives

- Advance South Africa's ICT interests in regional and international forums to secure partnerships for economic growth and development by:
 - developing 3 position papers focusing on: the World Telecommunications Standardisation Assembly; the Brazil-Russia-India-China-South Africa group of countries (BRICS) agenda and action plan; and the Pan-African Postal Union and 2020 Universal Postal Union to support the digital economy by March 2021.
 - developing and advancing South Africa's position to support the digital economy at relevant international forums on an ongoing basis.

- developing strategic partnerships to promote the digital economy on an ongoing basis.

Subprogrammes

- *Programme Management for ICT International Relations and Affairs* provides for the overall management of the programme.
- *International Affairs* coordinates the functions and responsibilities of the department to meet South Africa's international ICT obligations. It leads South Africa's ICT interests and advances strategic programmes in African bilateral forums and the BRICS forum.
- *ICT Trade/Partnership* develops and advances South Africa's interests in international and multilateral trade forums by participating in the World Trade Organisation's ICT-related initiatives and other international trade agreements such as the South Africa-European Union trade agreement and bilateral agreements with counterpart countries. This subprogramme also makes payments for international membership fees.

Expenditure trends and estimates

Table 30.7 ICT International Relations and Affairs expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/ Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/ Total (%)
R million											
Programme Management for International Relations and Affairs	–	–	–	–	–	–	2.9	3.1	3.5	–	3.9%
International Affairs	13.4	12.5	14.8	13.8	0.9%	22.7%	14.8	16.0	16.0	5.0%	25.0%
ICT Trade/Partnership	33.5	38.1	70.0	43.8	9.3%	77.3%	43.1	41.9	44.0	0.1%	71.1%
Total	46.9	50.6	84.9	57.6	7.1%	100.0%	60.8	60.9	63.4	3.3%	100.0%
Change to 2019 Budget estimate				(0.8)			2.8	0.7	0.4		
Economic classification											
Current payments	20.3	24.6	55.9	27.1	10.1%	53.3%	27.5	28.7	30.0	3.5%	46.7%
Compensation of employees	12.7	17.0	17.1	16.7	9.4%	26.5%	17.9	19.0	20.1	6.5%	30.3%
Goods and services ¹	7.5	7.6	38.8	10.4	11.3%	26.8%	9.7	9.7	9.9	-1.7%	16.3%
of which:											
Administrative fees	0.2	0.1	0.2	0.2	-4.7%	0.3%	0.2	0.2	0.3	9.1%	0.4%
Minor assets	0.0	0.0	0.2	0.2	330.9%	0.2%	0.2	0.3	0.3	8.6%	0.4%
Contractors	0.1	0.8	0.2	0.4	54.5%	0.6%	0.9	0.2	0.2	-18.8%	0.7%
Operating leases	0.1	0.1	0.1	0.3	75.4%	0.2%	0.3	0.3	0.3	2.1%	0.5%
Travel and subsistence	4.3	4.8	7.7	5.6	8.9%	9.3%	4.7	5.2	5.4	-1.4%	8.6%
Venues and facilities	1.4	1.2	25.4	2.7	23.9%	12.8%	2.2	2.3	2.3	-6.1%	3.9%
Transfers and subsidies¹	26.3	26.0	28.5	30.0	4.6%	46.2%	32.7	31.6	32.8	3.0%	52.4%
Foreign governments and international organisations	26.1	26.0	28.5	30.0	4.7%	46.1%	32.7	31.6	32.8	3.0%	52.4%
Non-profit institutions	0.0	–	–	–	-100.0%	–	–	–	–	–	–
Households	0.1	0.0	–	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	0.4	0.0	0.4	0.5	8.6%	0.6%	0.6	0.6	0.6	4.0%	1.0%
Machinery and equipment	0.4	0.0	0.4	0.5	8.6%	0.6%	0.6	0.6	0.6	4.0%	1.0%
Total	46.9	50.6	84.9	57.6	7.1%	100.0%	60.8	60.9	63.4	3.3%	100.0%
Proportion of total programme expenditure to vote expenditure	1.7%	0.9%	1.8%	1.0%	–	–	1.8%	1.6%	2.4%	–	–
Details of selected transfers and subsidies											
Foreign governments and international organisations											
Current	26.1	26.0	28.5	30.0	4.7%	46.1%	32.7	31.6	32.8	3.0%	52.4%
Universal Postal Union	6.0	5.5	6.3	6.4	2.6%	10.1%	7.0	6.6	6.8	2.0%	11.1%
International Telecommunication Union	17.6	16.8	17.1	18.8	2.3%	29.3%	20.6	20.0	20.7	3.2%	33.0%
African Telecommunications Union	1.0	1.0	1.0	1.1	2.2%	1.7%	1.2	1.4	1.4	8.1%	2.1%
Pan-African Postal Union	1.0	1.0	1.1	1.1	3.4%	1.8%	1.2	1.2	1.3	4.3%	2.0%
Organisation for Economic Cooperation and Development	0.2	0.2	0.2	0.2	3.9%	0.3%	0.2	0.6	0.6	49.5%	0.7%
Commonwealth Telecommunications Organisation	0.4	0.4	0.4	0.5	9.5%	0.7%	0.5	0.5	0.5	5.1%	0.8%
DONA Foundation	–	1.0	1.0	1.1	–	1.3%	1.2	1.3	1.4	7.9%	2.1%
Smart Africa Alliance	–	–	1.5	0.7	–	0.9%	0.8	–	–	-100.0%	0.6%

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

Programme 3: ICT Policy Development and Research

Programme purpose

Develop ICT policies and legislation that support the development of an ICT sector that creates favourable conditions for accelerated and shared economic growth. Develop strategies that increase the adoption and use of ICT by the majority of South Africans to bridge the digital divide.

Objectives

- Improve access to and the affordability of ICT by developing the Digital Development Fund Bill by March 2021.
- Promote the growth and sustainability of small, medium and micro enterprises (SMMEs) in the ICT sector by facilitating the implementation and monitoring of the ICT SMME development strategy over the medium term.
- Enable digital transformation and inclusion by:
 - developing the digital transformation policy by March 2022 and the Digital Transformation Bill by March 2023
 - submitting the Electronic Communications Amendment Bill to Parliament by March 2023
 - submitting the data and cloud policy to Cabinet by March 2021
 - developing and facilitating the implementation plan for the digital economy master plan by March 2021
 - developing the implementation plan for the fourth industrial revolution country plan by March 2021; and facilitating, monitoring and reporting on its implementation on an ongoing basis.

Subprogrammes

- *Programme Management for ICT Policy Development and Research* provides for the overall management of the programme.
- *ICT Policy Development* drafts legislation, regulations, policy and guidelines that govern the telecommunications, postal and IT sectors to ensure broad-based economic development.
- *Economic and Market Analysis* conducts economic analyses of the telecommunications, postal and IT sectors to determine trends and make projections. This subprogramme also conducts market research to explore areas that require policy intervention, and is responsible for reducing the cost of communication.
- *Research* is responsible for understanding the ICT landscape and delivering a national ICT strategy.
- *Small, Medium and Micro Enterprise* facilitates the growth and development of SMMEs in the ICT sector.
- *Broadcasting Policy* drafts legislation, regulations, policy, strategies and guidelines that govern audiovisual media sectors.
- *Media Policy* conducts research and develops print media and communications policies.

Expenditure trends and estimates

Table 30.8 ICT Policy Development and Research 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Programme Management for ICT Policy Development and Research	–	–	–	–	–	–	2.8	2.9	3.4	–	3.7%
ICT Policy Development	12.5	10.0	12.8	17.9	12.8%	34.0%	19.1	20.9	22.5	7.8%	32.9%
Economic and Market Analysis	3.5	8.7	4.6	8.2	33.0%	15.9%	6.0	7.9	8.3	0.4%	12.4%
Research	6.9	6.9	7.2	7.1	0.7%	17.9%	10.0	11.7	11.1	16.4%	16.3%
Small Medium and Micro Enterprise	4.4	4.4	5.2	5.0	4.2%	12.2%	5.2	5.5	5.7	4.5%	8.7%
Broadcasting Policy	6.3	5.8	8.6	10.5	18.4%	19.9%	13.4	12.4	13.8	9.6%	20.5%
Presidential Commission on 4IR	–	–	–	–	–	–	13.4	–	–	–	5.5%
Total	33.6	35.9	38.4	48.6	13.1%	100.0%	69.8	61.3	64.7	10.0%	100.0%
Change to 2019 Budget estimate				(12.3)			10.5	(1.8)	(2.3)		

Table 30.8 ICT Policy Development and Research expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20	2022/23	
Current payments	33.1	35.5	38.2	48.3	13.4%	99.0%	69.4	61.1	64.5	10.1%	99.6%
Compensation of employees	25.1	23.1	24.2	34.3	11.0%	68.2%	42.3	45.0	47.9	11.7%	69.3%
Goods and services ¹	8.0	12.4	14.0	14.0	20.4%	30.9%	27.1	16.1	16.7	6.0%	30.2%
of which:											
Communication	1.6	0.6	2.0	0.8	-22.4%	3.1%	0.7	0.9	1.0	8.2%	1.3%
Consultants: Business and advisory services	1.4	6.7	1.6	2.3	17.2%	7.6%	14.7	3.4	3.6	16.2%	9.8%
Consumables: Stationery, printing and office supplies	1.1	1.0	1.3	1.1	0.4%	2.9%	0.7	1.2	1.2	3.6%	1.7%
Travel and subsistence	1.9	2.5	4.9	5.6	43.3%	9.6%	5.9	6.3	6.4	4.7%	9.9%
Training and development	0.4	0.3	0.4	0.7	17.4%	1.1%	0.5	0.6	0.6	-2.4%	1.0%
Venues and facilities	0.6	0.4	1.0	1.0	20.8%	1.9%	0.6	1.0	1.0	1.1%	1.5%
Transfers and subsidies ¹	0.1	0.3	–	–	-100.0%	0.2%	–	–	–	–	–
Households	0.1	0.3	–	–	-100.0%	0.2%	–	–	–	–	–
Payments for capital assets	0.5	0.1	0.2	0.3	-12.5%	0.7%	0.4	0.2	0.2	-12.0%	0.4%
Machinery and equipment	0.5	0.1	0.2	0.3	-12.5%	0.7%	0.4	0.2	0.2	-12.0%	0.4%
Total	33.6	35.9	38.4	48.6	13.1%	100.0%	69.8	61.3	64.7	10.0%	100.0%
Proportion of total programme expenditure to vote expenditure	1.2%	0.6%	0.8%	0.8%	–	–	2.1%	1.6%	2.4%	–	–

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

Programme 4: ICT Enterprise and Public Entity Oversight

Programme purpose

Oversee and manage government's shareholding interest in the ICT public entities and state-owned companies. Facilitate the growth and development of small, medium and micro enterprises in the ICT sector.

Objectives

- Improve the performance of state-owned entities through proactive oversight by monitoring and evaluating the service delivery performance and compliance of public entities against strategic plans and relevant prescripts on an ongoing basis.
- Improve the impact of public entity service delivery and their market responsiveness by:
 - submitting the State ICT Infrastructure Company Bill to Cabinet for approval by March 2021
 - submitting the State IT Company Bill to Cabinet for approval by March 2021.

Subprogrammes

- *Programme Management for ICT Enterprise and Public Entity Oversight* provides for the overall management of the programme.
- *Regulatory Institutions* monitors the implementation of policies, and provides guidance on and oversight of the governance matters of regulatory institutions. This subprogramme makes transfers to the Independent Communications Authority of South Africa and the Film and Publication Board.
- *Universal Service and Access* makes transfers to the South African Broadcasting Corporation, the Universal Service and Access Agency of South Africa, the Universal Service and Access Fund, and the South African Post Office to provide subsidies for the fulfilment of their universal service and access mandates.
- *ICT Skills Development* makes transfers to and provides oversight of the National Electronic Media Institute of South Africa for the provision of skills development programmes.

Expenditure trends and estimates

Table 30.9 ICT Enterprise and Public Entity Oversight expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme Management for ICT Enterprise and Public Entity Oversight	4.1	3.4	2.5	7.5	21.8%	0.1%	9.2	9.0	9.3	7.7%	0.4%
Regulatory Institutions	464.7	528.0	545.8	560.3	6.4%	14.2%	590.6	623.6	646.7	4.9%	24.4%
Universal Services and Access	970.5	4 019.2	3 293.9	4 016.0	60.5%	83.3%	1 051.2	1 027.4	969.0	-37.7%	71.1%
ICT Skills Development	77.2	85.8	90.8	95.3	7.3%	2.4%	99.2	104.7	109.7	4.8%	4.1%
Total	1 516.6	4 636.5	3 933.0	4 679.1	45.6%	100.0%	1 750.2	1 764.6	1 734.8	-28.2%	100.0%
Change to 2019 Budget estimate				2 967.6			(102.6)	(186.9)	(378.4)		
Economic classification											
Current payments	23.1	24.0	31.0	37.9	17.9%	0.8%	43.0	50.2	54.3	12.8%	1.9%
Compensation of employees	19.9	20.0	21.4	32.1	17.2%	0.6%	35.7	38.0	40.4	8.0%	1.5%
Goods and services ¹	3.2	4.0	9.6	5.8	21.6%	0.2%	7.2	12.2	13.9	33.9%	0.4%
of which:											
Communication	0.4	0.5	0.7	0.5	9.2%	—	0.5	0.7	0.7	17.2%	—
Consultants: Business and advisory services	0.0	—	—	1.0	378.7%	—	—	6.1	7.6	97.2%	0.1%
Consumables: Stationery, printing and office supplies	0.2	0.3	0.2	0.3	21.5%	—	0.4	0.3	0.4	8.2%	—
Travel and subsistence	1.0	1.6	2.1	2.3	30.7%	—	3.5	2.7	3.0	8.9%	0.1%
Training and development	0.1	0.3	0.1	0.2	47.4%	—	0.3	0.5	0.5	32.1%	—
Venues and facilities	1.1	0.1	3.4	0.3	-34.4%	—	0.1	1.1	0.9	40.4%	—
Transfers and subsidies ¹	843.1	911.9	954.6	1 441.0	19.6%	28.1%	1 706.7	1 713.8	1 679.9	5.2%	65.9%
Departmental agencies and accounts	660.9	738.2	767.2	767.3	5.1%	19.9%	1 008.9	973.8	912.2	5.9%	36.9%
Public corporations and private enterprises	182.1	173.8	187.4	673.6	54.7%	8.2%	697.8	740.0	767.7	4.5%	29.0%
Households	0.1	0.0	0.1	—	-100.0%	—	—	—	—	—	—
Payments for capital assets	0.3	0.5	0.4	0.2	-10.2%	—	0.5	0.5	0.7	39.5%	—
Machinery and equipment	0.3	0.5	0.4	0.2	-10.2%	—	0.5	0.5	0.7	39.5%	—
Payments for financial assets	650.0	3 700.0	2 947.0	3 200.0	70.1%	71.1%	—	—	—	-100.0%	32.2%
Total	1 516.6	4 636.5	3 933.0	4 679.1	45.6%	100.0%	1 750.2	1 764.6	1 734.8	-28.2%	100.0%
Proportion of total programme expenditure to vote expenditure	53.8%	81.6%	81.5%	81.0%	—	—	51.6%	45.0%	65.6%	—	—
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	660.9	738.2	767.2	767.3	5.1%	19.9%	1 008.9	973.8	912.2	5.9%	36.9%
Independent Communications Authority of South Africa	373.1	430.4	444.0	452.6	6.7%	11.5%	477.7	504.2	522.9	4.9%	19.7%
Film and Publication Board	86.5	91.7	94.6	99.4	4.7%	2.5%	104.0	109.7	113.8	4.6%	4.3%
National Electronic Media	77.2	85.8	90.8	95.3	7.3%	2.4%	99.2	104.7	109.7	4.8%	4.1%
Institute of South Africa											
Universal Service and Access	69.0	75.7	80.1	82.9	6.3%	2.1%	264.9	188.7	96.0	5.0%	6.4%
Agency of South Africa											
Universal Service and Access Fund	55.2	54.6	57.8	37.0	-12.4%	1.4%	63.1	66.6	69.8	23.5%	2.4%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	182.1	173.8	187.4	673.6	54.7%	8.2%	697.8	740.0	767.7	4.5%	29.0%
South African Broadcasting Corporation: Channel Africa	52.3	54.9	58.1	61.3	5.5%	1.5%	63.4	66.9	69.4	4.2%	2.6%
South African Broadcasting Corporation: Public broadcaster	107.2	105.9	115.7	123.2	4.8%	3.1%	127.4	134.4	139.4	4.2%	5.3%
South African Broadcasting Corporation: Community radio stations	10.3	—	—	—	-100.0%	0.1%	—	—	—	—	—
South African Broadcasting Corporation: Programme productions	12.3	12.9	13.7	14.5	5.5%	0.4%	14.9	15.8	16.3	4.2%	0.6%
South African Post Office	—	—	—	474.6	—	3.2%	492.1	523.0	542.5	4.6%	20.5%

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

Programme 5: ICT Infrastructure Development and Support

Programme purpose

Promote investment in robust, reliable, secure and affordable ICT infrastructure that supports the provision of a multiplicity of applications and services.

Objectives

- Increase access to secure digital infrastructure by:
 - revising the national radio frequency plan in line with the outcomes of the 2019 world radiocommunication conference and commencing with preparations for the 2023 world radiocommunication conference by March 2021
 - monitoring and sustaining the provision of broadband services to 970 connected government facilities over the medium term
 - establishing 5 additional computer security incident response teams for the sector over the medium term
 - coordinating and monitoring the installation of 900 000 set-top boxes as part of the broadcasting digital migration programme by March 2021
 - coordinating and monitoring the provincial switch-off of analogue transmission in 3 provinces by March 2021.

Subprogrammes

- *Programme Management for ICT Infrastructure Development and Support* provides for the overall management of the programme.
- *Broadband* is responsible for developing and facilitating the implementation of the broadband policy, strategy and rollout plan for South Africa Connect, and ensures that the programme achieves its broadband goals.
- *ICT Support* is responsible for projects related to authentication, digital object architecture and internet governance.
- *Broadcasting Digital Migration* manages broadcasting digital migration with the aim of migrating from analogue to digital broadcasting. It provides transfers to the Universal Service and Access Fund and Sentech for the implementation of broadcasting digital migration.

Expenditure trends and estimates

Table 30.10 ICT Infrastructure Development and Support 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Programme Management for ICT Infrastructure Development and Support	–	–	–	–	–	–	3.3	3.7	4.1	–	0.3%
Broadband	26.9	39.3	143.8	267.5	115.0%	18.8%	224.9	253.3	260.7	-0.9%	27.2%
ICT Support	8.1	7.5	8.6	17.3	28.9%	1.6%	9.5	10.0	10.4	-15.6%	1.3%
Broadcasting Digital Migration	862.9	584.1	258.8	312.8	-28.7%	79.5%	889.8	1 353.0	82.7	-35.8%	71.2%
Total	897.9	630.9	411.2	597.7	-12.7%	100.0%	1 127.5	1 620.0	358.0	-15.7%	100.0%
Change to 2019				4.6			503.1	1 199.7	8.5		
Budget estimate											

Table 30.10 ICT Infrastructure Development and Support 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	65.3	64.5	187.7	287.8	64.0%	23.9%	283.8	286.5	295.5	0.9%	31.2%
Compensation of employees	37.2	37.2	33.8	39.3	1.9%	5.8%	41.9	44.5	46.1	5.4%	4.6%
Goods and services ¹	28.1	27.4	153.9	248.5	106.7%	18.0%	242.0	242.0	249.4	0.1%	26.5%
of which:											
Advertising	3.1	1.5	7.4	5.4	20.5%	0.7%	14.9	1.2	2.3	-25.4%	0.6%
Computer services	0.2	1.6	1.7	9.2	262.3%	0.5%	184.5	0.2	0.2	-72.5%	5.2%
Consultants: Business and advisory services	0.8	12.0	105.6	202.5	540.4%	12.6%	8.0	201.6	204.1	0.3%	16.6%
Agency and support/outsource services	–	–	3.7	1.7	–	0.2%	0.5	18.8	21.9	134.2%	1.2%
Travel and subsistence	11.6	7.5	17.8	14.9	8.8%	2.0%	18.1	12.2	12.7	-5.1%	1.6%
Venues and facilities	0.1	0.2	2.3	3.1	186.2%	0.2%	2.3	2.8	2.9	-2.0%	0.3%
Transfers and subsidies¹	829.5	565.7	223.0	301.8	-28.6%	75.7%	843.4	1 333.1	62.1	-41.0%	68.6%
Departmental agencies and accounts	589.4	79.1	18.9	50.6	-55.9%	29.1%	578.7	1 163.4	62.1	7.0%	50.1%
Public corporations and private enterprises	240.0	486.0	203.9	250.9	1.5%	46.5%	264.6	169.7	–	-100.0%	18.5%
Households	0.1	0.6	0.1	0.2	21.5%	–	–	–	–	-100.0%	–
Payments for capital assets	3.1	0.7	0.6	8.1	38.2%	0.5%	0.4	0.4	0.4	-62.6%	0.3%
Machinery and equipment	2.7	0.7	0.6	1.6	-15.4%	0.2%	0.3	0.3	0.3	-41.5%	0.1%
Software and other intangible assets	0.4	0.0	–	6.5	157.4%	0.3%	0.1	0.1	0.1	-75.4%	0.2%
Payments for financial assets	0.0	0.0	0.0	–	-100.0%	–	–	–	–	–	–
Total	897.9	630.9	411.2	597.7	-12.7%	100.0%	1 127.5	1 620.0	358.0	-15.7%	100.0%
Proportion of total programme expenditure to vote expenditure	31.8%	11.1%	8.5%	10.4%	–	–	33.2%	41.3%	13.5%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	589.4	79.1	18.9	50.6	-55.9%	29.1%	578.7	1 163.4	62.1	7.0%	50.1%
Independent Communications Authority of South Africa	–	–	–	24.0	–	0.9%	–	–	–	-100.0%	0.6%
Universal Service and Access Fund: Broadcasting digital migration	589.4	79.1	18.9	26.6	-64.4%	28.1%	578.7	1 163.4	62.1	32.6%	49.4%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	240.0	240.0	–	–	-100.0%	18.9%	–	–	–	–	–
South African Post Office: Broadcasting digital migration	240.0	240.0	–	–	-100.0%	18.9%	–	–	–	–	–
Capital	–	246.0	203.9	250.9	–	27.6%	264.6	169.7	–	-100.0%	18.5%
Sentech: Migration of digital signals	–	53.0	–	58.4	–	4.4%	60.6	69.7	–	-100.0%	5.1%
Sentech: Dual illumination costs relating to the digital migration project	–	193.0	203.9	192.5	–	23.2%	204.0	100.0	–	-100.0%	13.4%

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

Programme 6: ICT Information Society and Capacity Development

Programme purpose

Develop and implement strategies to build capabilities to bridge the digital divide.

Objective

- Contribute towards building a digital society by developing information society strategies and programmes over the medium term.

Subprogrammes

- *Programme Management for ICT Information Society and Capacity Development* provides for the overall management of the programme.
- *Information Society Development* supports the promotion of digital society by facilitating the uptake and use of digital technologies. This includes the development of institutional mechanisms, intergovernmental relations forums.
- *Capacity Development* facilitates capacity-building interventions to develop digital and future skills towards the creation of a digital society.

Expenditure trends and estimates

Table 30.11 ICT Information Society and Capacity Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Programme Management for ICT Information Society and Capacity Development	–	–	–	–	–	–	2.9	3.1	3.5	–	3.3%
Information Society Development	47.8	46.2	55.6	56.3	5.6%	84.8%	59.7	61.4	61.3	2.9%	82.7%
Capacity Development	9.5	9.0	9.3	9.2	-1.0%	15.2%	9.9	10.5	10.9	5.7%	14.0%
Total	57.3	55.2	64.9	65.5	4.5%	100.0%	72.5	74.9	75.6	4.9%	100.0%
Change to 2019 Budget estimate				0.6			2.3	0.1	(0.5)		
Economic classification											
Current payments	56.9	54.8	64.6	65.0	4.5%	99.3%	72.3	74.3	75.0	4.9%	99.3%
Compensation of employees	37.4	39.6	42.3	45.0	6.3%	67.7%	47.9	51.0	51.4	4.5%	67.7%
Goods and services ¹	19.4	15.2	22.3	19.9	0.9%	31.6%	24.4	23.3	23.6	5.7%	31.6%
of which:											
Catering: Departmental activities	0.3	0.4	0.6	0.6	22.7%	0.8%	1.1	0.8	0.8	7.7%	1.1%
Communication	0.9	0.9	0.8	0.7	-7.3%	1.4%	0.5	0.9	0.9	9.9%	1.0%
Consultants: Business and advisory services	4.3	6.5	4.6	5.8	10.4%	8.7%	7.1	6.0	5.7	-0.7%	8.5%
Agency and support/outsourced services	–	–	–	–	–	–	–	1.2	1.3	–	0.9%
Travel and subsistence	2.9	3.6	5.6	4.4	14.3%	6.8%	4.4	3.9	4.0	-2.9%	5.8%
Training and development	7.5	0.4	6.7	5.9	-7.9%	8.4%	7.1	7.1	7.3	7.7%	9.5%
Transfers and subsidies ¹	0.0	0.2	–	0.0	7.2%	0.1%	–	–	–	-100.0%	–
Households	0.0	0.2	–	0.0	15.1%	0.1%	–	–	–	-100.0%	–
Payments for capital assets	0.4	0.3	0.3	0.5	3.0%	0.6%	0.2	0.6	0.6	10.3%	0.7%
Machinery and equipment	0.4	0.3	0.3	0.5	2.4%	0.6%	0.2	0.6	0.6	11.0%	0.7%
Total	57.3	55.2	64.9	65.5	4.5%	100.0%	72.5	74.9	75.6	4.9%	100.0%
Proportion of total programme expenditure to vote expenditure	2.0%	1.0%	1.3%	1.1%	–	–	2.1%	1.9%	2.9%	–	–

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

Entities

Sentech

Selected performance indicators

Table 30.12 Sentech performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage availability of digital terrestrial television per year	Attain digital terrestrial television network	Priority 1: Economic transformation and job creation	99% (1.01 million hours/ 1.02 million hours)	99% (1.01 million hours/ 1.02 million hours)	99.9% (1.01 million hours/ 1.02 million hours)	99.9%	100%	100%	100%
Number of broadband sites connected in support of the Internet for All project per year	Administration		— ¹	— ¹	6	6	6	6	6

1. No historical data available.

Entity overview

Sentech was established in terms of the Sentech Act (1996) and is listed as a schedule 3B public entity in terms of the Public Finance Management Act (1999). It is responsible for providing broadcasting signal distribution services to licensed television and radio broadcasters.

Over the medium term, the entity will focus on creating new revenue streams through acquisitions and the formation of strategic partnerships. It aims to build a wireless broadband business, and invest in technologies to enhance the performance of its connectivity services to existing and future clients. The entity considers these investments key to enhancing connectivity, and has set aside R445.8 million over the medium term for the acquisition of assets.

Total expenditure is set to increase from R1.2 billion in 2019/20 to R1.3 billion in 2022/23 at an average annual rate of 3.6 per cent. Spending on goods and services, mostly for satellite rental and other operating costs, accounts for an estimated 45.6 per cent (R1.7 billion) of total expenditure over the medium term. As the entity employs many skilled technical personnel, expenditure on compensation of employees constitutes an estimated 40.9 per cent (R1.6 billion) of total spending over this period.

The entity expects to generate 98.1 per cent (R4 billion) of its revenue over the MTEF period through services rendered to customers, mostly for the provision of signal for television and radio broadcasting services; and the rest from the department through project-specific funding for dual illumination, which is the operation of both analogue and digital signals. Total revenue is expected to increase at an average annual rate of 3 per cent, from R1.3 billion in 2019/20 to R1.4 billion in 2022/23.

Programmes/Objectives/Activities

Table 30.13 Sentech Limited expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/ Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/ Total (%)
Administration	1 202.4	1 129.9	1 200.7	1 041.8	-4.7%	90.0%	1 057.7	1 112.6	1 166.5	3.8%	87.3%
Attain digital terrestrial television network	89.8	134.9	130.6	150.3	18.7%	10.0%	158.2	166.4	158.8	1.8%	12.7%
Total	1 292.2	1 264.9	1 331.3	1 192.2	-2.6%	100.0%	1 215.8	1 279.0	1 325.3	3.6%	100.0%

Statements of historical financial performance, cash flow and financial position**Table 30.14 Sentech Limited statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Revenue									
Non-tax revenue	1 221.8	1 297.0	1 307.9	1 417.4	1 473.2	1 621.2	1 428.2	1 304.5	103.8%
Sale of goods and services other than capital assets	1 197.8	1 142.8	1 275.8	1 349.6	1 289.6	1 399.1	1 354.1	1 264.6	100.8%
<i>of which:</i>									
<i>Sales by market establishment</i>	<i>1 197.8</i>	<i>1 142.8</i>	<i>1 275.8</i>	<i>1 349.6</i>	<i>1 289.6</i>	<i>1 399.1</i>	<i>1 354.1</i>	<i>1 264.6</i>	<i>100.8%</i>
Other non-tax revenue	24.0	154.2	32.1	67.8	183.6	222.0	74.1	39.9	154.2%
Transfers received	2.8	100.0	246.0	–	203.9	–	250.9	–	14.2%
Total revenue	1 224.6	1 397.0	1 553.9	1 417.4	1 677.1	1 621.2	1 679.1	1 304.5	93.6%
Expenses									
Current expenses	1 195.4	1 302.2	1 297.8	1 212.4	1 483.1	1 294.5	1 583.2	1 148.5	89.2%
Compensation of employees	386.3	410.0	426.0	415.9	468.8	453.1	477.0	476.2	99.8%
Goods and services	727.2	784.5	771.5	693.3	900.2	751.9	1 001.6	548.4	81.7%
Depreciation	82.0	103.5	100.2	99.1	114.1	85.6	104.6	123.9	102.8%
Interest, dividends and rent on land	–	4.2	–	4.2	0.1	4.0	–	0.1	11 855.1%
Total expenses	1 203.6	1 292.2	1 345.4	1 264.9	1 525.0	1 331.3	1 592.6	1 192.2	89.7%
Surplus/(Deficit)	21.0	104.9	208.5	152.5	152.2	289.9	86.6	112.3	
Cash flow statement									
Cash flow from operating activities	90.8	133.5	47.1	(96.8)	231.0	97.5	38.3	200.5	82.2%
Receipts									
Non-tax receipts	1 221.8	1 471.6	1 280.1	1 404.2	1 313.8	1 459.6	1 381.0	1 304.5	108.5%
Sales of goods and services other than capital assets	1 197.8	1 407.2	1 248.0	1 349.6	1 289.6	1 399.1	1 361.8	1 264.6	106.3%
<i>Sales by market establishment</i>	<i>1 197.8</i>	<i>1 407.2</i>	<i>1 248.0</i>	<i>1 349.6</i>	<i>1 289.6</i>	<i>1 399.1</i>	<i>1 361.8</i>	<i>1 264.6</i>	<i>106.3%</i>
Other tax receipts	24.0	64.4	32.1	54.6	24.2	60.5	19.2	39.9	220.5%
Total receipts	1 221.8	1 471.6	1 280.1	1 404.2	1 313.8	1 459.6	1 381.0	1 304.5	108.5%
Payment									
Current payments	1 122.9	1 315.0	1 185.3	1 466.5	1 040.9	1 314.4	1 298.8	1 060.3	110.9%
Compensation of employees	383.5	410.0	398.0	415.9	400.9	453.1	413.3	476.2	110.0%
Goods and services	739.4	904.8	787.4	1 046.5	639.9	857.4	885.4	584.1	111.2%
Interest and rent on land	–	0.3	–	4.2	0.1	4.0	0.1	0.1	3 931.0%
Total payments	1 131.1	1 338.2	1 233.0	1 500.9	1 082.8	1 362.2	1 342.7	1 104.0	110.8%
Net cash flow from investing activities	(552.0)	(274.6)	(405.0)	(110.2)	(175.4)	(78.5)	(213.4)	(200.8)	49.4%
Acquisition of property, plant, equipment and intangible assets	(552.0)	(274.6)	(405.0)	(110.2)	(175.4)	(78.5)	(213.4)	(200.8)	49.4%
Net cash flow from financing activities	–	91.2	246.0	215.8	203.9	177.3	250.9	250.9	104.9%
Deferred income	–	91.2	246.0	215.8	203.9	177.3	250.9	250.9	104.9%
Net increase/(decrease) in cash and cash equivalents	(461.2)	(49.9)	(111.9)	8.8	259.5	196.3	75.9	250.6	
Statement of financial position									
Carrying value of assets	1 081.3	946.5	1 163.6	954.4	941.4	1 043.3	958.3	1 042.2	96.2%
<i>Acquisition of assets</i>	<i>(552.0)</i>	<i>(274.6)</i>	<i>(405.0)</i>	<i>(110.2)</i>	<i>(175.4)</i>	<i>(78.5)</i>	<i>(213.4)</i>	<i>(200.8)</i>	<i>49.4%</i>
Inventory	47.8	80.3	63.9	82.3	58.8	66.4	54.2	84.0	139.3%
Receivables and prepayments	22.1	43.1	58.8	297.9	119.5	400.8	149.8	94.6	238.8%
Cash and cash equivalents	507.3	907.4	812.3	916.1	1 170.7	1 112.4	1 059.0	1 286.9	119.0%
Taxation	–	18.1	–	12.7	–	16.2	–	–	–
Total assets	1 658.6	1 995.4	2 098.6	2 263.5	2 290.4	2 639.2	2 221.3	2 507.6	113.7%
Accumulated surplus/(deficit)	927.0	1 023.7	1 164.9	1 176.3	1 314.1	1 358.0	1 299.9	1 449.7	106.4%
Capital and reserves	586.7	743.8	743.8	743.8	743.8	851.9	743.8	743.8	109.4%
Deferred income	–	10.2	9.3	94.3	54.9	130.4	–	122.8	557.0%
Trade and other payables	88.4	133.1	112.0	146.5	118.3	150.2	118.3	88.7	118.7%
Taxation	56.5	40.6	68.6	53.1	40.6	76.5	40.6	53.1	108.2%
Provisions	–	44.1	–	49.6	18.7	72.2	18.7	49.6	575.5%
Total equity and liabilities	1 658.6	1 995.4	2 098.6	2 263.5	2 290.4	2 639.2	2 221.3	2 507.6	113.7%

Statements of estimates of financial performance, cash flow and financial position

Table 30.15 Sentech Limited statements of estimates of financial performance, cash flow and financial position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	Revised estimate							
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Revenue								
Non-tax revenue	1 304.5	0.2%	98.2%	1 293.5	1 360.7	1 426.0	3.0%	100.0%
Sale of goods and services other than capital assets	1 264.6	3.4%	90.1%	1 273.5	1 339.7	1 404.0	3.5%	98.1%
<i>Sales by market establishment</i>	<i>1 264.6</i>	<i>3.4%</i>	<i>90.1%</i>	<i>1 273.5</i>	<i>1 339.7</i>	<i>1 404.0</i>	<i>3.5%</i>	<i>98.1%</i>
Other non-tax revenue	39.9	-36.3%	8.1%	20.0	21.0	22.0	-18.0%	1.9%
Total revenue	1 304.5	-2.3%	100.0%	1 293.5	1 360.7	1 426.0	3.0%	100.0%
Current expenses	1 148.5	-4.1%	97.6%	1 185.6	1 247.2	1 292.0	4.0%	97.2%
Compensation of employees	476.2	5.1%	34.6%	500.0	525.0	550.7	5.0%	40.9%
Goods and services	548.4	-11.2%	54.5%	555.4	585.5	598.0	2.9%	45.6%
Depreciation	123.9	6.2%	8.2%	130.2	136.7	143.3	5.0%	10.6%
Interest, dividends and rent on land	0.1	-76.0%	0.2%	0.1	0.1	0.1	5.0%	0.0%
Total expenses	1 192.2	-2.6%	100.0%	1 215.8	1 279.0	1 325.3	3.6%	100.0%
Surplus/(Deficit)	112.3			77.7	81.7	100.7		
Cash flow statement								
Cash flow from operating activities	200.5	14.5%	292.3%	4.6	87.7	485.3	14.9%	293.9%
Receipts								
Non-tax receipts	1 304.5	-3.9%	100.0%	1 371.0	1 439.5	1 508.6	5.0%	100.0%
Sales of goods and services other than capital assets	1 264.6	-3.5%	96.1%	1 329.1	1 395.5	1 462.5	5.0%	96.9%
<i>Sales by market establishment</i>	<i>1 264.6</i>	<i>-3.5%</i>	<i>96.1%</i>	<i>1 329.1</i>	<i>1 395.5</i>	<i>1 462.5</i>	<i>5.0%</i>	<i>96.9%</i>
Other tax receipts	39.9	-14.8%	3.9%	41.9	44.0	46.1	5.0%	3.1%
Total receipts	1 304.5	-3.9%	100.0%	1 371.0	1 439.5	1 508.6	5.0%	100.0%
Current payments	1 060.3	-6.9%	101.3%	1 336.2	1 320.0	990.0	-2.3%	97.1%
Compensation of employees	476.2	5.1%	34.6%	500.0	525.0	550.7	5.0%	43.1%
Goods and services	584.1	-13.6%	66.5%	836.2	795.0	439.2	-9.1%	54.0%
Interest and rent on land	0.1	-38.6%	0.2%	0.1	0.1	0.1	5.0%	0.0%
Total payment	1 104.0	-6.2%	100.0%	1 366.4	1 351.8	1 023.3	-2.5%	100.0%
Net cash flow from investing activities	(200.8)	-9.9%	100.0%	(216.8)	(229.0)	-	-100.0%	-
Acquisition of property, plant, equipment and intangible assets	(200.8)	-9.9%	100.0%	(216.8)	(229.0)	-	-100.0%	-
Net cash flow from financing activities	250.9	40.1%	100.0%	264.6	169.7	-	-100.0%	-
Deferred Income	250.9	40.1%	100.0%	264.6	169.7	-	-100.0%	-
Net increase/(decrease) in cash and cash equivalents	250.6	-271.3%	100.0%	52.3	28.5	485.3	24.6%	100.0%
Statement of financial position								
Carrying value of assets	1 042.2	3.3%	42.7%	1 061.7	1 053.8	1 104.3	2.0%	41.7%
<i>Acquisition of assets</i>	<i>(200.8)</i>	<i>-9.9%</i>	<i>-7.4%</i>	<i>(216.8)</i>	<i>(229.0)</i>	<i>-</i>	<i>-100.0%</i>	<i>-6.4%</i>
Inventory	84.0	1.5%	3.4%	84.8	85.6	89.8	2.3%	3.4%
Receivables and prepayments	94.6	29.9%	8.6%	95.5	96.5	101.1	2.3%	3.8%
Cash and cash equivalents	1 286.9	12.4%	44.9%	1 340.3	1 269.5	1 330.4	1.1%	51.1%
Total assets	2 507.6	7.9%	100.0%	2 582.4	2 505.4	2 625.6	1.5%	100.0%
Accumulated surplus/(deficit)	1 449.7	12.3%	53.1%	1 527.3	1 609.1	1 686.3	5.2%	61.4%
Capital and reserves	743.8	-	33.0%	743.8	743.8	779.5	1.6%	29.5%
Deferred income	122.8	129.1%	3.6%	142.1	-	-	-100.0%	2.6%
Trade and other payables	88.7	-12.6%	5.6%	66.5	49.9	52.3	-16.2%	2.5%
Taxation	53.1	9.4%	2.3%	53.1	53.1	55.6	1.6%	2.1%
Provisions	49.6	4.0%	2.3%	49.6	49.6	52.0	1.6%	2.0%
Total equity and liabilities	2 507.6	7.9%	100.0%	2 582.4	2 505.4	2 625.6	1.5%	100.0%

Personnel information

Table 30.16 Sentech Limited personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number				
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/Total (%)			
		2018/19			2019/20			2020/21			2021/22			2022/23					2019/20 - 2022/23		
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Sentech Limited		533	533		533	453.1	0.9	533	476.2	0.9	536	500.0	0.9	542	525.0	1.0	545	550.7	1.0	5.0%	100.0%
Salary level	533	533	533	453.1	0.9	533	476.2	0.9	536	500.0	0.9	542	525.0	1.0	545	550.7	1.0	5.0%	100.0%		
7 – 10	97	97	97	49.6	0.5	97	52.1	0.5	97	54.3	0.6	99	57.0	0.6	99	60.3	0.6	5.0%	18.2%		
11 – 12	310	310	310	229.3	0.7	310	241.1	0.8	310	252.6	0.8	312	266.1	0.9	315	278.8	0.9	5.0%	57.8%		
13 – 16	115	115	115	147.6	1.3	115	155.1	1.3	118	165.7	1.4	120	173.1	1.4	120	181.5	1.5	5.4%	21.9%		
17 – 22	11	11	11	26.6	2.4	11	27.9	2.5	11	27.4	2.5	11	28.8	2.6	11	30.2	2.7	2.6%	2.0%		

1. Rand million.

South African Broadcasting Corporation

Selected performance indicators

Table 30.17 South African Broadcasting Corporation performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19		2019/20	2020/21	2022/23
Number of strategic partnerships concluded per year	Administration	Entity mandate	— ¹	— ¹	— ¹	3	4	5	5
Number of provincial programmes broadcast across the corporation's television channels per year	Local content delivery: Television	Priority 5: Social cohesion and safe communities	1	1	10	12	14	16	16
Number of public broadcasting radio stations (excluding Radio 2000) achieving full compliance with the regulator's specified genre quotas per year	Local content delivery: Radio		— ¹	— ¹	— ¹	14	14	14	14

1. No historical data available.

Entity overview

The South African Broadcasting Corporation is listed as a schedule 2 public entity in terms of the Public Finance Management Act (1999). Its mandate is set out in its charter and in the Broadcasting Act (1999), which requires the corporation to provide South Africans with radio and television broadcasting services. It is also required to provide a wide range of programming that displays South African talent in educational and entertainment programmes; offer a diversity of views and a variety of news, information and analysis; and advance national and public interests.

Over the medium term, the corporation will focus on finalising and implementing its turnaround strategy, which aims to invest in new and compelling content to attract audiences, and thereby attract advertisers and increase revenue. An amount of R3.2 billion was allocated to the corporation in the 2019 Adjusted Estimates of National Expenditure for the strategy. To contribute towards nation building and greater diversity, the corporation also plans to spend R2 billion over the medium term to broadcast all sporting codes of national interest and acquire sports rights.

Total expenditure is expected to increase from R8 billion in 2019/20 to R8.9 billion in 2022/23 at an average annual rate of 3.4 per cent. Of this amount, 36.9 per cent (R9.6 billion) is earmarked for spending on goods and services, largely for programme, film and sports rights; and 34.9 per cent (R8.6 billion) for spending on compensation of employees.

The corporation expects to generate 97.3 per cent of its revenue over the medium term through licence fees, commercial revenue from advertising, and sport sponsorship across television, radio and online platforms. Total revenue is expected to increase from R7.4 billion in 2019/20 to an estimated R8.5 billion in 2022/23 at an average annual rate of 4.4 per cent. The corporation is set to receive transfers from the department amounting

to R648 million over the medium term to subsidise various functions, including public broadcasting, programme productions, and support for Channel Africa.

The entity has experienced significant financial challenges over the past three financial years due to a decrease in viewership, listenership and revenue, and projects deficits of R302 million in 2020/21, R194 million in 2021/22 and R446 million in 2022/23 over the medium term.

Programmes/Objectives/Activities

Table 30.18 South African Broadcasting Corporation Limited expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	Average: Expenditure/ Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/ Total (%)
Administration	1 661.3	1 748.1	1 571.6	2 295.0	11.4%	24.2%	2 114.3	1 942.4	2 149.4	-2.2%	25.4%
Local content delivery:	2 604.4	2 269.2	2 129.9	2 580.4	-0.3%	31.9%	2 734.6	2 898.0	3 045.3	5.7%	33.6%
Television											
Local content delivery: Radio	747.7	925.8	867.0	763.8	0.7%	11.1%	808.9	856.7	904.4	5.8%	9.9%
Universal access transmitter rollout news	905.1	808.7	818.0	894.3	-0.4%	11.4%	943.4	999.5	1 058.1	5.8%	11.6%
Sports of national interest and mandate	887.3	674.8	725.0	606.7	-11.9%	9.7%	632.0	669.9	705.1	5.1%	7.8%
Digital terrestrial migration and technology	909.0	835.4	847.9	909.1	0.0%	11.7%	936.5	991.5	1 046.9	4.8%	11.6%
Total	7 714.7	7 261.9	6 959.4	8 049.4	1.4%	100.0%	8 169.8	8 358.0	8 909.1	3.4%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 30.19 South African Broadcasting Corporation Limited statements of historical financial performance, cash flow and financial position

Statement of financial performance										Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20	
Revenue										
Non-tax revenue	9 032.4	6 560.7	7 358.0	6 443.6	7 242.9	6 289.6	7 550.3	7 245.6		85.1%
Sale of goods and services other than capital assets	8 317.8	6 298.4	6 887.2	5 894.4	6 797.3	5 821.8	7 087.3	6 646.0		84.8%
of which:										
Administrative fees	1 147.0	915.1	1 055.0	941.4	1 072.0	968.2	1 074.1	984.3		87.6%
Sales by market establishment	7 170.8	5 383.3	5 832.2	4 953.0	5 725.3	4 853.7	6 013.2	5 661.7		84.3%
Other non-tax revenue	714.7	262.3	470.8	549.2	445.5	467.8	463.0	599.6		89.7%
Transfers received	233.0	253.5	233.4	196.7	187.4	187.4	199.0	199.0		98.1%
Total revenue	9 265.5	6 737.8	7 591.3	6 640.3	7 430.3	6 477.0	7 749.3	7 444.6		85.2%
Expenses										
Current expenses	9 255.7	7 726.1	7 440.8	7 287.5	7 764.2	6 959.4	7 914.2	8 049.4		92.7%
Compensation of employees	2 999.8	3 117.6	2 983.9	3 127.9	2 821.1	2 858.5	2 979.1	3 069.7		103.3%
Goods and services	6 005.3	3 830.1	4 178.2	3 525.7	4 667.2	2 175.8	4 645.4	2 813.2		63.3%
Depreciation	237.5	765.3	233.3	618.5	271.2	1 875.2	286.4	2 164.9		527.4%
Interest, dividends and rent on land	13.1	13.1	45.5	15.4	4.6	49.8	3.2	1.6		120.1%
Transfers and subsidies	6.4	(11.4)	(5.0)	(25.5)	—	—	1.6	—		-1 239.4%
Total expenses	9 262.1	7 714.7	7 435.8	7 261.9	7 764.2	6 959.4	7 915.8	8 049.4		92.6%
Surplus/(Deficit)	3.4	(976.9)	155.5	(621.7)	(333.9)	(482.4)	(166.5)	(604.8)		

Table 30.19 South African Broadcasting Corporation Limited statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Cash flow statement									
Cash flow from operating activities	188.5	(722.7)	(350.5)	31.9	3.9	(74.2)	326.0	(2 201.5)	-1 765.8%
Receipts									
Non-tax receipts	8 938.8	7 560.2	7 358.0	6 542.9	7 242.9	4 723.0	7 550.3	3 386.0	71.4%
Sales of goods and services other than capital assets	8 885.3	7 103.7	6 887.2	6 090.1	6 797.3	6 289.6	7 087.3	7 245.6	90.1%
Administrative fees	1 147.0	915.1	1 055.0	941.4	1 072.0	968.2	1 074.1	984.3	87.6%
Sales by market establishment	7 738.3	6 188.6	5 832.2	5 148.7	5 725.3	4 853.7	6 013.2	5 661.7	86.3%
Other sales	—	—	—	—	—	467.8	—	599.6	—
Other tax receipts	53.5	456.5	470.8	452.7	445.5	(1 566.5)	463.0	(3 859.6)	-315.2%
Transfers received	233.0	253.5	271.2	173.8	187.4	187.4	199.0	199.0	91.4%
Total receipts	9 171.8	7 737.3	7 629.2	6 716.6	7 430.3	4 910.5	7 749.3	3 585.0	71.8%
Payment									
Current payments	8 904.4	7 773.5	7 892.6	6 654.9	7 426.4	4 984.6	7 423.3	5 786.5	79.6%
Compensation of employees	2 951.2	3 117.6	2 983.9	3 145.1	2 701.2	2 858.5	2 979.1	3 069.7	105.0%
Goods and services	5 942.4	4 642.7	4 863.3	3 494.4	4 720.6	2 076.3	4 440.9	2 715.2	64.7%
Interest and rent on land	10.8	13.1	45.5	15.4	4.6	49.8	3.2	1.6	124.5%
Transfers and subsidies	78.9	686.5	87.1	29.8	—	—	—	—	431.5%
Total payments	8 983.3	8 460.0	7 979.7	6 684.7	7 426.4	4 984.6	7 423.3	5 786.5	81.5%
Net cash flow from investing activities	(423.6)	(311.6)	(240.0)	(145.1)	(350.0)	(145.2)	(350.0)	(451.4)	77.2%
Acquisition of property, plant, equipment and intangible assets	(432.2)	(300.7)	(240.0)	(143.6)	(350.0)	(138.7)	(350.0)	(451.4)	75.4%
Acquisition of software and other intangible assets	—	(12.8)	—	(1.5)	—	(11.9)	—	—	—
Proceeds from the sale of property, plant, equipment and intangible assets	8.5	1.9	—	—	—	5.3	—	—	84.8%
Net cash flow from financing activities	82.2	234.9	508.8	162.0	533.5	161.5	223.0	3 367.6	291.4%
Deferred income	—	181.7	199.2	173.8	187.4	180.1	199.0	183.3	122.8%
Borrowing activities	82.2	—	323.6	—	426.7	(3.4)	141.1	(2.5)	-0.6%
Repayment of finance leases	—	53.1	(14.0)	(11.8)	(80.6)	(15.2)	(117.1)	(13.2)	-6.1%
Other flows from financing activities	—	—	—	—	—	—	—	3 200.0	—
Net increase/(decrease) in cash and cash equivalents	(152.9)	(799.4)	(81.7)	48.8	187.4	(57.9)	199.0	714.6	
Statement of financial position									
Carrying value of assets	1 812.2	1 790.2	1 873.8	1 708.5	1 774.3	1 637.3	1 714.2	1 952.2	98.8%
Acquisition of assets	(432.2)	(300.7)	(240.0)	(143.6)	(350.0)	(138.7)	(350.0)	(451.4)	75.4%
Investments	158.7	4.7	10.9	—	4.8	—	4.8	—	2.6%
Inventory	786.2	773.8	841.5	612.6	862.8	523.8	909.2	1 219.9	92.1%
Receivables and prepayments	1 476.9	860.6	894.0	900.0	965.9	998.6	1 059.7	955.4	84.5%
Cash and cash equivalents	900.0	81.7	0.0	130.5	317.9	72.6	601.0	373.2	36.2%
Defined benefit plan assets	—	1 333.7	1 600.5	852.9	1 333.7	2 049.9	1 333.7	852.9	119.2%
Derivatives financial instruments	13.8	9.7	—	12.2	11.9	10.6	13.2	12.2	114.5%
Total assets	5 148.0	4 854.3	5 220.7	4 216.8	5 271.3	5 292.8	5 635.8	5 365.7	92.7%
Accumulated surplus/(deficit)	2 001.3	2 057.8	2 287.9	668.7	1 340.2	1 446.6	1 276.6	(742.6)	49.7%
Capital and reserves	11.8	8.1	10.2	10.1	10.0	8.9	12.0	10.2	85.1%
Capital reserve fund	270.7	328.6	368.2	352.6	265.7	318.4	147.1	3 409.9	419.3%
Borrowings	32.2	—	330.2	—	1 333.6	—	1 405.5	—	—
Finance lease	—	56.5	43.3	44.6	30.1	29.4	16.8	16.8	163.5%
Deferred income	106.0	84.3	103.0	65.8	56.0	82.8	58.5	39.1	84.1%
Trade and other payables	737.3	746.3	768.0	1 132.9	401.5	1 635.2	882.1	818.3	155.4%
Taxation	—	19.8	(112.8)	97.0	19.9	96.9	—	—	-230.1%
Provisions	1 961.3	1 525.5	1 402.0	1 605.4	1 786.9	1 388.4	1 819.7	1 614.5	88.0%
Derivatives financial instruments	27.4	27.4	20.8	239.6	27.4	285.9	17.4	199.3	809.1%
Total equity and liabilities	5 148.0	4 854.3	5 220.7	4 216.8	5 271.3	5 292.8	5 635.8	5 365.7	92.7%

Statements of estimates of financial performance, cash flow and financial position**Table 30.20 South African Broadcasting Corporation Limited statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate							
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Revenue								
Non-tax revenue	7 245.6	3.4%	97.2%	7 661.8	7 946.8	8 238.5	4.4%	97.3%
Sale of goods and services other than capital assets	6 646.0	1.8%	90.4%	7 071.9	7 332.1	7 599.6	4.6%	89.7%
Administrative fees	984.3	2.5%	14.0%	994.1	1 004.1	1 014.1	1.0%	12.5%
Sales by market establishment	5 661.7	1.7%	76.4%	6 077.8	6 328.0	6 585.5	5.2%	77.2%
Other non-tax revenue	599.6	31.7%	6.9%	589.8	614.7	638.9	2.1%	7.7%
Transfers received	199.0	-7.7%	3.1%	205.8	217.1	225.1	4.2%	2.7%
Total revenue	7 444.6	3.4%	100.0%	7 867.5	8 163.9	8 463.6	4.4%	100.0%
Current expenses	8 049.4	1.4%	100.1%	8 169.8	8 358.0	8 905.6	3.4%	100.0%
Compensation of employees	3 069.7	-0.5%	40.7%	2 848.5	2 735.3	3 001.8	-0.7%	34.9%
Goods and services	2 813.2	-9.8%	41.1%	3 026.0	3 190.1	3 349.6	6.0%	36.9%
Depreciation	2 164.9	41.4%	18.1%	2 294.3	2 431.5	2 553.1	5.7%	28.2%
Interest, dividends and rent on land	1.6	-50.9%	0.3%	1.0	1.1	1.2	-9.6%	0.0%
Transfers and subsidies	—	-100.0%	-0.1%	—	—	3.5	—	0.0%
Total expenses	8 049.4	1.4%	100.0%	8 169.8	8 358.0	8 909.1	3.4%	100.0%
Surplus/(Deficit)	(604.8)			(302.3)	(194.1)	(445.5)		
Cash flow statement								
Cash flow from operating activities	(2 201.5)	45.0%	352.8%	426.5	480.0	139.8	35.0%	386.7%
Receipts								
Non-tax receipts	3 386.0	-23.5%	96.4%	5 993.3	6 081.4	6 196.8	22.3%	96.2%
Sales of goods and services other than capital assets	7 245.6	0.7%	128.2%	7 661.8	7 946.8	8 238.5	4.4%	145.3%
Administrative fees	984.3	2.5%	18.3%	994.1	1 004.1	1 014.1	1.0%	18.8%
Sales by market establishment	5 661.7	-2.9%	103.4%	6 077.8	6 328.0	6 585.5	5.2%	114.9%
Other sales	599.6	—	6.6%	589.8	614.7	638.9	2.1%	11.5%
Other tax receipts	(3 859.6)	-303.7%	-31.7%	(1 668.5)	(1 865.4)	(2 041.7)	-19.1%	-49.1%
Transfers received	199.0	-7.7%	3.8%	205.8	217.1	182.1	-2.9%	3.8%
Total receipts	3 585.0	-22.6%	100.0%	6 199.1	6 298.5	6 378.8	21.2%	100.0%
Current payments	5 786.5	-9.4%	84.0%	5 772.6	5 818.4	6 239.1	2.5%	100.0%
Compensation of employees	3 069.7	-0.5%	40.7%	2 848.5	2 735.3	3 001.8	-0.7%	49.4%
Goods and services	2 715.2	-16.4%	43.0%	2 923.1	3 082.0	3 236.1	6.0%	50.6%
Interest and rent on land	1.6	-50.9%	0.3%	1.0	1.1	1.2	-9.6%	0.0%
Total payment	5 786.5	-11.9%	100.0%	5 772.6	5 818.4	6 239.1	2.5%	100.0%
Net cash flow from investing activities	(451.4)	13.2%	100.0%	(167.9)	(325.1)	(400.0)	-4.0%	100.0%
Acquisition of property, plant, equipment and intangible assets	(451.4)	14.5%	97.7%	(167.9)	(324.4)	(400.0)	-4.0%	99.9%
Acquisition of software and other intangible assets	—	-100.0%	3.3%	—	(0.7)	—	—	0.1%
Net cash flow from financing activities	3 367.6	142.9%	100.0%	192.8	213.2	221.2	-59.6%	100.0%
Deferred Income	183.3	0.3%	75.4%	205.8	217.1	225.1	7.1%	78.9%
Borrowing Activities	(2.5)	—	-0.5%	—	—	—	-100.0%	-0.0%
Repayment of finance leases	(13.2)	-162.9%	1.4%	(12.9)	(3.9)	(3.9)	-33.4%	-2.7%
Other flows from financing activities	3 200.0	—	23.8%	—	—	—	-100.0%	23.8%
Net increase/(decrease) in cash and cash equivalents	714.6	-196.3%	100.0%	451.4	368.2	(39.0)	-137.9%	100.0%
Statement of financial position								
Carrying value of assets	1 952.2	2.9%	36.2%	1 941.0	2 077.6	2 290.8	5.5%	38.4%
Acquisition of assets	(451.4)	14.5%	-5.2%	(167.9)	(324.4)	(400.0)	-4.0%	-6.2%
Inventory	1 219.9	16.4%	15.8%	1 182.6	1 209.8	1 243.7	0.6%	22.6%
Receivables and prepayments	955.4	3.5%	18.9%	1 017.9	1 058.3	1 128.9	5.7%	19.4%
Cash and cash equivalents	373.2	65.9%	3.3%	234.4	59.6	79.2	-40.3%	3.5%
Defined benefit plan assets	852.9	-13.8%	25.6%	852.9	852.9	852.9	—	15.9%
Derivatives financial instruments	12.2	8.2%	0.2%	12.2	12.2	12.2	—	0.2%
Total assets	5 365.7	3.4%	100.0%	5 241.0	5 270.4	5 607.7	1.5%	100.0%
Accumulated surplus/(deficit)	(742.6)	-171.2%	17.9%	(931.6)	(1 174.9)	(1 725.7)	32.5%	-21.2%
Capital and reserves	10.2	7.9%	0.2%	10.2	10.2	10.2	—	0.2%
Capital reserve fund	3 409.9	118.1%	21.2%	3 402.3	3 404.2	3 413.1	0.0%	63.5%
Finance lease	16.8	-33.2%	0.8%	3.9	—	—	-100.0%	0.1%
Deferred income	39.1	-22.6%	1.4%	39.1	39.1	39.1	—	0.7%
Trade and other payables	818.3	3.1%	22.1%	874.9	1 134.2	1 983.7	34.3%	22.2%
Provisions	1 614.5	1.9%	31.5%	1 661.1	1 679.5	1 703.5	1.8%	31.0%
Derivatives financial instruments	199.3	93.8%	3.8%	181.0	178.1	183.8	-2.7%	3.5%
Total equity and liabilities	5 365.7	3.4%	100.0%	5 241.0	5 270.4	5 607.7	1.5%	100.0%

Personnel information

Table 30.21 South African Broadcasting Corporation Limited personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost		Unit cost		
South African Broadcasting Corporation Limited			3 245	2 858.5	0.9	3 245	3 069.7	0.9	3 245	2 848.5	0.9	3 245	2 735.3	0.8	3 245	3 001.8	0.9	-0.7%	100.0%
Salary level	3 245	3 245																	
1 – 6	55	55	55	540.4	9.8	55	640.2	11.6	55	144.0	2.6	55	138.2	2.5	55	151.7	2.8	-38.1%	1.7%
7 – 10	2 169	2 169	2 169	1 241.9	0.6	2 169	1 301.1	0.6	2 169	1 448.3	0.7	2 169	1 390.8	0.6	2 169	1 526.3	0.7	5.5%	66.8%
11 – 12	784	784	784	731.8	0.9	784	766.5	1.0	784	853.3	1.1	784	819.4	1.0	784	899.2	1.1	5.5%	24.2%
13 – 16	226	226	226	308.3	1.4	226	323.7	1.4	226	360.4	1.6	226	346.1	1.5	226	379.8	1.7	5.5%	7.0%
17 – 22	11	11	11	36.1	3.3	11	38.2	3.5	11	42.5	3.9	11	40.8	3.7	11	44.8	4.1	5.5%	0.3%

1. Rand million.

South African Post Office

Selected performance indicators

Table 30.22 South African Post Office performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Total number of points of presence	Post office operations	Entity mandate	2 222	2 209	2 180	2 000	2 000	2 000	2 000
Number of new addresses rolled out per year as part of the address expansion programme	Post office operations		241 416	656 002	589 156	500 000	500 000	500 000	500 000

Entity overview

The South African Post Office was established to provide postal and related services to the public, and is listed as a schedule 2 public entity in terms of the Public Finance Management Act (1999). It derives its mandate from the Postal Services Act (1998), the South African Post Office SOC Ltd Act (2011) and the South African Postbank Limited Act (2010). The Postal Services Act grants the post office an exclusive mandate to conduct postal services in the reserved sector for items such as letters, postcards and parcels less than 1 kilogram, and makes provision for the regulation of postal services and the operational functions of the entity, including its universal service obligations.

Over the medium term, the post office will focus on providing universal access to postal and related services, stabilising its financial position, optimising its personnel to ensure operational effectiveness, and distributing social grants on behalf of the South African Social Security Agency.

The post office is allocated R1.6 billion over the MTEF period to subsidise its universal service obligations to provide accessible and affordable postal services in underserved areas. This allocation is expected to allow the entity to maintain 2 000 points of presence, including post offices, retail postal agencies and mobile units, over the medium term.

As the work of the post office is labour intensive, expenditure on compensation of employees accounts for a projected 50.1 per cent (R11.5 billion) of total expenditure over the medium term. Other significant spending over the medium term is on transport and IT to support an expected increase in revenue in the courier and e-commerce sectors. Total expenditure over the MTEF period is expected to increase at an average annual rate of 4.5 per cent, from R7.2 billion in 2019/20 to R8.2 billion in 2022/23.

The post office generates revenue by providing postal and courier services, and through income earned from interest and fees for financial transactions. Total revenue is expected to increase from R6.8 billion in 2019/20 to R8.9 billion in 2022/23 at an average annual rate of 9.2 per cent due to potential revenue opportunities from government and the unreserved market. These opportunities include courier services, in which the post office competes with the private sector.

Programmes/Objectives/Activities**Table 30.23 South African Post Office Limited expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Administration	1 850.5	1 421.1	1 115.1	1 627.6	-4.2%	23.1%	1 970.8	2 009.3	2 049.2	8.0%	25.1%
Logistics	113.0	50.5	35.7	41.6	-28.3%	0.9%	40.0	42.5	43.4	1.4%	0.6%
Postbank	301.9	398.6	706.4	1 008.8	49.5%	9.0%	1 073.1	1 421.7	1 548.3	15.3%	16.5%
Post Office Operations	4 044.6	4 169.4	4 729.3	4 542.7	3.9%	67.0%	4 101.2	4 344.9	4 600.9	0.4%	57.8%
Total	6 310.0	6 039.6	6 586.5	7 220.7	4.6%	100.0%	7 185.0	7 818.4	8 241.7	4.5%	100.0%

Statements of historical financial performance, cash flow and financial position**Table 30.24 South African Post Office Limited statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
R million	2016/17	2017/18	2017/18	2018/19	2018/19	2019/20	2019/20	2019/20	2016/17 - 2019/20
Revenue									
Non-tax revenue	6 596.8	5 083.2	6 667.3	4 795.3	4 975.4	5 486.8	6 368.2	6 368.2	88.3%
Sale of goods and services other than capital assets	6 397.5	4 626.3	6 493.7	4 579.3	4 881.1	5 027.1	5 942.4	5 942.4	85.1%
<i>of which:</i>									
<i>Sales by market establishment</i>	6 397.5	4 626.3	6 493.7	4 579.3	4 881.1	5 027.1	5 942.4	5 942.4	85.1%
Other non-tax revenue	199.3	456.8	173.7	216.0	94.2	459.7	425.8	425.8	174.5%
Transfers received	240.0	240.0	240.0	240.0	—	—	474.6	474.6	100.0%
Total revenue	6 836.8	5 323.2	6 907.3	5 035.3	4 975.4	5 486.8	6 842.8	6 842.8	88.8%
Expenses									
Current expenses	7 984.7	6 290.3	6 820.7	6 039.4	6 198.4	6 586.1	7 149.5	7 220.7	92.8%
Compensation of employees	3 914.2	3 560.4	3 488.2	3 396.9	3 603.4	3 749.8	4 001.7	3 784.1	96.6%
Goods and services	3 561.2	2 194.8	2 699.2	2 070.3	2 114.5	2 521.1	2 693.6	2 982.4	88.3%
Depreciation	204.5	142.3	150.7	145.3	136.6	177.0	325.6	325.6	96.7%
Interest, dividends and rent on land	304.8	392.8	482.7	426.9	343.9	138.2	128.7	128.7	86.2%
Total expenses	7 984.7	6 310.0	6 820.7	6 039.6	6 198.4	6 586.5	7 149.5	7 220.7	92.9%
Surplus/(Deficit)	(1 147.9)	(986.9)	86.6	(1 004.3)	(1 223.0)	(1 099.7)	(306.7)	(377.9)	
Cash flow statement									
Cash flow from operating activities	(497.9)	(1 734.2)	3 786.6	(240.2)	(2 010.2)	(1 477.3)	(723.6)	(52.3)	-631.5%
Receipts									
Non-tax receipts	6 596.8	5 083.2	6 667.3	4 795.3	4 975.4	5 486.8	6 368.2	6 368.2	88.3%
Sales of goods and services other than capital assets	6 397.5	4 626.3	6 493.7	4 579.3	4 881.1	5 027.1	5 942.4	5 942.4	85.1%
<i>Sales by market establishment</i>	6 397.5	4 626.3	6 493.7	4 579.3	4 881.1	5 027.1	5 942.4	5 942.4	85.1%
Other tax receipts	199.3	456.8	173.7	216.0	94.2	459.7	425.8	425.8	174.5%
Transfers received	890.0	240.0	3 940.0	240.0	—	—	474.6	474.6	18.0%
Total receipts	7 486.8	5 323.2	10 607.3	5 035.3	4 975.4	5 486.8	6 842.8	6 842.8	75.8%
Payment									
Current payments	7 984.7	7 057.4	6 820.7	5 275.3	6 985.6	6 963.7	7 566.3	6 895.1	89.2%
Compensation of employees	3 914.2	3 560.4	3 367.2	3 396.9	3 603.4	3 749.8	4 001.7	3 784.1	97.3%
Goods and services	3 765.7	3 104.2	2 971.0	1 451.5	3 038.3	3 075.7	3 176.3	2 982.4	82.0%
Interest and rent on land	304.8	392.8	482.5	426.9	343.9	138.2	388.4	128.7	71.5%
Total payments	7 984.7	7 057.4	6 820.7	5 275.5	6 985.6	6 964.1	7 566.3	6 895.1	89.2%
Net cash flow from investing activities	(900.0)	(395.3)	(58.3)	3.8	(892.0)	1 474.8	(1 606.0)	(3 566.8)	71.9%
Acquisition of property, plant, equipment and intangible assets	(500.0)	(17.2)	(38.3)	(34.0)	(16.1)	(119.0)	(856.0)	(856.0)	72.8%
Acquisition of software and other intangible assets	(400.0)	(37.1)	(20.0)	(10.1)	(581.1)	(66.9)	(323.0)	(323.0)	33.0%
Other flows from investing activities	—	(340.9)	—	47.9	(294.7)	1 660.7	(427.0)	(2 387.8)	141.3%
Net cash flow from financing activities	1 433.0	3 529.4	(3 647.0)	399.3	2 651.8	2 948.2	907.3	398.7	540.9%
Borrowing activities	2 700.0	2 700.0	(2 700.0)	(3 300.7)	(400.0)	(400.3)	—	—	250.2%
Other flows from financing activities	(1 267.0)	829.4	(947.0)	3 700.0	3 051.8	3 348.5	907.3	398.7	474.3%
Net increase/(decrease) in cash and cash equivalents	35.1	1 399.9	81.3	162.9	(250.4)	2 945.6	(1 422.3)	(3 220.4)	

Table 30.24 South African Post Office Limited statements of historical financial performance, cash flow and financial position

Statement of financial position									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R million	2016/17		2017/18		2018/19		2019/20		2016/17- 2019/20
Carrying value of assets	1 962.6	2 733.9	2 831.7	2 715.4	3 044.8	2 737.2	3 899.2	3 899.2	103.0%
Acquisition of assets	(500.0)	(17.2)	(38.3)	(34.0)	(16.1)	(119.0)	(856.0)	(856.0)	72.8%
Investments	5 502.4	5 966.5	6 064.5	6 969.6	6 320.0	5 368.4	6 809.6	6 742.7	101.4%
Inventory	74.8	70.0	69.3	61.5	65.2	63.3	69.1	52.7	88.9%
Receivables and prepayments	574.6	408.7	400.2	481.8	454.5	1 714.6	467.4	467.4	162.0%
Cash and cash equivalents	2 790.9	4 055.5	4 536.8	3 241.2	3 992.4	6 186.9	2 570.2	3 607.9	123.0%
Total assets	10 905.2	13 234.5	13 902.5	13 469.5	13 876.9	16 070.3	13 815.5	14 769.9	109.6%
Accumulated surplus/(deficit)	(2 274.5)	(2 236.4)	(3 561.7)	(3 433.2)	(4 943.7)	(4 618.8)	(5 250.5)	(4 853.9)	94.5%
Capital and reserves	1 578.1	3 137.8	6 956.7	6 848.0	9 795.0	9 805.2	9 795.0	9 803.7	105.2%
Borrowings	3 850.2	3 701.0	1 000.0	400.3	—	—	—	—	84.6%
Finance lease	—	11.0	10.1	4.2	3.1	2.9	—	—	137.0%
Deferred income	266.1	223.6	240.9	212.7	238.2	178.9	250.1	350.3	97.0%
Trade and other payables	5 825.2	6 776.1	7 545.6	7 462.7	7 088.4	8 615.3	7 222.5	7 798.7	110.7%
Taxation	—	—	—	18.6	—	18.8	—	—	—
Provisions	1 660.1	1 621.4	1 710.8	1 956.2	1 696.0	1 792.9	1 798.3	1 671.2	102.6%
Derivatives financial instruments	—	—	—	—	—	275.0	—	—	—
Total equity and liabilities	10 905.2	13 234.5	13 902.5	13 469.5	13 876.9	16 070.3	13 815.5	14 769.9	109.6%

Statements of estimates of financial performance, cash flow and financial position**Table 30.25 South African Post Office Limited statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Revenue								
Non-tax revenue	6 368.2	7.8%	95.9%	7 308.3	7 957.4	8 366.8	9.5%	93.6%
Sale of goods and services other than capital assets	5 942.4	8.7%	89.1%	7 062.2	7 676.2	8 103.6	10.9%	89.7%
Sales by market establishment	5 942.4	8.7%	89.1%	7 062.2	7 676.2	8 103.6	10.9%	89.7%
Other non-tax revenue	425.8	-2.3%	6.9%	246.1	281.2	263.2	-14.8%	3.9%
Transfers received	474.6	25.5%	4.1%	492.1	523.0	542.5	4.6%	6.4%
Total revenue	6 842.8	8.7%	100.0%	7 800.3	8 480.4	8 909.3	9.2%	100.0%
Current expenses	7 220.7	4.7%	99.9%	7 013.5	7 667.5	8 101.7	3.9%	98.5%
Compensation of employees	3 784.1	2.1%	55.5%	3 527.2	3 845.8	4 086.1	2.6%	50.1%
Goods and services	2 982.4	10.8%	37.2%	3 042.7	3 259.3	3 402.4	4.5%	41.7%
Depreciation	325.6	31.8%	3.0%	239.6	299.5	344.5	1.9%	4.0%
Interest, dividends and rent on land	128.7	-31.1%	4.3%	204.0	262.9	268.8	27.8%	2.8%
Total expenses	7 220.7	4.6%	100.0%	7 185.0	7 818.4	8 241.7	4.5%	100.0%
Surplus/(Deficit)	(377.9)			615.3	661.9	667.6		
Cash flow statement								
Cash flow from operating activities	(52.3)	-68.9%	274.1%	1 031.9	1 117.1	1 204.5	31.3%	273.1%
Receipts								
Non-tax receipts	6 368.2	7.8%	95.9%	7 308.3	7 957.4	8 366.8	9.5%	93.6%
Sales of goods and services other than capital assets	5 942.4	8.7%	89.1%	7 062.2	7 676.2	8 103.6	10.9%	89.7%
Sales by market establishment	5 942.4	8.7%	89.1%	7 062.2	7 676.2	8 103.6	10.9%	89.7%
Other tax receipts	425.8	-2.3%	6.9%	246.1	281.2	263.2	-14.8%	3.9%
Transfers received	474.6	25.5%	4.1%	492.1	523.0	542.5	4.6%	6.4%
Total receipts	6 842.8	8.7%	100.0%	7 800.3	8 480.4	8 909.3	9.2%	100.0%
Current payments	6 895.1	-0.8%	100.1%	6 596.9	7 212.3	7 564.8	3.1%	98.4%
Compensation of employees	3 784.1	2.1%	55.5%	3 527.2	3 845.8	4 086.1	2.6%	53.1%
Goods and services	2 982.4	-1.3%	40.3%	2 865.7	3 103.6	3 210.0	2.5%	42.4%
Interest and rent on land	128.7	-31.1%	4.3%	204.0	262.9	268.8	27.8%	3.0%
Total payment	6 895.1	-0.8%	100.0%	6 768.5	7 363.3	7 704.8	3.8%	100.0%
Net cash flow from investing activities	(3 566.8)	108.2%	100.0%	(1 637.4)	(1 281.2)	(1 027.5)	-34.0%	100.0%
Acquisition of property, plant, equipment and intangible assets	(856.0)	267.5%	-219.0%	(910.0)	(700.0)	(485.0)	-17.3%	45.4%
Acquisition of software and other intangible assets	(323.0)	105.7%	-63.2%	(459.5)	(300.0)	(247.2)	-8.5%	21.1%
Other flows from investing activities	(2 387.8)	91.3%	382.2%	(267.8)	(281.2)	(295.3)	-50.2%	33.5%
Net cash flow from financing activities	398.7	-51.7%	100.0%	285.4	296.0	319.6	-7.1%	100.0%
Other flows from financing activities	398.7	-21.7%	290.9%	285.4	296.0	319.6	-7.1%	100.0%
Net increase/(decrease) in cash and cash equivalents	(3 220.4)	-232.0%	100.0%	(320.0)	131.9	496.7	-153.6%	100.0%

Table 30.25 South African Post Office Limited statements of estimates of financial performance, cash flow and financial position

Statement of financial position		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate			2020/21	2021/22	2022/23		
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Carrying value of assets	3 899.2	12.6%	21.1%	3 848.2	4 447.5	4 737.1	6.7%	27.9%
Acquisition of assets	(856.0)	267.5%	-1.7%	(910.0)	(700.0)	(485.0)	-17.3%	-4.9%
Investments	6 742.7	4.2%	44.0%	5 970.1	6 322.5	6 693.9	-0.2%	42.5%
Inventory	52.7	-9.0%	0.4%	71.1	75.4	79.9	14.9%	0.5%
Receivables and prepayments	467.4	4.6%	5.1%	896.4	866.3	797.1	19.5%	5.0%
Cash and cash equivalents	3 607.9	-3.8%	29.4%	3 416.6	3 548.5	4 036.5	3.8%	24.1%
Total assets	14 769.9	3.7%	100.0%	14 202.5	15 260.2	16 344.5	3.4%	100.0%
Accumulated surplus/(deficit)	(4 853.9)	29.5%	-26.0%	(5 177.6)	(4 515.6)	(3 848.0)	-7.4%	-30.6%
Capital and reserves	9 803.7	46.2%	50.5%	9 805.2	9 805.2	9 805.2	0.0%	64.9%
Deferred income	350.3	16.1%	1.7%	193.5	201.3	209.3	-15.8%	1.6%
Trade and other payables	7 798.7	4.8%	53.3%	7 397.1	7 688.7	7 995.8	0.8%	51.0%
Taxation	—	—	0.1%	18.8	18.8	18.8	—	0.1%
Provisions	1 671.2	1.0%	12.3%	1 965.4	2 061.8	2 163.4	9.0%	13.0%
Total equity and liabilities	14 769.9	3.7%	100.0%	14 202.5	15 260.2	16 344.5	3.4%	100.0%

Personnel information

Table 30.26 South African Post Office Limited personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment													Number				
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)					
		2018/19			2019/20			2020/21		2021/22		2022/23								
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost		
South African Post Office Limited			18 337	18 359	3 749.8	0.2	16 904	3 784.1	0.2	15 122	3 527.2	0.2	15 564	3 845.8	0.2	15 576	4 086.1	0.3	2.6%	100.0%
Salary level	16 904	18 337	18 359	3 749.8	0.2	16 904	3 784.1	0.2	15 122	3 527.2	0.2	15 564	3 845.8	0.2	15 576	4 086.1	0.3			
1 – 6	13 782	15 637	15 649	2 634.5	0.2	13 782	2 492.9	0.2	12 293	2 361.4	0.2	12 638	2 571.1	0.2	12 639	2 725.5	0.2	3.0%	81.3%	
7 – 10	2 980	2 556	2 562	955.4	0.4	2 980	1 125.7	0.4	2 700	1 012.6	0.4	2 790	1 104.5	0.4	2 794	1 172.5	0.4	1.4%	17.8%	
11 – 12	87	98	105	92.3	0.9	87	79.2	0.9	76	69.7	0.9	81	79.0	1.0	86	88.7	1.0	3.9%	0.5%	
13 – 16	49	40	39	54.3	1.4	49	67.6	1.4	47	64.9	1.4	49	71.5	1.5	51	78.4	1.5	5.1%	0.3%	
17 – 22	6	6	4	13.4	3.3	6	18.6	3.1	6	18.6	3.1	6	19.7	3.3	6	20.9	3.5	4.0%	0.0%	

State Information Technology Agency

Selected performance indicators

Table 30.27 State Information Technology Agency performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past		Current	Projections		
			2016/17	2017/18		2020/21	2021/22	2022/23
Number of e-government services implemented per year	Business operations	Priority 6: A capable, ethical and developmental state	28	23	55	80	100	100
Percentage of projects timeously, successfully and satisfactorily delivered within budget per year	Business operations		90% (851/941)	86% (787/920)	85% (799/935)	95%	100%	100%

Entity overview

The State Information Technology Agency is governed by the State Information Technology Agency Act (1998), as amended, and is listed as a schedule 3A public entity in terms of the Public Finance Management Act (1999). The State Information Technology Agency Act mandates the agency to provide IT, information systems and related services to and on behalf of government departments and organs of state. The agency is required to maintain secure information systems and execute its functions according to approved policies and standards.

Over the medium term, the agency will focus on delivering and operationalising an integrated digital ecosystem for government by migrating government data to cloud services. This is expected to enable greater accessibility and the integration of data from different sources, thereby improving policy analysis and decision-making. The implementation of the government digital transformation strategy will entail facilitating the acquisition of ICT skills and the modernisation of government infrastructure.

An estimated 65 per cent (R15 billion) of total expenditure over the medium term is earmarked for spending on goods and services, mostly for the provision of IT services. Total expenditure is projected to increase from

R6.8 billion in 2019/20 to R8.1 billion in 2022/23 at an average annual rate of 6.1 per cent. As the agency is dependent on skilled personnel to provide its services, expenditure on compensation of employees accounts for an estimated R6.7 billion (28.9 per cent) of total expenditure over the period ahead.

The entity generates its revenue by providing ICT infrastructure and services to government departments and organs of state. Total revenue is projected to increase from R7 billion in 2019/20 to R8.3 billion in 2022/23 at an average annual rate of 6 per cent.

Programmes/Objectives/Activities

Table 30.28 State Information Technology Agency 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	954.8	1 141.5	1 039.9	1 585.7	18.4%	19.9%	1 680.8	1 781.7	1 888.6	6.0%	23.2%
Business operations	4 661.9	4 574.9	4 300.2	5 230.8	3.9%	80.1%	5 565.8	5 899.8	6 253.8	6.1%	76.8%
Total	5 616.7	5 716.4	5 340.0	6 816.5	6.7%	100.0%	7 246.7	7 681.5	8 142.4	6.1%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 30.29 State Information Technology Agency statements of historical financial performance, cash flow and financial position

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Audited outcome		Average: Outcome/ Budget (%)
	Budget	2016/17	Budget	2017/18	Budget	2018/19	Budget estimate	Revised estimate	
									2016/17 - 2019/20
Revenue									
Non-tax revenue	6 464.0	5 777.6	6 441.5	5 943.2	6 279.9	5 203.0	6 781.7	7 001.8	92.1%
Sale of goods and services other than capital assets	6 395.4	5 680.8	6 360.7	5 758.7	6 204.6	5 027.3	6 701.0	6 921.1	91.1%
<i>of which:</i>									
<i>Sales by market establishment</i>	6 395.4	5 680.8	6 360.7	5 758.7	6 204.6	5 027.3	6 701.0	6 921.1	91.1%
Other non-tax revenue	68.5	96.8	80.9	184.5	75.2	175.7	80.7	80.7	176.1%
Total revenue	6 464.0	5 777.6	6 441.5	5 943.2	6 279.9	5 238.5	6 781.7	7 001.8	92.3%
Expenses									
Current expenses	6 290.7	5 532.5	6 184.6	5 648.6	6 111.3	5 268.2	6 515.4	6 740.3	92.4%
Compensation of employees	2 245.5	1 786.6	1 774.2	1 753.3	1 876.9	1 839.3	1 924.4	1 971.2	94.0%
Goods and services	3 780.6	3 521.8	4 191.4	3 675.2	4 008.9	3 236.2	4 328.3	4 408.3	91.0%
Depreciation	264.6	174.5	219.0	220.1	225.5	192.7	262.7	360.8	97.6%
Interest, dividends and rent on land	—	49.7	—	—	—	—	—	—	—
Total expenses	6 328.6	5 616.7	6 252.3	5 716.4	6 183.1	5 340.0	6 591.6	6 816.5	92.6%
Surplus/(Deficit)	135.4	160.8	189.2	226.9	96.8	(101.5)	190.1	185.4	
Cash flow statement									
Cash flow from operating activities	816.2	234.7	642.4	520.9	571.1	(160.4)	647.2	597.0	44.5%
Receipts									
Non-tax receipts	6 442.6	6 297.8	6 829.1	6 753.3	6 235.9	5 369.3	6 647.0	6 976.6	97.1%
Sales of goods and services other than capital assets	6 395.4	6 235.1	6 779.2	6 690.6	6 183.1	5 295.6	6 591.6	6 921.1	96.9%
<i>Sales by market establishment</i>	6 395.4	6 235.1	6 779.2	6 690.6	6 183.1	5 295.6	6 591.6	6 921.1	96.9%
Other tax receipts	47.2	62.6	49.9	62.7	52.8	73.7	55.4	55.4	124.0%
Total receipts	6 442.6	6 390.2	6 829.1	6 778.8	6 235.9	5 369.3	6 647.0	6 976.6	97.6%
Payment									
Current payments	5 554.6	6 155.5	6 094.4	6 257.9	5 664.7	5 474.6	5 999.8	6 379.6	104.1%
Compensation of employees	1 782.0	1 786.6	1 742.4	1 753.3	1 876.9	1 839.3	1 924.4	1 971.2	100.3%
Goods and services	3 772.6	4 368.4	4 352.1	4 504.1	3 787.8	3 635.3	4 075.4	4 408.3	105.8%
Interest and rent on land	—	0.5	—	0.5	—	—	—	—	—
Total payments	5 626.5	6 155.5	6 186.7	6 257.9	5 664.7	5 529.8	5 999.8	6 379.6	103.6%
Net cash flow from investing activities	(496.2)	(203.9)	(545.7)	(99.1)	(201.6)	(271.5)	(400.0)	(500.0)	65.4%
Acquisition of property, plant, equipment and intangible assets	(208.8)	(32.8)	(260.7)	(90.2)	(158.4)	(120.6)	(226.4)	(326.4)	66.7%
Net cash flow from financing activities	—	—	—	—	—	—	—	—	—
Other flows from financing activities	—	—	—	—	—	—	—	—	—
Net increase/(decrease) in cash and cash equivalents	320.0	30.8	96.7	421.8	369.5	(432.0)	247.2	97.0	

Table 30.29 State Information Technology Agency statements of historical financial performance, cash flow and financial position

Statement of financial position									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Carrying value of assets	1 950.6	1 271.1	1 657.6	1 166.6	1 174.2	1 094.4	1 425.3	1 369.9	79.0%
Inventory	—	—	—	—	—	—	—	—	—
Loans	—	—	—	—	—	—	—	—	—
Cash and cash equivalents	1 117.7	1 183.3	1 209.1	1 605.1	1 221.8	1 173.2	1 043.4	1 672.6	122.7%
Defined benefit plan assets	—	—	—	—	—	—	—	—	—
Taxation	202.7	215.3	205.1	112.4	1.1	206.6	1.2	194.5	177.7%
Derivatives financial instruments	—	—	—	—	—	—	—	—	—
Total assets	4 075.1	3 916.5	4 153.5	4 149.1	4 446.0	4 432.5	4 539.5	4 392.0	98.1%
Finance lease	—	—	—	—	—	—	—	—	—
Trade and other payables	1 009.4	1 067.7	991.5	1 090.0	1 089.0	1 503.5	1 193.2	1 115.2	111.5%
Benefits payable	—	—	—	—	—	—	—	—	—
Provisions	150.9	114.3	125.7	97.7	107.4	69.2	118.2	118.2	79.5%
Total equity and liabilities	4 075.1	3 916.5	4 153.5	4 149.1	4 446.0	4 432.5	4 539.5	4 392.0	98.1%

Statements of estimates of financial performance, cash flow and financial position**Table 30.30 State Information Technology Agency statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23		
Revenue									
Non-tax revenue	7 001.8	6.6%	99.8%	7 427.2	7 873.7	8 340.3	6.0%	100.0%	
Sale of goods and services other than capital assets	6 921.1	6.8%	97.5%	7 336.4	7 776.6	8 243.2	6.0%	98.8%	
<i>Sales by market establishment</i>	<i>6 921.1</i>	<i>6.8%</i>	<i>97.5%</i>	<i>7 336.4</i>	<i>7 776.6</i>	<i>8 243.2</i>	<i>6.0%</i>	<i>98.8%</i>	
Other non-tax revenue	80.7	-5.9%	2.3%	90.8	97.1	97.1	6.4%	1.2%	
Total revenue	7 001.8	6.6%	100.0%	7 427.2	7 873.7	8 340.3	6.0%	100.0%	
Current expenses	6 740.3	6.8%	98.7%	7 167.4	7 598.2	8 054.1	6.1%	98.9%	
Compensation of employees	1 971.2	3.3%	31.5%	2 089.5	2 214.9	2 347.8	6.0%	28.9%	
Goods and services	4 408.3	7.8%	63.1%	4 695.5	4 978.0	5 364.9	6.8%	65.0%	
Depreciation	360.8	27.4%	4.0%	382.4	405.4	341.4	-1.8%	5.0%	
Total expenses	6 816.5	6.7%	100.0%	7 246.7	7 681.5	8 142.4	6.1%	100.0%	
Surplus/(Deficit)	185.4			180.5	192.2	197.9			
Cash flow statement									
Cash flow from operating activities	597.0	36.5%	296.6%	512.0	543.2	427.3	17.7%	298.8%	
Receipts									
Non-tax receipts	6 976.6	3.5%	99.5%	7 394.7	7 839.3	8 243.2	5.7%	100.0%	
Sales of goods and services other than capital assets	6 921.1	3.5%	98.5%	7 336.4	7 776.6	8 243.2	6.0%	99.4%	
<i>Sales by market establishment</i>	<i>6 921.1</i>	<i>3.5%</i>	<i>98.5%</i>	<i>7 336.4</i>	<i>7 776.6</i>	<i>8 243.2</i>	<i>6.0%</i>	<i>99.4%</i>	
Other tax receipts	55.4	-4.0%	1.0%	58.3	62.7	—	-100.0%	0.6%	
Total receipts	6 976.6	3.0%	100.0%	7 394.7	7 839.3	8 243.2	5.7%	100.0%	
Current payments	6 379.6	1.2%	103.8%	6 785.0	7 192.9	7 712.7	6.5%	99.0%	
Compensation of employees	1 971.2	3.3%	31.5%	2 089.5	2 214.9	2 347.8	6.0%	30.4%	
Goods and services	4 408.3	0.3%	72.3%	4 695.5	4 978.0	5 364.9	6.8%	68.5%	
Total payment	6 379.6	1.2%	100.0%	6 882.8	7 296.0	7 815.9	7.0%	100.0%	
Net cash flow from investing activities	(500.0)	34.9%	100.0%	(550.0)	(600.0)	(600.0)	6.3%	100.0%	
Acquisition of property, plant, equipment and intangible assets	(326.4)	115.0%	54.2%	(336.4)	(386.4)	(386.4)	5.8%	63.8%	
Net cash flow from financing activities	—	—	—	—	—	—	—	—	
Other flows from financing activities	—	—	—	—	—	—	—	—	
Net increase/(decrease) in cash and cash equivalents	97.0	46.5%	100.0%	(38.0)	(56.8)	(172.7)	-221.2%	100.0%	
Statement of financial position									
Inventory	—	—	—	—	—	—	—	—	
Loans	—	—	—	—	—	—	—	—	
Cash and cash equivalents	1 672.6	12.2%	33.4%	1 716.8	1 750.6	1 731.1	1.2%	36.5%	
Defined benefit plan assets	—	—	—	—	—	—	—	—	
Taxation	194.5	-3.3%	4.3%	104.9	111.7	59.1	-32.8%	2.5%	
Derivatives financial instruments	—	—	—	—	—	—	—	—	
Total assets	4 392.0	3.9%	100.0%	4 571.4	4 925.4	4 999.6	4.4%	100.0%	
Finance lease	—	—	—	—	—	—	—	—	
Benefits payable	—	—	—	—	—	—	—	—	
Provisions	118.2	1.1%	2.4%	130.0	143.0	157.3	10.0%	2.9%	
Total equity and liabilities	4 392.0	3.9%	100.0%	4 571.4	4 925.4	4 999.6	4.4%	100.0%	

Personnel information

Table 30.31 State Information Technology Agency personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate								Average growth rate (%)	Average: Salary level/Total (%)		
		2018/19			2019/20			2020/21		2021/22		2022/23							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost			Unit cost	2019/20 - 2022/23
State Information Technology Agency																			
Salary level	3 220	3 220	3 220	1 839.3	0.6	3 220	1 971.2	0.6	3 220	2 089.5	0.6	3 220	2 214.9	0.7	3 220	2 347.8	0.7	6.0%	100.0%
1 – 6	280		280	48.1	0.2	280	51.6	0.2	280	54.7	0.2	280	58.0	0.2	280	61.4	0.2	6.0%	8.7%
7 – 10	1 986	1 986	1 986	850.2	0.4	1 986	911.2	0.5	1 986	965.9	0.5	1 986	1 023.9	0.5	1 986	1 085.3	0.5	6.0%	61.7%
11 – 12	591	591	591	503.0	0.9	591	539.1	0.9	591	571.5	1.0	591	605.8	1.0	591	642.1	1.1	6.0%	18.4%
13 – 16	354	354	354	410.3	1.2	354	439.8	1.2	354	466.2	1.3	354	494.1	1.4	354	523.8	1.5	6.0%	11.0%
17 – 22	9	9	9	27.5	3.1	9	29.5	3.3	9	31.3	3.5	9	33.2	3.7	9	35.2	3.9	6.0%	0.3%

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.

- **Broadband Infraco** was established in terms of the Broadband Infraco Act (2007) to provide ICT infrastructure and broadband capacity in South Africa, and expand the availability and affordability of access to electronic communications. The entity's total budget for 2020/21 is R871.1 million.
- The **Film and Publication Board** was established in terms of the Films and Publications Act (1996), as amended, to regulate the creation, production, possession and distribution of certain publications and films. The board's total budget for 2020/21 is R117.2 million.
- The **Independent Communications Authority of South Africa** was established by the Independent Communications Authority of South Africa Act (2000) to regulate the South African communications, broadcasting and postal services sectors. The authority's total budget for 2020/21 is R493 million.
- The **National Electronic Media Institute of South Africa** was established as a non-profit educational institute in terms of the Companies Act (1973) to enhance the market readiness of students in various broadcasting disciplines, and has since been expanded to include the development of e-skills. The institute's total budget for 2020/21 is R99.2 million.
- The **Universal Service and Access Agency of South Africa** was established in terms of section 80 of the Electronic Communications Act (2005) to promote universal service and access to electronic communications services, electronic communications network services and broadcasting services. The agency's total budget for 2020/21 is R265.7 million.
- The **Universal Service and Access Fund** was established in terms of section 89(1) of the Electronic Communications Act (2005) to make payments for subsidies towards the provision of ICT equipment and services, and subsidise the construction and extension of electronic communications and broadcasting networks for needy people in underserved areas. The fund is managed by the Universal Service and Access Agency of South Africa, and has a total budget of R741.8 million for 2020/21.

Vote 31

Employment and Labour

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	1 011.7	965.6	1.0	45.1	1 073.0	1 113.6
Inspection and Enforcement Services	676.9	659.8	0.1	17.0	720.5	747.7
Public Employment Services	643.5	386.1	250.7	6.7	685.9	711.4
Labour Policy and Industrial Relations	1 305.7	166.0	1 139.6	0.1	1 377.8	1 437.2
Total expenditure estimates	3 637.7	2 177.6	1 391.4	68.8	3 857.2	4 009.8
Executive authority	Minister of Employment and Labour					
Accounting officer	Director-General of Employment and Labour					
Website	www.labour.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Play a significant role in reducing unemployment, poverty and inequality by pursuing the objectives of decent work for all through: employment creation and enterprise development; the setting of standards and the protection of rights at work, including the facilitation of equal opportunities and social dialogue; and the provision of social protection.

Mandate

The Department of Employment and Labour derives its legislative mandate from the Constitution, particularly the Bill of Rights, which is given effect through a number of acts that regulate labour matters in South Africa. The most important of these are the Labour Relations Act (1995), the Basic Conditions of Employment Act (1997), the Employment Equity Act (1998), the Occupational Health and Safety Act (1993), and the Employment Services Act (2014).

The mandate of the department is to regulate the labour market through policies and programmes developed in consultation with social partners. These aim to:

- improve economic efficiency and productivity
- facilitate the creation of decent employment
- promote labour standards and fundamental rights at work
- provide adequate social safety nets to protect vulnerable workers
- promote and enforce sound labour relations
- promote equity in the workplace
- eliminate inequality and unfair discrimination in the workplace
- enhance occupational health and safety awareness and compliance in the workplace
- give value to social dialogue in the formulation of sound and responsive legislation and policies to attain labour market flexibility for the competitiveness of enterprises, balanced with the promotion of decent employment.

Selected performance indicators

Table 31.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of employers inspected per year to determine compliance with employment law	Inspection and Enforcement Services	Priority 1: Economic transformation and job creation	185 958	214 946	218 919	218 732	220 692	220 692	220 692
Number of work seekers registered on the Employment Services of South Africa database per year	Public Employment Services		666 719	890 523	888 553	700 000	750 000	800 000	800 000
Number of registered work seekers provided with employment counselling per year	Public Employment Services		197 247	193 573	240 675	210 000	220 000	230 000	240 000
Number of employment opportunities registered on the Employment Services of South Africa database per year	Public Employment Services		74 510	109 917	142 804	90 000	95 000	100 000	105 000
Number of registered employment opportunities filled by registered work seekers per year	Public Employment Services		12 517	21 076	49 968	45 000	47 500	50 000	55 000

Expenditure analysis

By facilitating the resolution of workplace disputes, improving labour relations, enhancing occupational health and safety, and facilitating job creation, the Department of Employment and Labour supports the realisation of the National Development Plan's vision of eliminating poverty and reducing inequality. In giving effect to this vision, priority 1 (economic transformation and job creation) of government's 2019-2024 medium-term strategic framework provides the overall strategic direction for the department's work. Over the medium term, the department will focus on providing support to work seekers, increasing safety and fairness in the workplace, and regulating the workplace to establish minimum working conditions and fair labour practices.

Cabinet has approved reductions of R114.7 million over the MTEF period across all programmes on goods and services (R44.7 million), compensation of employees (R18.6 million), payments for capital assets (R3.9 million) and transfers to departmental entities (R47.4 million). The reduction in the allocation for compensation of employees is expected to result in a decrease in the number of personnel from 3 510 in 2019/20 to 3 404 in 2022/23. These reductions will be effected on vacant posts. To accommodate the reduction in the allocation for goods and services, the department will conduct fewer external staff training exercises and communications strategies, and lease less office equipment.

Supporting work seekers

The Department of Employment and Labour was created through the 2018 national macro reorganisation of government in recognition of the need to respond to increasing levels of unemployment, inequality and poverty in South Africa. The country's unemployment rate is among the highest in the world: in June 2019, according to the official definition, it reached 29 per cent; according to the expanded definition, 38.5 per cent. Young people aged between 15 and 35 are the most affected group, with an unemployment rate of 41 per cent according to the official definition and 52 per cent according to the expanded definition. More than half of unemployed youth find it difficult to access opportunities in the labour market because of their low levels of education and skills, lack of experience, and other social and economic factors.

In response to some of these challenges, the 2018 presidential jobs summit delivered a framework agreement consisting of high-impact actions aimed at driving job creation, job retention and economic growth. This agreement is an enabler for the creation of an estimated 275 000 jobs per year over the medium term. Cabinet has approved budget increases of R16 million over the MTEF period for transfers to the National Economic

Development and Labour Council to fund the establishment of the presidential jobs summit secretariat, which will support the effective implementation, monitoring and evaluation of the agreement.

To leverage this momentum, the department plans to develop an employment policy, in line with International Labour Organisation guidelines, to coordinate all employment initiatives. This will be funded from the existing budget allocations of the *Work Seeker Services* and *Employer Services* subprogrammes. In addition, an employment schemes framework will be developed to facilitate the provision of short-term employment in response to the oversupply of labour and the lack of available opportunities for adequate employment. This framework, set to be implemented within the MTEF period, aims to provide short-term employment, especially for young people, to stimulate the economy through multiple strategies that will allow participants to generate their own income.

The establishment of 4 youth employment centres within existing labour centres over the MTEF period will create an enabling environment for the accelerated employment of young work seekers. These centres will be equipped with free internet, CV drafting facilities, and self-help and assessment facilities, and will provide a mobile platform through which registered work seekers can be dynamically matched to available job opportunities registered on the Employment Services of South Africa database. Through the platform, work seekers will be profiled so that those who require less intervention and job preparation can be fast-tracked to job opportunities, thereby availing career counsellors to focus on work seekers who require more assistance and enhancing their prospects of securing employment. It is estimated that each youth employment centre will cost R3 million to set up. This expenditure is in the *Work Seeker Services* subprogramme in the *Public Employment Services* programme.

The number of work seekers registered on the Employment Services of South Africa database is set to increase from 700 000 in 2019/20 to 800 000 per year from 2021/22 due to a planned increase in advocacy campaigns and the number of employment counsellors employed. Employment counselling will be provided to an estimated 690 000 registered work seekers over the medium term at a projected cost of R45 million in the *Work Seeker Services* subprogramme.

Through these advocacy campaigns targeted at potential employers, the department also hopes to increase the number of work seekers placed in registered employment opportunities and reduce the time it takes to facilitate placement. To streamline the placement process, the employment services system will be integrated with the systems of the Unemployment Insurance Fund and the Compensation Fund, as well as the national learners record database. The department will also play a more active role in facilitating job creation by establishing partnerships with stakeholders such as the Department of Higher Education and Training, the Department of Public Works and Infrastructure, the National Youth Development Agency, municipalities and the private sector. To ensure stakeholders remain able to provide employment to work seekers, the department will work closely with Productivity South Africa in implementing the training layoff scheme, the workplace challenge, business recovery and turnaround solutions, and job-saving programmes. As a result of these efforts, the number of registered employment opportunities filled by registered work seekers is expected to increase from 90 000 in 2019/20 to 105 000 in 2022/23 at an estimated cost of R140.4 million over the medium term in the *Work Seeker Services* subprogramme.

Increasing safety and fairness in the workplace

The department aims to ensure that employers adhere to employment equity plans and decent workplace principles, and that vulnerable workers are protected. Key to achieving this is the inspection of workplaces for compliance with employment law. In its efforts to create healthy and safe workplaces and respond to persistent non-compliance by employers, the department has amended the Occupational Health and Safety Act (1993) to introduce compulsory provisions such as permitting inspectors to administer fines, permitting health and safety representatives in the service of employers to check for compliance through routine inspections, and allowing employees to leave the workplace if conditions are unhealthy or unsafe. The amended act is targeted for implementation in 2020/21.

To provide improved services to employees and employers, and ensure that the most vulnerable employees are

protected, the department will collaborate with the Compensation Fund to increase the number of compliance inspections conducted from 218 732 in 2019/20 to a targeted 220 692 in 2022/23. For the inspection and enforcement of employment law, R1.7 billion is allocated over the medium term in the *Compliance, Monitoring and Enforcement Services* subprogramme in the *Inspection and Enforcement Services* programme.

Regulating the workplace to establish minimum working conditions and fair labour practices

To accelerate the attainment of the National Development Plan's vision of reducing unemployment, poverty and inequality, the department, with social partners at the National Economic Development and Labour Council, will continue to set standards, institute minimum wages for vulnerable workers, and monitor compliance with the Employment Equity Act (1998). The National Minimum Wage Commission and secretariat established in 2019 will be responsible for reviewing, adjusting and monitoring the social and economic impact of the national minimum wage, which is set at R20 per hour. The commission is funded as part of the budget allocation of R100 million over the medium term in the *Employment Standards* subprogramme in the *Labour Policy and Industrial Relations* programme.

To assess the impact of policies and programmes aimed at increasing the protection of vulnerable workers, research will be conducted on the national minimum wage, employment policy, migration policy, transformation in the labour market, and occupational safety. For this purpose, R5 million has been budgeted for in 2020/21 in the *Research, Policy and Planning* subprogramme in the *Labour Policy and Industrial Relations* programme.

Expenditure trends and estimates

Table 31.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Inspection and Enforcement Services											
3. Public Employment Services											
4. Labour Policy and Industrial Relations											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	819.1	768.7	804.9	962.0	5.5%	27.7%	1 011.7	1 073.0	1 113.6	5.0%	27.8%
Programme 2	464.3	520.2	549.2	631.6	10.8%	17.9%	676.9	720.5	747.7	5.8%	18.6%
Programme 3	524.9	485.5	542.8	619.6	5.7%	17.9%	643.5	685.9	711.4	4.7%	17.8%
Programme 4	953.4	1 069.6	1 189.7	1 220.0	8.6%	36.6%	1 305.7	1 377.8	1 437.2	5.6%	35.8%
Total	2 761.6	2 844.0	3 086.7	3 433.2	7.5%	100.0%	3 637.7	3 857.2	4 009.8	5.3%	100.0%
Change to 2019				(1.9)			(32.8)	(36.2)	(29.7)		
Budget estimate											
Economic classification											
Current payments	1 545.3	1 571.4	1 700.6	2 043.8	9.8%	56.6%	2 177.6	2 320.2	2 417.0	5.7%	60.0%
Compensation of employees	1 064.7	1 059.5	1 149.7	1 363.7	8.6%	38.2%	1 490.5	1 588.9	1 658.0	6.7%	40.8%
Goods and services ¹	480.6	511.9	550.9	680.1	12.3%	18.3%	687.1	731.3	759.0	3.7%	19.1%
of which:											
Communication	24.8	28.5	24.9	42.8	20.0%	1.0%	47.1	49.4	51.6	6.4%	1.3%
Computer services	88.1	54.6	55.9	126.6	12.8%	2.7%	131.0	137.8	143.2	4.2%	3.6%
Fleet services (including government motor transport)	21.9	28.1	30.2	27.5	7.9%	0.9%	22.2	26.5	27.0	-0.5%	0.7%
Operating leases	115.7	138.7	132.5	157.7	10.9%	4.5%	161.2	169.5	176.0	3.7%	4.4%
Property payments	48.4	50.9	52.3	81.6	19.0%	1.9%	88.7	95.2	98.5	6.5%	2.4%
Travel and subsistence	72.2	85.3	110.3	84.9	5.6%	2.9%	78.6	84.8	89.1	1.6%	2.3%
Transfers and subsidies¹	1 073.2	1 179.6	1 296.8	1 329.2	7.4%	40.2%	1 391.4	1 467.5	1 520.2	4.6%	38.2%
Provinces and municipalities	0.6	0.7	0.8	0.7	2.8%	0.0%	0.7	0.7	0.8	5.6%	0.0%
Departmental agencies and accounts	879.4	979.9	1 103.5	1 112.3	8.1%	33.6%	1 163.0	1 225.6	1 269.3	4.5%	31.9%
Foreign governments and international organisations	19.7	20.0	20.3	18.9	-1.4%	0.7%	28.1	29.6	30.7	17.5%	0.7%
Non-profit institutions	168.8	173.4	167.9	192.6	4.5%	5.8%	199.2	211.1	218.9	4.3%	5.5%
Households	4.6	5.8	4.3	4.7	0.5%	0.2%	0.4	0.4	0.4	-54.4%	0.0%

Table 31.2 Vote expenditure trends and estimates by programme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Payments for capital assets	140.5	92.8	87.9	60.2	-24.6%	3.1%	68.8	69.5	72.6	6.5%	1.8%
Buildings and other fixed structures	29.2	2.4	10.9	16.0	-18.2%	0.5%	16.5	17.8	18.8	5.5%	0.5%
Machinery and equipment	65.0	78.2	77.0	44.2	-12.1%	2.2%	52.3	51.7	53.8	6.8%	1.4%
Software and other intangible assets	46.4	12.1	–	–	-100.0%	0.5%	–	–	–	0.0%	0.0%
Payments for financial assets	2.6	0.2	1.4	–	-100.0%	0.0%	–	–	–	0.0%	0.0%
Total	2 761.6	2 844.0	3 086.7	3 433.2	7.5%	100.0%	3 637.7	3 857.2	4 009.8	5.3%	100.0%

Transfers and subsidies expenditure trends and estimates

Table 31.3 Vote transfers and subsidies trends and estimates

				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	860 375	963 987	1 087 407	1 072 161	7.6%	81.7%	1 145 173	1 206 819	1 249 852	5.2%	81.9%
Productivity South Africa	59 057	60 064	78 361	54 610	-2.6%	5.2%	57 069	60 210	62 428	4.6%	4.1%
Commission for Conciliation, Mediation and Arbitration	770 501	864 090	963 066	976 810	8.2%	73.3%	1 025 990	1 082 759	1 122 662	4.7%	73.7%
National Economic Development and Labour Council	30 817	39 833	45 980	40 741	9.8%	3.2%	62 114	63 850	64 762	16.7%	4.1%
Households											
Social benefits											
Current	4 536	5 361	3 822	4 701	1.2%	0.4%	404	426	447	-54.4%	0.1%
Employee social benefits	4 536	5 361	3 822	4 701	1.2%	0.4%	404	426	447	-54.4%	0.1%
Provinces and municipalities											
Municipal bank accounts											
Current	603	652	752	656	2.8%	0.1%	707	745	773	5.6%	0.1%
Vehicle licences	603	652	752	656	2.8%	0.1%	707	745	773	5.6%	0.1%
Households											
Other transfers to households											
Current	102	390	490	—	-100.0%	—	—	—	—	—	—
Employee social benefits	102	390	490	—	-100.0%	—	—	—	—	—	—
Foreign governments and international organisations											
Current	19 719	19 974	20 278	18 930	-1.4%	1.6%	28 095	29 641	30 742	17.5%	1.9%
International Labour Organisation	19 719	19 178	19 241	17 627	-3.7%	1.6%	26 720	28 190	29 237	18.4%	1.8%
African Regional Labour Administration Centre	—	796	1 037	1 303	—	0.1%	1 375	1 451	1 505	4.9%	0.1%
Non-profit institutions											
Current	168 787	173 351	167 877	192 648	4.5%	14.4%	199 179	211 057	218 892	4.3%	14.4%
National Council for the Physically Disabled	296	292	336	—	-100.0%	—	—	—	—	—	—
South African National Council for the Blind	366	357	413	—	-100.0%	—	—	—	—	—	—
Workshops for the Blind	10 638	11 572	9 376	21 525	26.5%	1.1%	22 709	24 412	25 322	5.6%	1.6%
Supported Employment Enterprises	138 568	141 307	136 779	148 923	2.4%	11.6%	153 049	161 468	167 453	4.0%	11.1%
Various civil and labour organisations	18 879	19 823	20 973	22 147	5.5%	1.7%	23 365	25 117	26 054	5.6%	1.7%
Various schools: gifts and donations	40	—	—	53	9.8%	—	56	60	63	5.9%	—
Departmental agencies and accounts											
Social security funds											
Current	19 031	15 917	16 100	40 107	28.2%	1.9%	17 805	18 784	19 482	-21.4%	1.7%
Compensation Fund	19 031	15 917	16 100	40 107	28.2%	1.9%	17 805	18 784	19 482	-21.4%	1.7%
Total	1 073 153	1 179 632	1 296 726	1 329 203	7.4%	100.0%	1 391 363	1 467 472	1 520 188	4.6%	100.0%

Personnel information

Table 31.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Inspection and Enforcement Services																			
3. Public Employment Services																			
4. Labour Policy and Industrial Relations																			
Number of posts estimated for 31 March 2020			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 (%)				
		2018/19			2019/20			2020/21		2021/22		2022/23							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost						
Employment and Labour			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	3 013	126	2 965	1 149.7	0.4	3 350	1 314.1	0.4	3 527	1 490.5	0.4	3 529	1 588.9	0.5	3 368	1 658.0	0.5	0.2%	100.0%
1 – 6	1 459	114	1 436	336.1	0.2	1 624	354.6	0.2	1 732	414.5	0.2	1 744	439.3	0.3	1 580	422.1	0.3	-0.9%	48.5%
7 – 10	1 216	12	1 197	516.4	0.4	1 303	552.4	0.4	1 352	621.3	0.5	1 338	661.3	0.5	1 337	712.8	0.5	0.9%	38.7%
11 – 12	262	–	254	208.5	0.8	312	281.8	0.9	331	320.0	1.0	335	345.1	1.0	339	370.9	1.1	2.8%	9.6%
13 – 16	77	–	78	88.7	1.1	111	125.3	1.1	112	134.6	1.2	112	143.2	1.3	112	152.1	1.4	0.3%	3.2%
Programme	3 013	126	2 965	1 149.7	0.4	3 350	1 314.1	0.4	3 527	1 490.5	0.4	3 529	1 588.9	0.5	3 368	1 658.0	0.5	0.2%	100.0%
Programme 1	1 087	126	1 052	367.2	0.3	1 699	418.9	0.2	1 740	457.3	0.3	1 746	487.8	0.3	1 658	505.9	0.3	-0.8%	49.7%
Programme 2	1 195	–	1 204	432.4	0.4	1 215	522.6	0.4	1 247	565.6	0.5	1 253	603.1	0.5	1 208	625.6	0.5	-0.2%	35.7%
Programme 3	560	–	559	255.8	0.5	298	272.8	0.9	385	350.1	0.9	380	372.9	1.0	350	386.7	1.1	5.5%	10.3%
Programme 4	171	–	150	94.3	0.6	138	99.7	0.7	155	117.5	0.8	150	125.1	0.8	152	139.7	0.9	3.3%	4.3%

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

2. Rand million.

Departmental receipts

Table 31.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
Departmental receipts	11 702	16 805	10 781	19 561	19 561	18.7%	100.0%	14 691	15 158	16 077	-6.3%	100.0%
Sales of goods and services produced by department	4 530	4 391	4 640	9 144	9 144	26.4%	38.6%	5 154	5 309	5 465	-15.8%	38.3%
Sales by market establishments of which:	164	153	142	144	144	-4.2%	1.0%	151	156	162	4.0%	0.9%
Market establishment: Rental dwellings	43	40	62	32	32	-9.4%	0.3%	36	40	45	12.0%	0.2%
Market establishment: Rental parking (covered and open)	121	113	80	112	112	-2.5%	0.7%	115	116	117	1.5%	0.7%
Administrative fees of which:	2 318	2 057	2 173	3 300	3 300	12.5%	16.7%	2 450	2 550	2 650	-7.1%	16.7%
Occupational health and safety licences	2 318	2 057	2 173	2 600	2 600	3.9%	15.5%	2 450	2 550	2 650	0.6%	15.7%
Request information: Promotion of Access to Information Act (2000)	–	–	–	700	700	–	1.2%	–	–	–	-100.0%	1.1%
Other sales of which:	2 048	2 181	2 325	5 700	5 700	40.7%	20.8%	2 553	2 603	2 653	-22.5%	20.6%
Services rendered: Commission on insurance and garnishee	2 043	2 179	2 325	2 500	2 500	7.0%	15.4%	2 550	2 600	2 650	2.0%	15.7%
Replacement of security cards	–	–	–	3 200	3 200	–	5.4%	–	–	–	-100.0%	4.9%
Replacement - lost office property	5	2	–	–	–	-100.0%	–	3	3	3	–	–
Sales of scrap, waste, arms and other used current goods	25	45	25	17	17	-12.1%	0.2%	17	19	22	9.0%	0.1%
Sales of which:	–	3	25	–	–	–	–	1	1	1	–	–
Sales: Scrap	25	42	–	17	17	-12.1%	0.1%	16	18	21	7.3%	0.1%
Fines, penalties and forfeits	1 011	2 281	1 988	1 700	1 700	18.9%	11.9%	1 300	1 350	1 400	-6.3%	8.8%
Interest, dividends and rent on land	1 377	1 357	1 233	1 600	1 600	5.1%	9.5%	1 550	1 600	1 650	1.0%	9.8%
Interest	1 377	1 357	1 233	1 600	1 600	5.1%	9.5%	1 550	1 600	1 650	1.0%	9.8%
Sales of capital assets	29	43	76	500	500	158.3%	1.1%	70	80	90	-43.5%	1.1%
Transactions in financial assets and liabilities	4 730	8 688	2 819	6 600	6 600	11.7%	38.8%	6 600	6 800	7 450	4.1%	41.9%
Total	11 702	16 805	10 781	19 561	19 561	18.7%	100.0%	14 691	15 158	16 077	-6.3%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 31.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/ Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/ Total (%)
R million											
Ministry	32.2	32.3	41.1	39.3	6.9%	4.3%	37.0	39.3	40.3	0.9%	3.7%
Management	255.4	256.4	272.6	268.2	1.6%	31.4%	278.9	296.8	308.1	4.7%	27.7%
Corporate Services	260.2	200.9	225.2	308.3	5.8%	29.6%	329.5	349.1	362.7	5.6%	32.4%
Office of the Chief Financial Officer	105.6	118.1	103.7	129.3	7.0%	13.6%	141.4	150.2	155.7	6.4%	13.9%
Office Accommodation	165.7	161.0	162.3	217.0	9.4%	21.0%	224.8	237.6	246.7	4.4%	22.3%
Total	819.1	768.7	804.9	962.0	5.5%	100.0%	1 011.7	1 073.0	1 113.6	5.0%	100.0%
Change to 2019 Budget estimate				–			(10.8)	(11.2)	(11.8)		
Economic classification											
Current payments	708.6	721.5	751.2	915.6	8.9%	92.3%	965.6	1 026.5	1 064.6	5.2%	95.5%
Compensation of employees	325.9	343.1	367.2	418.9	8.7%	43.4%	457.3	487.8	505.9	6.5%	45.0%
Goods and services ¹	382.7	378.4	383.9	496.6	9.1%	48.9%	508.3	538.8	558.7	4.0%	50.5%
of which:											
Audit costs: External	16.9	16.9	13.2	21.6	8.5%	2.0%	22.9	24.3	25.1	5.0%	2.3%
Communication	21.5	13.2	10.4	22.4	1.3%	2.0%	23.8	24.9	26.0	5.1%	2.3%
Computer services	87.3	53.8	55.0	123.0	12.1%	9.5%	126.7	133.5	138.8	4.1%	12.5%
Operating leases	113.5	135.7	129.7	152.3	10.3%	15.8%	157.0	165.2	171.5	4.0%	15.5%
Property payments	47.9	37.9	38.7	70.9	13.9%	5.8%	74.4	79.7	82.7	5.3%	7.4%
Travel and subsistence	32.0	37.9	42.4	31.1	-1.0%	4.3%	28.7	30.0	31.2	0.1%	2.9%
Transfers and subsidies¹	2.0	2.8	2.3	4.6	31.2%	0.3%	1.0	1.0	1.1	-38.3%	0.2%
Provinces and municipalities	0.6	0.6	0.7	0.7	5.2%	0.1%	0.7	0.7	0.8	5.6%	0.1%
Departmental agencies and accounts	–	–	0.0	–	–	–	–	–	–	–	–
Households	1.5	2.1	1.6	3.9	38.9%	0.3%	0.3	0.3	0.3	-57.5%	0.1%
Payments for capital assets	105.8	44.1	50.0	41.8	-26.6%	7.2%	45.1	45.4	47.9	4.6%	4.3%
Buildings and other fixed structures	29.2	2.4	10.9	16.0	-18.2%	1.7%	16.5	17.8	18.8	5.5%	1.7%
Machinery and equipment	30.3	29.6	39.2	25.8	-5.1%	3.7%	28.5	27.6	29.0	4.0%	2.7%
Software and other intangible assets	46.4	12.1	–	–	-100.0%	1.7%	–	–	–	–	–
Payments for financial assets	2.6	0.2	1.4	–	-100.0%	0.1%	–	–	–	–	–
Total	819.1	768.7	804.9	962.0	5.5%	100.0%	1 011.7	1 073.0	1 113.6	5.0%	100.0%
Proportion of total programme expenditure to vote expenditure	29.7%	27.0%	26.1%	28.0%	–	–	27.8%	27.8%	27.8%	–	–

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

Programme 2: Inspection and Enforcement Services

Programme purpose

Realise decent work by regulating non-employment and employment conditions through inspection and enforcement to achieve compliance with all labour market policies.

Objectives

- Protect vulnerable workers through the inspection and enforcement of labour legislation by ensuring that decent work principles are adhered to by the end of March 2020/21, by:
 - conducting 220 692 compliance inspections
 - serving 85 per cent of non-compliant employers inspected with a notice in terms of relevant employment law within 14 calendar days of inspection
 - referring 60 per cent of employers who fail to comply with a served notice to prosecution within 30 calendar days.
- Increase awareness of employment law by conducting formal advocacy sessions at 2 conferences and

4 seminars each year over the medium term.

Subprogrammes

- *Management and Support Services: Inspection and Enforcement Services* manages the delegated administrative and financial responsibilities of the office of the deputy director-general, and provides corporate support to line function subprogrammes within the programme.
- *Occupational Health and Safety* promotes health and safety in the workplace by conducting inspections on compliance with the Occupational Health and Safety Act (1993), and regulating dangerous activities and the use of plant and machinery.
- *Registration: Inspection and Enforcement Services* registers incidents relating to labour relations and occupational health and safety, as reported by members of the public, and communicates these to relevant structures within the *Compliance, Monitoring and Enforcement Services* subprogramme for investigation.
- *Compliance, Monitoring and Enforcement Services* ensures that employers and employees comply with labour legislation by conducting regular inspections and following up on reported incidents.
- *Training of Staff: Inspection and Enforcement Services* defrays all expenditure relating to staff training within this programme.
- *Statutory and Advocacy Services* gives effect to legislative enforcement requirements and educates stakeholders on labour legislation.

Expenditure trends and estimates

Table 31.7 Inspection and Enforcement Services 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Management and Support Services: Inspection and Enforcement Services	6.9	6.8	6.9	6.7	-1.1%	1.3%	7.3	7.8	8.0	6.5%	1.1%
Occupational Health and Safety	23.9	25.9	27.8	34.5	13.1%	5.2%	36.9	39.3	40.7	5.7%	5.5%
Registration: Inspection and Enforcement Services	53.6	61.1	62.5	72.6	10.6%	11.5%	77.0	82.2	85.0	5.4%	11.4%
Compliance, Monitoring and Enforcement Services	367.8	414.9	439.0	502.3	10.9%	79.6%	539.2	573.8	595.7	5.9%	79.6%
Training of Staff: Inspection and Enforcement Services	4.7	5.0	5.7	5.6	6.3%	1.0%	5.9	6.2	6.5	4.9%	0.9%
Statutory and Advocacy Services	7.4	6.5	7.4	9.9	10.4%	1.4%	10.6	11.2	11.7	5.6%	1.6%
Total	464.3	520.2	549.2	631.6	10.8%	100.0%	676.9	720.5	747.7	5.8%	100.0%
Change to 2019 Budget estimate				0.4			(2.8)	(3.0)	(3.1)		
Economic classification											
Current payments	428.8	470.6	514.2	614.1	12.7%	93.6%	659.8	702.5	728.6	5.9%	97.4%
Compensation of employees	382.0	406.1	432.4	522.6	11.0%	80.5%	565.6	603.1	625.6	6.2%	83.4%
Goods and services ¹	46.9	64.5	81.7	91.5	25.0%	13.1%	94.3	99.4	103.1	4.0%	14.0%
of which:											
Communication	1.3	9.1	9.3	15.5	126.1%	1.6%	17.7	18.8	19.8	8.4%	2.6%
Fleet services (including government motor transport)	8.0	8.8	10.4	9.7	6.8%	1.7%	9.5	11.2	11.6	6.1%	1.5%
Consumables: Stationery, printing and office supplies	3.0	2.6	3.0	4.7	15.6%	0.6%	3.4	5.2	5.4	5.1%	0.7%
Property payments	0.3	5.9	6.3	6.9	188.4%	0.9%	6.9	5.8	6.0	-4.6%	0.9%
Travel and subsistence	22.6	25.7	38.6	29.2	8.9%	5.4%	29.3	30.9	31.9	3.0%	4.4%
Training and development	1.2	1.9	2.3	4.4	56.5%	0.4%	4.7	4.9	5.1	4.9%	0.7%
Transfers and subsidies¹	1.7	1.8	1.4	0.5	-32.3%	0.2%	0.1	0.1	0.1	-44.9%	-
Provinces and municipalities	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Households	1.7	1.8	1.3	0.5	-31.9%	0.2%	0.1	0.1	0.1	-44.9%	-
Payments for capital assets	33.7	47.8	33.7	17.0	-20.5%	6.1%	17.0	17.9	19.0	3.8%	2.6%
Machinery and equipment	33.7	47.8	33.7	17.0	-20.5%	6.1%	17.0	17.9	19.0	3.8%	2.6%
Total	464.3	520.2	549.2	631.6	10.8%	100.0%	676.9	720.5	747.7	5.8%	100.0%
Proportion of total programme expenditure to vote expenditure	16.8%	18.3%	17.8%	18.4%	-	-	18.6%	18.7%	18.6%	-	-

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

Programme 3: Public Employment Services

Programme purpose

Assist companies and workers to adjust to changing labour market conditions.

Objectives

- Provide public employment services by March 2021 by:
 - registering 750 000 work seekers on the Employment Services of South Africa database
 - providing employment counselling to 220 000 work seekers
 - filling 47 500 registered employment opportunities
 - registering 95 000 work opportunities on the Employment Services of South Africa database.
- Contribute to increasing employment opportunities for people with disabilities by providing quarterly funding over the medium term, and monitoring disability organisations on an ongoing basis.

Subprogrammes

- *Management and Support Services: Public Employment Services* manages delegated administrative and financial responsibilities; coordinates all planning, monitoring and evaluation functions; and provides corporate support to line function subprogrammes.
- *Employer Services* registers work opportunities, facilitates the employment of foreign nationals where such skills do not exist in South Africa, oversees placement, responds to companies in distress, provides a social plan and regulates private employment agencies.
- *Work Seeker Services* registers work seekers, retrenched workers, and work, learning, training and income-generating opportunities on the Employment Services of South Africa database; and facilitates access to employment and income-generating opportunities for the unemployed and underemployed.
- *Designated Groups Special Services* facilitates the transfer of subsidies to national councils and workshops for the blind to promote the employment of people with disabilities.
- *Supported Employment Enterprises* promotes work and employment opportunities for people with disabilities by improving the administration, production and financial management of supported employment enterprises.
- *Productivity South Africa* transfers funds to Productivity South Africa, which promotes workplace productivity, competitiveness and social plan interventions.
- *Unemployment Insurance Fund* provides for the possible future funding of the Unemployment Insurance Fund.
- *Compensation Fund* provides for costs incurred through claims from civil servants for injuries sustained on duty or occupation-related illnesses and diseases, and provides for the funding of claims from the Compensation Fund.
- *Training of Staff: Public Employment Services* defrays all expenditure relating to staff training in the programme to easily identify this expenditure for reporting purposes.

Expenditure trends and estimates

Table 31.8 Public Employment Services expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Management and Support Services: Public Employment Services	89.5	42.5	48.1	52.0	-16.6%	10.7%	58.2	61.8	64.2	7.3%	8.9%
Employer Services	81.5	76.8	89.5	120.4	13.9%	16.9%	132.8	143.4	148.6	7.3%	20.5%
Work Seeker Services	115.1	130.6	156.6	174.0	14.8%	26.5%	193.2	206.5	214.3	7.2%	29.6%
Designated Groups Special Services	11.3	12.2	10.1	21.5	24.0%	2.5%	22.7	24.4	25.3	5.6%	3.5%
Supported Employment Enterprises	148.7	146.0	142.2	155.7	1.6%	27.3%	160.3	169.3	175.6	4.1%	24.8%
Productivity South Africa	59.1	60.1	78.4	54.6	-2.6%	11.6%	57.1	60.2	62.4	4.6%	8.8%
Unemployment Insurance Fund	—	—	—	0.0	—	—	0.0	0.0	0.0	—	—
Compensation Fund	19.0	15.9	16.1	40.1	28.2%	4.2%	17.8	18.8	19.5	-21.4%	3.6%
Training of Staff: Public Employment Services	0.7	1.4	1.9	1.3	22.4%	0.2%	1.4	1.5	1.5	5.0%	0.2%
Total	524.9	485.5	542.8	619.6	5.7%	100.0%	643.5	685.9	711.4	4.7%	100.0%
Change to 2019 Budget estimate				8.4			(5.5)	(5.8)	(6.1)		
Economic classification											
Current payments	294.6	254.0	297.0	353.0	6.2%	55.2%	386.1	414.9	431.0	6.9%	59.6%
Compensation of employees	272.3	220.4	255.8	312.8	4.7%	48.8%	350.1	372.9	386.8	7.3%	53.5%
Goods and services ¹	22.4	33.6	41.2	40.2	21.6%	6.3%	36.0	42.0	44.2	3.2%	6.1%
of which:											
Minor assets	0.7	0.3	0.5	1.5	32.4%	0.1%	2.5	2.7	2.7	20.3%	0.4%
Communication	1.5	4.1	4.2	3.1	27.8%	0.6%	3.7	3.8	3.8	7.3%	0.5%
Computer services	—	0.0	0.1	2.7	—	0.1%	2.7	2.7	2.7	—	0.4%
Consumables: Stationery, printing and office supplies	1.5	1.2	2.6	2.7	20.2%	0.4%	1.7	2.0	2.0	-8.9%	0.3%
Property payments	0.2	5.9	6.4	2.7	159.0%	0.7%	6.3	8.4	8.6	46.4%	1.0%
Travel and subsistence	8.9	10.8	13.7	12.1	10.7%	2.1%	8.8	11.4	12.9	2.3%	1.7%
Transfers and subsidies ¹	229.4	230.8	241.8	265.4	5.0%	44.5%	250.7	264.9	274.7	1.2%	39.7%
Provinces and municipalities	0.0	0.0	—	—	-100.0%	—	—	—	—	—	—
Departmental agencies and accounts	78.1	76.0	94.5	94.7	6.6%	15.8%	74.9	79.0	81.9	-4.7%	12.4%
Non-profit institutions	149.9	153.5	146.9	170.4	4.4%	28.6%	175.8	185.9	192.8	4.2%	27.2%
Households	1.4	1.3	0.4	0.2	-47.5%	0.2%	0.1	0.1	0.1	-33.4%	—
Payments for capital assets	0.9	0.7	4.0	1.3	12.1%	0.3%	6.7	6.0	5.7	65.6%	0.7%
Machinery and equipment	0.9	0.7	4.0	1.3	12.1%	0.3%	6.7	6.0	5.7	65.6%	0.7%
Total	524.9	485.5	542.8	619.6	5.7%	100.0%	643.5	685.9	711.4	4.7%	100.0%
Proportion of total programme expenditure to vote expenditure	19.0%	17.1%	17.6%	18.0%	—	—	17.7%	17.8%	17.7%	—	—
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	59.1	60.1	78.4	54.6	-2.6%	11.6%	57.1	60.2	62.4	4.6%	8.8%
Productivity South Africa	59.1	60.1	78.4	54.6	-2.6%	11.6%	57.1	60.2	62.4	4.6%	8.8%
Non-profit institutions											
Current	149.6	153.2	146.6	170.4	4.5%	28.5%	175.8	185.9	192.8	4.2%	27.2%
South African National Council for the Blind	0.4	0.4	0.4	—	-100.0%	0.1%	—	—	—	—	—
Workshops for the Blind	10.6	11.6	9.4	21.5	26.5%	2.4%	22.7	24.4	25.3	5.6%	3.5%
Supported Employment Enterprises	138.6	141.3	136.8	148.9	2.4%	26.0%	153.0	161.5	167.5	4.0%	23.7%
Departmental agencies and accounts											
Social security funds											
Current	19.0	15.9	16.1	40.1	28.2%	4.2%	17.8	18.8	19.5	-21.4%	3.6%
Compensation Fund	19.0	15.9	16.1	40.1	28.2%	4.2%	17.8	18.8	19.5	-21.4%	3.6%

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

Programme 4: Labour Policy and Industrial Relations

Programme purpose

Facilitate the establishment of an equitable and sound labour relations environment. Support institutions of

social dialogue and promote South Africa's interests in international labour matters. Conduct research and analysis, and evaluate labour policy. Provide statistical data on the labour market.

Objectives

- Improve employment equity implementation and compliance monitoring mechanisms in the labour market by:
 - publicising the 2019/20 employment equity annual report and public register by 30 June 2020
 - developing the 2020/21 employment equity annual report and public register by 31 March 2021.
- Extend protection to vulnerable workers by publishing a national minimum wage for all sectors by 31 March 2021.
- Promote sound labour relations and centralised collective bargaining through the extension of collective agreements and the registration of all qualifying labour and employer organisations by 31 March 2021.
- Monitor and evaluate the impact of labour legislation to promote an evidence-based labour policy framework through the production of research and labour market trend reports by 31 March 2021.

Subprogrammes

- *Management and Support Services: Labour Policy and Industrial Relations* manages delegated administrative and financial responsibilities; coordinates all planning, monitoring and evaluation functions; and provides corporate support to line function subprogrammes.
- *Strengthen Civil Society* transfers funds to various civil society organisations that protect vulnerable workers by providing resources, support and expertise to improve the independence and self-reliance of workers in order to contribute to a stable and well-functioning labour market.
- *Collective Bargaining* manages the implementation of the Labour Relations Act (1995) through policies and practices that promote sound labour relations by registering labour organisations and deregistering those that are non-compliant, publishing and extending collective agreements, supporting and advancing participation in collective bargaining structures, and participating in relevant National Economic Development and Labour Council activities.
- *Employment Equity* promotes equity in the labour market through the elimination of unfair discrimination and the promotion of equitable representation in the workplace.
- *Employment Standards* protects vulnerable workers in the labour market by administering the Basic Conditions of Employment Act (1997).
- *Commission for Conciliation, Mediation and Arbitration* transfers funds to the Commission for Conciliation, Mediation and Arbitration, which promotes social justice and fairness in the workplace through dispute prevention and resolution services.
- *Research, Policy and Planning* monitors and evaluates the impact of labour legislation and policies that affect the South African labour market.
- *Labour Market Information and Statistics* collects, collates, analyses and disseminates internal and external labour market statistics on changes in the South African labour market as a result of the implementation of labour legislation.
- *International Labour Matters* contributes to national and global policy formulation and facilitates compliance with international obligations through multilateral and bilateral relations.
- *National Economic Development and Labour Council* transfers funds to the National Economic Development and Labour Council, which promotes economic growth, participation in economic decision-making and social equity through dialogue.

Expenditure trends and estimates

Table 31.9 Labour Policy and Industrial 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Management and Support Services: Labour Policy and Industrial Relations	13.9	14.8	22.8	17.0	7.1%	1.5%	18.1	19.1	20.1	5.7%	1.4%
Strengthen Civil Society	18.9	19.8	21.0	22.1	5.5%	1.8%	23.4	25.1	26.1	5.6%	1.8%
Collective Bargaining	13.2	14.2	15.1	16.2	7.3%	1.3%	17.7	18.7	19.7	6.6%	1.4%
Employment Equity	12.9	12.6	12.4	14.7	4.5%	1.2%	15.0	15.9	16.7	4.2%	1.2%
Employment Standards	11.2	12.1	11.7	35.7	47.2%	1.6%	29.0	31.7	40.7	4.5%	2.6%
Commission for Conciliation, Mediation and Arbitration	770.5	864.1	963.1	976.8	8.2%	80.6%	1 026.0	1 082.8	1 122.7	4.7%	78.8%
Research, Policy and Planning	7.9	6.4	8.1	8.5	2.7%	0.7%	12.3	13.0	13.6	16.8%	0.9%
Labour Market Information and Statistics	36.2	43.1	43.1	46.7	8.8%	3.8%	50.8	53.6	56.4	6.5%	3.9%
International Labour Matters	38.0	42.6	46.6	41.5	3.0%	3.8%	51.3	54.2	56.5	10.9%	3.8%
National Economic Development and Labour Council	30.8	39.8	46.0	40.7	9.8%	3.6%	62.1	63.9	64.8	16.7%	4.3%
Total	953.4	1 069.6	1 189.7	1 220.0	8.6%	100.0%	1 305.7	1 377.8	1 437.2	5.6%	100.0%
Change to 2019 Budget estimate				(10.8)			(13.7)	(16.2)	(8.7)		
Economic classification											
Current payments	113.2	125.3	138.3	161.2	12.5%	12.1%	166.0	176.2	192.7	6.1%	13.0%
Compensation of employees	84.5	89.9	94.3	109.5	9.0%	8.5%	117.5	125.1	139.7	8.5%	9.2%
Goods and services ¹	28.7	35.4	44.0	51.7	21.7%	3.6%	48.5	51.1	53.0	0.8%	3.8%
of which:											
Advertising	3.3	3.5	8.8	17.5	73.8%	0.7%	8.4	8.9	9.3	-19.0%	0.8%
Consultants: Business and advisory services	3.8	2.1	2.8	3.5	-3.4%	0.3%	7.6	8.1	7.9	31.7%	0.5%
Consumables: Stationery, printing and office supplies	2.8	2.9	4.2	4.7	19.0%	0.3%	5.0	5.3	5.5	5.4%	0.4%
Operating leases	1.7	2.1	1.9	2.3	11.1%	0.2%	2.2	2.4	2.5	2.5%	0.2%
Travel and subsistence	8.7	10.9	15.6	12.6	13.1%	1.1%	11.8	12.5	13.1	1.2%	0.9%
Venues and facilities	2.3	4.7	2.3	2.5	3.5%	0.3%	3.0	3.1	3.3	9.2%	0.2%
Transfers and subsidies¹	840.1	944.3	1 051.3	1 058.7	8.0%	87.9%	1 139.6	1 201.4	1 244.3	5.5%	87.0%
Provinces and municipalities	0.0	—	—	—	-100.0%	—	—	—	—	—	—
Departmental agencies and accounts	801.3	903.9	1 009.0	1 017.6	8.3%	84.2%	1 088.1	1 146.6	1 187.4	5.3%	83.1%
Foreign governments and international organisations	19.7	20.0	20.3	18.9	-1.4%	1.8%	28.1	29.6	30.7	17.5%	2.0%
Non-profit institutions	18.9	19.8	21.0	22.2	5.5%	1.8%	23.4	25.2	26.1	5.6%	1.8%
Households	0.1	0.5	1.0	0.1	-18.8%	—	—	—	—	-100.0%	—
Payments for capital assets	0.1	0.1	0.2	0.1	15.9%	—	0.1	0.1	0.1	4.3%	—
Machinery and equipment	0.1	0.1	0.2	0.1	15.9%	—	0.1	0.1	0.1	4.3%	—
Total	953.4	1 069.6	1 189.7	1 220.0	8.6%	100.0%	1 305.7	1 377.8	1 437.2	5.6%	100.0%
Proportion of total programme expenditure to vote expenditure	34.5%	37.6%	38.5%	35.5%	—	—	35.9%	35.7%	35.8%	—	—
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	801.3	903.9	1 009.0	1 017.6	8.3%	84.2%	1 088.1	1 146.6	1 187.4	5.3%	83.1%
Commission for Conciliation, Mediation and Arbitration	770.5	864.1	963.1	976.8	8.2%	80.6%	1 026.0	1 082.8	1 122.7	4.7%	78.8%
National Economic Development and Labour Council	30.8	39.8	46.0	40.7	9.8%	3.6%	62.1	63.9	64.8	16.7%	4.3%
Non-profit institutions											
Current	18.9	19.8	21.0	22.1	5.5%	1.8%	23.4	25.1	26.1	5.6%	1.8%
Various civil and labour organisations	18.9	19.8	21.0	22.1	5.5%	1.8%	23.4	25.1	26.1	5.6%	1.8%
Foreign governments and international organisations											
Current	19.7	20.0	20.3	18.9	-1.4%	1.8%	28.1	29.6	30.7	17.5%	2.0%
International Labour Organisation	19.7	19.2	19.2	17.6	-3.7%	1.7%	26.7	28.2	29.2	18.4%	1.9%
African Regional Labour Administration Centre	—	0.8	1.0	1.3	—	0.1%	1.4	1.5	1.5	4.9%	0.1%

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

Entities

Compensation Fund

Selected performance indicators

Table 31.10 Compensation Fund performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage of compliant active registered non- exempt employers assessed by 31 March each year	Compensation for Occupational Injuries and Diseases Act (1993) services	Priority 3: Consolidating the social wage through reliable and quality basic services	95% (268 218/ 283 685)	45% (172 703/ 386 083)	55% (219 050/ 401 536)	75%	65%	85%	85%
Percentage of claims adjudicated within specified number of working days of receipt per year	Compensation for Occupational Injuries and Diseases Act (1993) services		90% within 60 working days (130 800/ 145 922)	95% within 60 working days (175 624/ 184 100)	94% within 40 working days (146 664/ 156 223)	90% within 30 working days	85% within 30 working days	90% within 15 working days	90% within 10 working days
Percentage of claims benefits finalised within 30 working days of receipt of all required documentation per year	Compensation for Occupational Injuries and Diseases Act (1993) services		— ¹	— ¹	— ¹	— ¹	85%	85%	90%
Percentage of medical claims finalised within specified number of working days of receipt of invoice per year	Medical benefits		89% (612 960/ 686 385) within 60 working days of receipt	93% (699 441/ 751 364) within 60 working days of receipt	93% (867 381/ 934 742) within 60 working days of receipt	85% within 40 working days of receipt	85% within 30 working days of receipt	90% within 30 working days of receipt	90% within 30 working days of receipt
Percentage of pre- authorisations for specialised medical interventions responded to within 10 working days of receipt per year	Medical benefits		— ¹	79% (1 488/ 1 894)	93% (1 539/ 1 657)	90%	90%	90%	90%
Percentage of compliant requests for assistive devices finalised within 15 working days of receipt per year	Orthotic and medical rehabilitation	Priority 1: Economic transformation and job creation	— ¹	75% (983/ 1 307)	93% (1 079/ 1 160)	85%	60%	70%	80%
Percentage of identified injured workers rehabilitated per year	Orthotic and medical rehabilitation		— ¹	— ¹	— ¹	— ¹	60%	70%	80%
Number of students eligible for university funding for priority qualifications per year	Orthotic and medical rehabilitation		— ¹	— ¹	— ¹	— ¹	650	1 350	2 200
Number of people with disabilities funded for technical vocational education and training (including public and private training providers), university, and community education and training programmes per year	Orthotic and medical rehabilitation		— ¹	— ¹	— ¹	— ¹	100	250	450

1. No historical data available.

Entity overview

The Compensation Fund is mandated to administer the Compensation for Occupational Injuries and Diseases Act (1993), which makes provision for the compensation of employees who are disabled as a result of occupational injuries or sustain or contract diseases, or the compensation of the nominated beneficiaries of employees who die from such injuries or diseases.

The fund's main focus over the medium term will be on restoring its reputation as a trusted provider of social services to workers. It plans to do this by improving access to social insurance for workers; providing an efficient and effective safety net that strengthens social protection, particularly for vulnerable workers, by rehabilitating, reintegrating and returning to work employees who have been injured or have contracted work-related diseases; and enhancing its capacity to deliver services by improving performance, administration and operational efficiency.

In line with the fund's increased focus on improving operational efficiency, expenditure on claims and pension benefits is expected to increase from R946.3 million in 2019/20 to R1.3 billion in 2022/23 at an average annual rate of 10 per cent. Total expenditure on benefits is expected to increase at an average annual rate of

7.2 per cent, from R3.8 billion in 2019/20 to R4.7 billion in 2022/23. Included in this amount is expenditure for 4 200 university bursaries and 800 bursaries to technical and vocational education and training colleges to upskill unemployed workers who have suffered occupational injuries.

The cost of administering the fund, paying compensation benefits and medical expenses, and rehabilitating and reintegrating injured and diseased workers is funded through levies paid by registered employers and revenue earned from investments. The fund's total revenue in 2019/20 is expected to be R13.2 billion, increasing at an average annual rate of 5.4 per cent to a projected R15.4 billion in 2022/23.

Programmes/Objectives/Activities

Table 31.11 Compensation Fund 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	1 323.8	10 021.4	5 723.2	2 987.7	31.2%	39.1%	2 685.2	2 833.7	3 032.3	0.5%	38.9%
Compensation for occupational injuries and diseases Act (1993) services	5 590.6	4 825.2	10 076.2	946.3	-44.7%	43.8%	1 121.7	1 189.0	1 260.3	10.0%	15.2%
Medical benefits	47.4	44.3	4 826.8	3 036.4	300.0%	16.9%	3 083.8	3 268.8	3 481.3	4.7%	43.3%
Orthotic and medical rehabilitation	—	—	0.3	65.0	—	0.2%	220.1	233.3	248.5	56.4%	2.6%
Total	6 961.9	14 890.8	20 626.5	7 035.4	0.4%	100.0%	7 110.8	7 524.9	8 022.5	4.5%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 31.12 Compensation Fund statements of historical financial performance, cash flow and financial position

Statement of financial performance									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Revenue									
Non-tax revenue	4 055.8	4 534.5	2 765.3	12 788.3	5 196.8	5 547.0	5 523.2	5 523.2	161.9%
of which:									
Other non-tax revenue	4 055.8	4 534.5	2 765.3	12 788.3	5 196.8	5 547.0	5 523.2	5 523.2	161.9%
Transfers received	8 244.6	8 852.3	9 289.0	6 972.8	9 737.6	8 539.9	7 670.1	7 670.1	91.7%
Total revenue	12 300.4	13 386.8	12 054.3	19 761.2	14 934.3	14 086.9	13 193.3	13 193.3	115.1%
Expenses									
Current expenses	845.9	1 349.1	1 515.1	10 081.4	2 122.7	15 153.6	3 388.0	3 233.0	378.8%
Compensation of employees	256.5	637.6	653.5	727.4	843.4	857.1	1 118.3	1 118.3	116.3%
Goods and services	547.3	697.0	816.6	6 109.0	1 166.9	11 684.3	2 151.8	2 002.1	437.6%
Depreciation	41.9	10.3	44.6	48.7	112.0	69.5	117.5	112.7	76.4%
Interest, dividends and rent on land	0.3	4.2	0.5	3 196.2	0.5	2 542.6	0.5	–	349 508.1%
Transfers and subsidies	8 855.6	5 500.2	7 791.9	4 705.5	4 415.2	5 353.1	3 798.2	3 802.2	77.9%
Total expenses	9 701.4	6 961.9	9 307.1	14 890.8	6 537.9	20 626.5	7 186.3	7 035.4	151.3%
Surplus/(Deficit)	2 599.0	6 424.9	2 747.2	4 870.4	8 396.4	(6 539.6)	6 007.1	6 157.9	
Cash flow statement									
Cash flow from operating activities	4 807.1	903.6	4 214.0	1 921.7	5 443.8	1 796.2	4 168.0	986.9	30.1%
Receipts									
Non-tax receipts	1 967.9	112.2	358.1	190.5	506.3	76.8	531.6	239.3	18.4%
Other tax receipts	1 967.9	112.2	358.1	190.5	506.3	76.8	531.6	239.3	18.4%
Transfers received	8 263.6	6 430.9	9 728.2	7 200.5	11 796.3	7 335.5	12 386.1	7 670.1	67.9%
Total receipts	10 231.5	6 543.1	10 086.3	7 391.0	12 302.6	7 412.3	12 917.7	7 909.5	64.2%
Payment									
Current payments	1 146.1	1 404.2	1 419.2	1 792.9	2 058.6	1 675.9	2 125.4	3 120.3	118.4%
Compensation of employees	649.8	637.6	679.0	727.4	843.4	857.1	885.5	1 118.3	109.2%
Goods and services	496.2	762.4	739.9	1 054.3	1 215.0	788.3	1 239.6	2 002.1	124.8%
Interest and rent on land	0.1	4.2	0.2	11.2	0.3	30.6	0.3	–	4 989.3%
Transfers and subsidies	4 278.3	4 235.2	4 453.1	3 676.4	4 800.2	3 940.2	6 624.2	3 802.2	77.7%
Total payments	5 424.5	5 639.5	5 872.3	5 469.3	6 858.8	5 616.2	8 749.7	6 922.6	87.9%

Table 31.12 Compensation Fund statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Net cash flow from investing activities	(5 769.8)	(401.8)	(315.1)	(2 285.5)	(330.9)	(2 083.2)	(347.4)	3 975.1	11.8%
Acquisition of property, plant, equipment and intangible assets	(14.2)	(1.6)	(1.6)	(177.2)	(1.7)	(54.7)	(1.8)	(82.8)	1 641.4%
Investment property	–	–	–	–	–	(2.0)	–	–	–
Acquisition of software and other intangible assets	–	(100.2)	–	(9.2)	–	(0.0)	–	–	–
Proceeds from the sale of property, plant, equipment and intangible assets	–	0.0	–	0.1	–	0.2	–	–	–
Other flows from investing activities	(5 755.6)	(300.0)	(313.5)	(2 099.1)	(329.2)	(2 026.6)	(345.6)	4 057.9	5.5%
Net cash flow from financing activities	–	(0.3)	–	24.1	–	45.6	–	–	–
Repayment of finance leases	–	(0.3)	–	(0.7)	–	(1.9)	–	–	–
Other flows from financing activities	–	–	–	24.8	–	47.4	–	–	–
Net increase/(decrease) in cash and cash equivalents	(962.8)	501.4	3 898.9	(339.6)	5 112.9	(241.5)	3 820.6	4 962.0	
Statement of financial position									
Carrying value of assets	101.7	241.1	106.8	556.4	112.1	543.4	118.0	570.5	435.9%
Acquisition of assets	(14.2)	(1.6)	(1.6)	(177.2)	(1.7)	(54.7)	(1.8)	(82.8)	1 641.4%
Investments	44 966.6	55 448.1	47 214.9	63 937.3	49 575.6	66 742.5	52 203.2	70 079.6	132.1%
Inventory	3.0	1.8	3.2	2.0	3.3	1.4	3.5	1.5	50.7%
Loans	–	–	–	348.4	–	344.9	–	362.2	–
Receivables and prepayments	3 574.8	6 187.5	3 753.5	1 974.7	3 941.2	2 563.1	4 150.0	2 691.3	87.0%
Cash and cash equivalents	4.0	588.8	4.2	927.4	4.4	685.9	4.6	720.2	17 135.4%
Taxation	–	–	–	–	–	41.5	–	43.6	–
Total assets	48 650.0	62 467.3	51 082.5	67 746.2	53 636.6	70 922.7	56 479.3	74 468.8	131.3%
Accumulated surplus/(deficit)	18 158.8	26 815.1	19 066.7	31 770.5	20 302.1	25 296.6	21 378.1	27 372.7	141.0%
Capital and reserves	61.3	200.0	64.3	1 093.8	65.8	1 365.5	69.2	622.4	1 259.4%
Finance lease	–	1 101.4	–	1 146.4	–	1 629.1	–	1 710.6	–
Accrued interest	–	–	–	138.2	–	150.6	–	158.1	–
Trade and other payables	1 195.4	1 222.0	1 255.1	1 333.1	1 317.9	1 061.8	1 387.8	1 114.8	91.8%
Capitalised value of pensions	19 516.4	20 657.0	20 297.0	–	21 108.9	–	22 227.7	–	24.8%
Taxation	–	–	–	12.3	–	–	–	–	–
Provisions	9 718.2	12 471.8	10 399.2	22 852.6	10 841.9	31 923.4	11 416.5	33 519.6	237.8%
Derivatives financial instruments	–	–	–	9 399.2	–	9 495.7	–	9 970.5	–
Total equity and liabilities	48 650.0	62 467.3	51 082.5	67 746.2	53 636.6	70 922.7	56 479.3	74 468.8	131.3%

Statements of estimates of financial performance, cash flow and financial position**Table 31.13 Compensation Fund statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
R million	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23	
Revenue									
Non-tax revenue	5 523.2	6.8%	45.0%	4 751.9	4 989.5	5 189.1	-2.1%	35.7%	
Other non-tax revenue	5 523.2	6.8%	45.0%	4 751.9	4 989.5	5 189.1	-2.1%	35.7%	
Transfers received	7 670.1	-4.7%	55.0%	9 393.9	9 863.6	10 258.1	10.2%	64.3%	
Total revenue	13 193.3	-0.5%	100.0%	14 145.8	14 853.1	15 447.2	5.4%	100.0%	
Current expenses	3 233.0	33.8%	51.6%	2 960.9	3 126.0	3 342.7	1.1%	42.7%	
Compensation of employees	1 118.3	20.6%	8.5%	953.9	1 025.4	1 107.4	-0.3%	14.2%	
Goods and services	2 002.1	42.1%	34.0%	1 945.3	2 062.0	2 195.1	3.1%	27.6%	
Depreciation	112.7	122.3%	0.6%	61.8	38.6	40.2	-29.1%	0.9%	
Transfers and subsidies	3 802.2	-11.6%	47.7%	4 149.9	4 398.9	4 679.8	7.2%	57.3%	
Total expenses	7 035.4	0.4%	100.0%	7 110.8	7 524.9	8 022.5	4.5%	100.0%	
Surplus/(Deficit)	6 157.9			7 035.0	7 328.2	7 424.7			
Cash flow statement									
Cash flow from operating activities	986.9	3.0%	2.1%	2 611.6	2 655.0	2 567.1	4.3%	2.7%	
Receipts									
Non-tax receipts	239.3	28.7%	2.1%	248.9	258.9	271.8	4.3%	2.7%	
Other tax receipts	239.3	28.7%	2.1%	248.9	258.9	271.8	4.3%	2.7%	
Transfers received	7 670.1	6.0%	97.9%	9 411.7	9 882.4	10 277.6	10.2%	97.3%	
Total receipts	7 909.5	6.5%	100.0%	9 660.6	10 141.2	10 549.4	10.1%	100.0%	

Table 31.13 Compensation Fund statements of estimates of financial performance, cash flow and financial position

Statement of financial performance			Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate								
R million	2019/20	2016/17 - 2019/20			2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	3 120.3	30.5%	21.2%		2 899.1	3 087.4	3 302.5	1.9%	42.2%
Compensation of employees	1 118.3	20.6%	8.5%		953.9	1 025.4	1 107.4	-0.3%	14.3%
Goods and services	2 002.1	38.0%	12.6%		1 945.3	2 062.0	2 195.1	3.1%	27.9%
Transfers and subsidies	3 802.2	-3.5%	39.7%		4 149.9	4 398.9	4 679.8	7.2%	57.8%
Total payment	6 922.6	7.1%	100.0%		7 049.0	7 486.3	7 982.3	4.9%	100.0%
Net cash flow from investing activities	3 975.1	-314.7%	100.0%		4 129.8	4 290.5	4 505.0	4.3%	100.0%
Acquisition of property, plant, equipment and intangible assets	(82.8)	270.6%	2.2%		(86.9)	(91.3)	(95.8)	5.0%	-2.1%
Other flows from investing activities	4 057.9	-338.3%	91.5%		4 216.7	4 381.7	4 600.8	4.3%	102.1%
Net increase/(decrease) in cash and cash equivalents	4 962.0	114.7%	100.0%		6 741.4	6 945.4	7 072.1	12.5%	100.0%
Statement of financial position									
Carrying value of assets	570.5	33.3%	0.7%		599.1	629.0	660.5	5.0%	0.8%
<i>Acquisition of assets</i>	<i>(82.8)</i>	<i>270.6%</i>	<i>-0.1%</i>		<i>(86.9)</i>	<i>(91.3)</i>	<i>(95.8)</i>	<i>5.0%</i>	<i>-0.1%</i>
Investments	70 079.6	8.1%	92.8%		73 583.6	77 262.8	81 125.9	5.0%	94.1%
Inventory	1.5	-6.7%	0.0%		1.5	1.6	1.7	5.0%	0.0%
Loans	362.2	—	0.4%		380.3	399.3	419.3	5.0%	0.5%
Receivables and prepayments	2 691.3	-24.2%	5.0%		2 825.8	2 967.1	3 115.5	5.0%	3.6%
Cash and cash equivalents	720.2	6.9%	1.1%		756.2	794.0	833.7	5.0%	1.0%
Taxation	43.6	—	0.0%		45.7	48.0	50.4	5.0%	0.1%
Total assets	74 468.8	6.0%	100.0%		78 192.2	82 101.9	86 206.9	5.0%	100.0%
Accumulated surplus/(deficit)	27 372.7	0.7%	40.6%		28 741.3	30 178.4	31 687.3	5.0%	36.8%
Capital and reserves	622.4	46.0%	1.2%		653.6	686.2	720.6	5.0%	0.8%
Finance lease	1 710.6	15.8%	2.0%		1 796.1	1 885.9	1 980.2	5.0%	2.3%
Accrued interest	158.1	—	0.2%		163.3	171.5	180.1	4.4%	0.2%
Trade and other payables	1 114.8	-3.0%	1.7%		1 173.3	1 231.9	1 293.5	5.1%	1.5%
Provisions	33 519.6	39.0%	35.9%		35 195.6	36 955.4	38 803.1	5.0%	45.0%
Derivatives financial instruments	9 970.5	—	10.2%		10 469.0	10 992.5	11 542.1	5.0%	13.4%
Total equity and liabilities	74 468.8	6.0%	100.0%		78 192.2	82 101.9	86 206.9	5.0%	100.0%

Personnel information

Table 31.14 Compensation Fund personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number	
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/ Total (%)	
		2018/19			2019/20			2020/21			2021/22			2022/23					
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Compensation Fund			705	857.1	1.2	1 125	1 118.3	1.0	1 156	953.9	0.8	1 173	1 025.4	0.9	1 187	1 107.4	0.9	-0.3%	100.0%
Salary level	1 187	1 187																	
1 – 6	748	748	319	264.1	0.8	708	186.0	0.3	728	187.2	0.3	739	200.4	0.3	748	213.2	0.3	4.7%	63.0%
7 – 10	400	400	350	544.1	1.6	380	838.8	2.2	390	672.4	1.7	396	718.9	1.8	400	783.0	2.0	-2.3%	33.7%
11 – 12	32	32	30	41.2	1.4	31	85.7	2.8	32	86.4	2.7	32	91.7	2.9	32	97.3	3.0	4.3%	2.7%
13 – 16	7	7	6	7.8	1.3	6	7.8	1.3	6	7.9	1.3	6	14.3	2.4	7	13.9	2.0	21.3%	0.5%

1. Rand million

Unemployment Insurance Fund

Selected performance indicators

Table 31.15 Unemployment Insurance Fund performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage of valid unemployment benefit claims with complete information approved or rejected within the specified timeframe per year	Business operations	Priority 3: Consolidating the social wage through reliable and quality basic services	89% (493 141/ 556 331)	83% (565 293/ 679 988) within 15 working days	94% (628 807 671 188) within 15 working days	90% within 15 working days	92% within 15 working days	95% within 15 working days	95% within 10 working days
Percentage of valid in-service benefit claims with complete information approved or rejected within the specified timeframe per year	Business operations		87% (96 891/ 111 186) within 5 weeks	71% (99 101/ 139 691) within 5 working days	92% (121 418/ 132 158) within 10 working days	90% within 10 working days	92% within 10 working days	95% within 10 working days	95% within 8 working days

Table 31.15 Unemployment Insurance Fund performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage of valid death benefit claims with complete information approved or rejected within the specified timeframe per year	Business operations	Priority 3: Consolidating the social wage through reliable and quality basic services	89% (85 384/ 95 421)	75% (12 401/ 16 462) within 10 working days	92% (13 179/ 14 397) within 20 working days	90% within 20 working days	90% within 15 working days	90% Within 15 working days	90% within 10 working days
Number of new registered employers per year	Business operations		58 351	66 198	64 577	70 000	73 000	76 000	79 000
Number of new registered employees per year	Business operations		292 767	296 097	838 922	600 000	700 000	800 000	900 000
Number of Unemployment Insurance Fund beneficiaries provided with learning and/or workplace experience per year	Labour activation programmes	Priority 2: Education, skills and health	6 000	0	3 823	80 000	80 000	80 000	80 000

Entity overview

The mandate of the Unemployment Insurance Fund is to alleviate poverty by providing effective short-term unemployment insurance to all workers who qualify for unemployment and related benefits, as legislated in the Unemployment Insurance Act (2001). Over the medium term, the fund will focus on providing social insurance benefits and improving coverage to vulnerable groups and contributors.

The fund will review all claims affected by the changes created by the retrospective implementation date of the Unemployment Insurance Amendment Act (2016). Applications from an estimated 1.7 million claimants lodged between 19 January 2017 and 31 December 2018 that were assessed and paid at a lower rate based on the old act need to be reassessed and paid based on the amended act. The fund plans to finalise the reassessment and payment of these retrospective claims by 2020/21. As a result, expenditure on the payment of claims is expected to be R30.6 billion in 2020/21, R24.9 billion in 2021/22 and R27.4 billion in 2022/23.

To ensure the retention and smooth re-entry of contributors into employment, the fund has budgeted an estimated R7.5 billion over the medium term for the implementation of labour activation programmes such as training and business development aimed at enhancing the employability of contributors.

To reduce the time spent by clients in labour centres, the fund has set aside R6.7 million per year over the medium term for the maintenance of the queue management system. A self-service application that can be used on smartphones and unstructured supplementary service data will be implemented in 2020/21 at a projected cost of R2.3 million in an effort to enable clients to use the fund's services without having to visit its offices. A further R10 million has been allocated in 2020/21 for the digitalisation of documents, and R85 million for the implementation of systems applications and products in data processing.

An estimated 20 per cent of the fund's investment portfolio (R33 billion) has been set aside for socially responsible investment in employment creation initiatives in agriculture, education, renewable energy, financial services, health, housing, agro-processing, mining and beneficiation, construction, petroleum, student accommodation, road infrastructure and technology. The Public Investment Corporation manages this investment on behalf of the fund.

The fund is financed through contributions from employees and employers, as legislated in the Unemployment Contributions Act (2002), and through interest earned on investments. Over the medium term, the fund expects to receive an estimated 63.5 per cent (R66.8 billion) of its total revenue through unemployment contributions. Income earned through returns on investments is expected to increase from R11 billion in 2019/20 to R13.9 billion in 2022/23.

Programmes/Objectives/Activities**Table 31.16 Unemployment Insurance Fund 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	2 613.7	1 529.5	11 164.9	1 792.5	-11.8%	17.0%	2 050.8	1 927.4	2 029.4	4.2%	6.4%
Business operations	11 986.1	17 712.3	20 013.3	23 876.1	25.8%	81.6%	30 140.4	24 434.1	26 977.5	4.2%	86.7%
Labour activation programmes	146.6	50.1	121.5	1 003.1	89.8%	1.4%	2 403.3	2 503.4	2 603.6	37.4%	6.9%
Total	14 746.4	19 291.9	31 299.6	26 671.7	21.8%	100.0%	34 594.5	28 864.9	31 610.5	5.8%	100.0%

Statements of historical financial performance, cash flow and financial position**Table 31.17 Unemployment Insurance Fund statements of historical financial performance, cash flow and financial position**

Statement of financial performance											Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate			
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20		
Revenue											
Non-tax revenue	9 357.6	9 458.3	10 912.6	13 699.2	10 675.6	10 514.6	11 035.3	11 066.5	106.6%		
Sale of goods and services other than capital assets	2.4	3.5	1.9	2.4	1.7	27.8	3.2	24.2	630.2%		
<i>of which:</i>											
<i>Sales by market establishment</i>	2.4	3.4	1.9	2.4	1.7	1.7	3.2	3.2	117.2%		
<i>Other sales</i>	0.1	0.1	0.0	–	0.0	26.1	0.0	21.1	66 046.2%		
Other non-tax revenue	9 355.2	9 454.8	10 910.7	13 696.8	10 674.0	10 486.7	11 032.1	11 042.2	106.5%		
Transfers received	17 560.3	17 838.8	19 590.8	18 320.0	19 598.4	19 197.0	20 496.0	20 179.1	97.8%		
Total revenue	26 917.9	27 297.1	30 503.4	32 019.1	30 274.0	29 711.6	31 531.2	31 245.6	100.9%		
Expenses											
Current expenses	2 576.0	3 853.2	3 283.1	2 858.6	3 361.6	12 077.2	3 595.1	3 540.6	174.2%		
Compensation of employees	1 188.7	1 065.9	1 495.0	1 160.7	1 519.1	1 332.8	1 619.4	1 692.5	90.2%		
Goods and services	1 259.2	2 737.0	1 604.8	1 649.8	1 649.0	10 694.2	1 762.9	1 635.2	266.4%		
Depreciation	128.1	50.4	183.4	48.1	193.5	50.2	212.8	212.8	50.4%		
Transfers and subsidies	9 272.6	10 893.2	11 173.6	16 433.3	11 672.6	18 653.4	12 880.8	23 131.1	153.6%		
Total expenses	11 848.6	14 746.4	14 456.7	19 291.9	15 034.2	31 299.6	16 475.9	26 671.7	159.1%		
Surplus/(Deficit)	15 069.3	12 550.7	16 046.7	12 727.2	15 239.8	(1 588.0)	15 055.3	4 573.8			
Cash flow statement											
Cash flow from operating activities	13 196.9	7 570.5	5 460.5	7 309.0	5 046.8	5 591.2	4 514.6	(4 500.7)	56.6%		
Receipts											
Non-tax receipts	7 357.1	495.2	325.2	557.8	482.6	258.5	494.6	460.8	20.5%		
Sales of goods and services other than capital assets	2.4	3.5	1.9	2.4	1.7	1.8	3.2	24.2	346.5%		
<i>Sales by market establishment</i>	2.4	3.4	1.9	2.4	1.7	1.7	3.2	3.2	117.2%		
<i>Other sales</i>	0.1	0.1	0.0	0.0	0.0	0.0	0.0	21.1	29 593.0%		
Other tax receipts	7 354.7	491.7	323.3	555.5	480.9	256.8	491.4	436.6	20.1%		
Transfers received	17 560.3	17 838.8	19 590.8	18 320.0	19 598.4	19 197.0	20 496.0	20 179.1	97.8%		
Total receipts	24 917.4	18 334.0	19 916.1	18 877.8	20 081.0	19 455.6	20 990.5	20 639.9	90.0%		
Payment											
Current payments	2 447.9	2 139.7	3 283.1	2 292.8	3 361.6	2 751.7	3 595.1	3 540.6	84.5%		
Compensation of employees	1 188.7	1 049.3	1 495.0	1 166.4	1 519.1	1 334.1	1 619.4	1 692.5	90.0%		
Goods and services	1 259.2	1 090.4	1 788.1	1 126.3	1 842.4	1 417.6	1 975.7	1 848.0	79.9%		
Interest and rent on land	0.0	–	0.0	–	0.0	–	0.0	0.0	25.0%		
Transfers and subsidies	9 272.6	8 623.8	11 172.4	9 276.0	11 672.6	11 112.7	12 880.8	21 600.0	112.5%		
Total payments	11 720.5	10 763.5	14 455.5	11 568.8	15 034.2	13 864.4	16 475.9	25 140.6	106.3%		
Net cash flow from investing activities	(13 602.9)	(10 085.9)	(7 614.5)	(6 387.4)	(52 951.2)	(4 590.5)	(56 948.4)	(56 428.9)	59.1%		
Acquisition of property, plant, equipment and intangible assets	(74.6)	(15.8)	(132.7)	(38.3)	(240.1)	(83.3)	(171.6)	(320.5)	74.0%		
Investment property	–	–	–	–	(381.5)	(123.2)	(708.0)	(451.8)	52.8%		
Acquisition of software and other intangible assets	(70.6)	(195.5)	(89.8)	(26.7)	(92.3)	(15.9)	(178.3)	(13.0)	58.3%		
Proceeds from the sale of property, plant, equipment and intangible assets	–	–	–	30.7	–	8.0	–	–	–		
Other flows from investing activities	(13 457.7)	(9 874.6)	(7 392.0)	(6 353.1)	(52 237.3)	(4 376.1)	(55 890.5)	(55 643.6)	59.1%		
Net increase/(decrease) in cash and cash equivalents	(406.0)	(2 515.4)	(2 154.0)	921.6	(47 904.4)	1 000.7	(52 433.8)	(60 929.5)			

Table 31.17 Unemployment Insurance Fund statements of historical financial performance, cash flow and financial position

Statement of financial position									Average: Outcome/Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Carrying value of assets	147.2	253.6	251.2	270.3	354.0	408.4	416.5	428.9	116.5%
<i>Acquisition of assets</i>	(74.6)	(15.8)	(132.7)	(38.3)	(240.1)	(83.3)	(171.6)	(320.5)	74.0%
Investments	152 173.1	136 202.9	153 305.2	154 630.6	167 417.5	159 019.9	178 145.7	168 707.9	95.0%
Receivables and prepayments	92.9	1 736.4	60.2	1 669.6	1 723.5	1 821.3	1 846.5	1 912.3	191.8%
Cash and cash equivalents	3 818.6	1 297.4	1 395.4	2 719.0	4 490.4	4 216.9	4 670.7	3 010.2	78.2%
Total assets	156 231.8	139 490.4	155 012.0	159 289.5	173 985.5	165 466.5	185 079.4	174 059.3	95.2%
Accumulated surplus/(deficit)	127 252.7	94 822.3	133 337.4	104 924.5	151 259.6	101 505.2	166 159.4	106 899.9	70.6%
Capital and reserves	24 144.7	38 303.8	14 873.2	40 928.9	6 235.8	42 760.1	100.1	44 898.1	368.0%
Borrowings	—	0.0	—	0.0	—	0.0	—	—	—
Trade and other payables	316.3	350.6	8.6	291.4	3.7	518.3	4.0	544.2	512.4%
Benefits payable	4 492.2	5 949.8	6 765.0	13 118.3	16 459.9	20 656.0	18 789.4	21 688.8	132.1%
Provisions	25.8	27.7	27.7	26.4	26.4	26.9	26.4	28.2	102.7%
Derivatives financial instruments	—	36.1	—	—	—	—	—	—	—
Total equity and liabilities	156 231.8	139 490.4	155 012.0	159 289.5	173 985.5	165 466.5	185 079.4	174 059.3	95.2%

Statements of estimates of financial performance, cash flow and financial position**Table 31.18 Unemployment Insurance Fund statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
				2020/21	2021/22	2022/23		
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Revenue								
Non-tax revenue	11 066.5	5.4%	37.1%	12 063.2	12 989.0	13 987.1	8.1%	36.5%
Sale of goods and services other than capital assets	24.2	91.0%	0.0%	30.7	32.2	33.8	11.7%	0.1%
<i>Sales by market establishment</i>	3.2	- 2.7%	0.0%	3.3	3.5	3.6	5.0%	0.0%
<i>Other sales</i>	21.1	622.2%	0.0%	27.4	28.8	30.2	12.6%	0.1%
Other non-tax revenue	11 042.2	5.3%	37.0%	12 032.5	12 956.7	13 953.3	8.1%	36.4%
Transfers received	20 179.1	4.2%	62.9%	21 208.2	22 268.7	23 337.5	5.0%	63.5%
Total revenue	31 245.6	4.6%	100.0%	33 271.4	35 257.6	37 324.6	6.1%	100.0%
Current expenses	3 540.6	- 2.8%	23.2%	3 967.4	3 960.2	4 181.6	5.7%	12.9%
Compensation of employees	1 692.5	16.7%	6.0%	1 902.7	2 026.3	2 154.0	8.4%	6.4%
Goods and services	1 635.2	- 15.8%	16.9%	1 841.1	1 933.9	2 027.6	7.4%	6.1%
Depreciation	212.8	61.7%	0.4%	223.7	—	—	- 100.0%	0.4%
Transfers and subsidies	23 131.1	28.5%	76.3%	30 627.1	24 904.7	27 428.9	5.8%	87.1%
Total expenses	26 671.7	21.8%	100.0%	34 594.5	28 864.9	31 610.5	5.8%	100.0%
Surplus/(Deficit)	4 573.8			(1 323.1)	6 392.7	5 714.2		
Cash flow statement								
Cash flow from operating activities	(4 500.7)	-184.1%	2.4%	(10 769.7)	(3 677.5)	(4 905.3)	34.7%	2.5%
Receipts								
Non-tax receipts	460.8	-2.4%	2.3%	489.4	514.0	538.7	5.3%	2.3%
Sales of goods and services other than capital assets	24.2	91.0%	0.0%	30.7	32.2	33.8	11.7%	0.1%
<i>Sales by market establishment</i>	3.2	- 2.7%	0.0%	3.3	3.5	3.6	5.0%	0.0%
<i>Other sales</i>	21.1	626.6%	0.0%	27.4	28.8	30.2	12.6%	0.1%
Other tax receipts	436.6	-3.9%	2.3%	458.7	481.8	504.9	5.0%	2.1%
Transfers received	20 179.1	4.2%	97.7%	21 208.2	22 268.7	23 337.5	5.0%	97.7%
Total receipts	20 639.9	4.0%	100.0%	21 697.7	22 782.7	23 876.2	5.0%	100.0%
Current payments	3 540.6	18.3%	12.1%	3 967.4	3 960.2	4 181.6	5.7%	13.9%
Compensation of employees	1 692.5	17.3%	5.9%	1 902.7	2 026.3	2 154.0	8.4%	6.9%
Goods and services	1 848.0	19.2%	6.2%	2 064.8	1 933.9	2 027.6	3.1%	7.0%
Interest and rent on land	0.0	—	0.0%	0.0	0.0	0.0	—	0.0%
Transfers and subsidies	21 600.0	35.8%	55.8%	28 500.0	22 500.0	24 600.0	4.4%	86.1%
Total payment	25 140.6	32.7%	100.0%	32 467.4	26 460.2	28 781.6	4.6%	100.0%
Net cash flow from investing activities	(56 428.9)	77.5%	100.0%	(60 469.7)	(64 242.4)	(66 951.4)	5.9%	100.0%
Acquisition of property, plant, equipment and intangible assets	(320.5)	172.7%	0.8%	(200.0)	—	—	-100.0%	0.2%
Investment property	(451.8)	—	0.9%	(828.3)	—	—	-100.0%	0.5%
Acquisition of software and other intangible assets	(13.0)	-59.5%	0.7%	(25.6)	—	—	-100.0%	0.0%
Other flows from investing activities	(55 643.6)	78.0%	97.8%	(59 415.9)	(64 242.4)	(66 951.4)	6.4%	99.2%
Net increase/(decrease) in cash and cash equivalents	(60 929.5)	189.3%	100.0%	(71 239.5)	(67 919.9)	(71 856.7)	5.7%	100.0%

Table 31.18 Unemployment Insurance Fund statements of estimates of financial performance, cash flow and financial position

Statement of financial position		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate							
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Carrying value of assets	428.9	19.1%	0.2%	450.3	471.9	494.6	4.9%	0.2%
Acquisition of assets	(320.5)	172.7%	-0.1%	(200.0)	–	–	-100.0%	-0.1%
Investments	168 707.9	7.4%	96.9%	177 143.3	185 646.1	194 557.2	4.9%	96.9%
Receivables and prepayments	1 912.3	3.3%	1.1%	2 008.0	2 104.3	2 205.3	4.9%	1.1%
Cash and cash equivalents	3 010.2	32.4%	1.7%	3 160.7	3 312.4	3 471.4	4.9%	1.7%
Total assets	174 059.3	7.7%	100.0%	182 762.2	191 534.8	200 728.5	4.9%	100.0%
Accumulated surplus/(deficit)	106 899.9	4.1%	64.2%	112 244.9	117 632.7	123 279.1	4.9%	61.4%
Capital and reserves	44 898.1	5.4%	26.2%	47 143.0	49 405.9	51 777.4	4.9%	25.8%
Trade and other payables	544.2	15.8%	0.3%	571.4	598.8	627.6	4.9%	0.3%
Benefits payable	21 688.8	53.9%	9.4%	22 773.3	23 866.4	25 012.0	4.9%	12.5%
Provisions	28.2	0.6%	0.0%	29.6	31.0	32.5	4.9%	0.0%
Total equity and liabilities	174 059.3	7.7%	100.0%	182 762.2	191 534.8	200 728.5	4.9%	100.0%

Personnel information

Table 31.19 Unemployment Insurance Fund personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020 Number of funded posts Number of posts on approved establishment			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number	
			Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23		2019/20 - 2022/23				
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Unemployment Insurance Fund			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	3 854	3 854	3 726	1 332.8	0.4	3 854	1 692.5	0.4	3 854	1 902.7	0.5	3 854	2 026.3	0.5	3 854	2 154.0	0.6	8.4%	100.0%
1 – 6	2 341	2 341	2 204	514.8	0.2	2 341	788.6	0.3	2 341	884.7	0.4	2 341	942.2	0.4	2 341	1 001.5	0.4	8.3%	60.7%
7 – 10	1 294	1 294	1 317	573.6	0.4	1 294	633.9	0.5	1 294	715.0	0.6	1 294	761.5	0.6	1 294	809.5	0.6	8.5%	33.6%
11 – 12	182	182	168	189.9	1.1	182	209.3	1.2	182	234.8	1.3	182	250.0	1.4	182	265.8	1.5	8.3%	4.7%
13 – 16	37	37	37	54.4	1.5	37	60.8	1.6	37	68.2	1.8	37	72.6	1.9	37	77.2	2.1	8.3%	1.0%

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 **Commission for Conciliation, Mediation and Arbitration** aims to promote social justice and economic development in the world of work, and to be the best dispute management and resolution organisation. The commission's total budget for 2020/21 is R1 billion.
- The **National Economic Development and Labour Council** requires organised labour, organised business, community-based organisations and government to work as a collective to promote the goals of economic growth, and social and economic equity. The council's total budget for 2020/21 is R62.9 million.
- **Productivity South Africa** aims to improve the productive capacity of the economy through interventions that encourage social dialogue and collaboration between government, labour and business. The entity's total budget for 2020/21 is R152.7 million.

Vote 32

Environment, Forestry and Fisheries

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	1 011.6	840.6	–	171.1	1 072.6	1 102.6
Regulatory Compliance and Sector Monitoring	208.1	202.2	2.6	3.3	221.8	229.4
Oceans and Coasts	495.1	484.7	–	10.4	522.0	539.2
Climate Change, Air Quality and Sustainable Development	435.4	201.5	233.1	0.9	461.1	482.4
Biodiversity and Conservation	900.1	200.0	698.8	1.2	928.0	952.6
Environmental Programmes	3 931.7	3 488.7	439.9	3.1	4 002.8	4 149.0
Chemicals and Waste Management	646.8	561.7	84.3	0.8	669.6	696.7
Forestry Management	805.2	753.2	6.7	45.3	857.5	908.0
Fisheries Management	520.6	236.4	284.1	–	552.4	580.7
Total expenditure estimates	8 954.7	6 969.1	1 749.5	236.0	9 287.8	9 640.5

Executive authority Minister of Environment, Forestry and Fisheries
Accounting officer Director-General of Environment, Forestry and Fisheries
Website www.environment.gov.za

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Lead South Africa's environmental, forestry and fisheries sectors to achieve sustainable development towards a better quality of life for all.

Mandate

The Department of Environment, Forestry and Fisheries is mandated to give effect to the right of citizens to an environment that is not harmful to their health or wellbeing, and to have the environment protected for the benefit of present and future generations. To this end, the department provides leadership towards sustainability in environmental management, conservation and protection for the benefit of South Africans and the global community. The department's mandate is derived from the following legislation:

- the National Environmental Management Act (1998), which provides for specific legislation on biodiversity and heritage resources, oceans and coasts, climate change and air quality management, and waste and chemicals management
- the National Environmental Management Amendment Act (2004), which streamlines the process of regulating and administering the environmental impact assessment process
- the National Environmental Management: Air Quality Act (2004), which reforms the law regulating air quality in order to protect the environment by providing reasonable measures for preventing pollution and ecological degradation, and securing ecologically sustainable development; and provides for national norms and standards that regulate the monitoring of air quality
- the National Environmental Management: Biodiversity Act (2004), which significantly reforms South Africa's laws regulating biodiversity
- the National Environmental Management: Integrated Coastal Management Act (2008), which promotes the conservation of the coastal environment, and ensures sustainable development practices and the use of natural resources

- the National Environmental Management: Waste Act (2008), which reforms the law regulating waste management in order to protect health and the environment by providing reasonable measures for the prevention of pollution
- the National Environmental Management: Protected Areas Amendment Act (2009), which provides for the assignment of national parks, special parks and heritage sites to South Africa in terms of the World Heritage Convention Act (1999)
- the National Forests Act (1998), which promotes the sustainable management and development of forests for the benefit of all and creates the conditions necessary to restructure forestry in state forests in relation to protection and sustainable use
- the National Veld and Forest Fire Act (1998), which provides for the prevention and combating of veld, forest and mountain fires across South Africa
- the Marine Living Resources Act (1998), which deals with the long-term sustainable utilisation of marine living resources.

Selected performance indicators

Table 32.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage of national environmental impact management applications processed per year	Regulatory Compliance and Sector Monitoring	Priority 6: A capable, ethical and developmental state	92.5% (270/292)	95.9% (187/195)	95.2% (160/168)	100%	100%	100%	100%
Number of environmental authorisations inspected per year	Regulatory Compliance and Sector Monitoring		190	183	173	160	165	170	175
Number of air quality monitoring stations reporting to the South African air quality information system that meet the minimum data recovery standard of 75%	Climate Change, Air Quality and Sustainable Development		— ¹	— ¹	— ¹	60	65	70	75
Percentage of state-managed protected areas assessed per year with the management effectiveness tracking tool scoring more than 67%	Biodiversity and Conservation	Priority 4: Spatial integration, human settlements and local government	72% (4 698 640/6 525 889)	75% (4 894 416/6 525 889)	86.3% (5 632 293/6 525 889)	79% (5 764 346/7 296 641)	81%	83%	85%
Total percentage of land under conservation (hectares)	Biodiversity and Conservation		12.5% (15 247 487/121 991 200)	12.9% (15 797 121/121 991 200)	13.6% (16 532 975/121 991 200)	13.7% (16 732 468/121 991 200)	14.2%	14.7%	15.2%
Number of hectares of land for indigenous species identified and cultivated per year	Biodiversity and Conservation		— ¹	500	515	500	500	500	500
Number of biodiversity entrepreneurs trained per year	Biodiversity and Conservation	Priority 1: Economic transformation and job creation	— ¹	— ¹	200	400	400	400	400
Number of work opportunities created through projects related to the expanded public works programme per year	Environmental Programmes		98 566	71 945	67 364	62 339	61 378	61 638	61 602
Number of full-time equivalent jobs created through the expanded public works programme per year	Environmental Programmes		28 633	28 343	26 929	30 088	30 665	30 977	31 588

Table 32.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage of waste diverted from landfill sites for recycling per year	Chemicals and Waste Management	Priority 1: Economic transformation and job creation	19.2% (33 139 tonnes/ 172 441 tonnes)	19.2% (33 139 tonnes/ 172 441 tonnes)	23.7% (40 282 tonnes/ 170 266 tonnes)	50% (85 133 tonnes/ 170 266 tonnes)	50%	70%	73%
Number of plantations handed over to communities per year	Forestry Management		— ¹	— ¹	— ¹	— ¹	— ²	3	4
Number of hectares of temporary unplanted areas planted per year	Forestry Management		— ¹	— ¹	— ¹	— ¹	1 280	1 695	2 355
Number of compliance inspections conducted in the 6 priority fisheries (hake, abalone, rock lobster, line fish, squid and pelagic fish) per year	Fisheries Management	Priority 6: A capable, ethical and developmental state	5 566	6 095	6 486	4 698	5 500	5 500	5 500
Number of verifications of rights holders conducted per year	Fisheries Management		276	276	276	281	280	284	290

1. No historical data available.

2. Approval of delivery model for transfer of plantations to communities by the department expected in 2020/21.

Expenditure analysis

The National Development Plan sets out a vision for promoting environmental sustainability in South Africa by making an equitable transition to a low-carbon economy, and transforming human settlements for improved local governance and spatial integration. Broadly, the National Development Plan envisions environmental sustainability and transformation within the context of an integrated and inclusive economy that is supported by a capable and developmental state. This vision is given expression by priority 1 (economic transformation and job creation), priority 4 (spatial integration, human settlements and local government) and priority 6 (a capable, ethical and developmental state) of government's 2019-2024 medium-term strategic framework, with which the work of the Department of Environment, Forestry and Fisheries is closely aligned.

Accordingly, the department's ongoing objective is to develop strategies and policies aimed at regulating and promoting the sustainable use of inland and coastal natural resources; and reducing carbon emissions, atmospheric pollutants and the effect of climate change. As part of the national macro organisation of government, the forestry and fisheries functions of the former Department of Agriculture, Forestry and Fisheries have been shifted to the department, effective 1 April 2020. Over the medium term, the department will focus on creating jobs and work opportunities through the expanded public works programme. Other focus areas over the period include enforcing and monitoring compliance with environmental legislation, conserving marine ecosystems, investing in biodiversity, monitoring climate change and air quality, and managing waste activities.

Expenditure is expected to increase at an average annual rate of 3.5 per cent, from R8.7 billion in 2019/20 to R9.6 billion in 2022/23, mainly due to the department's added functions. Spending on goods and services accounts for 54.6 per cent (R15.1 billion) of the department's total expenditure, while spending on compensation of employees accounts for 23.2 per cent (R6.5 billion). In spite of its added functions, the department's funded establishment is expected to decrease from 4 226 posts in 2019/20 to 3 980 posts by 2022/23, due to the department implementing headcount reduction strategies. As such, the department will terminate 459 positions (40 permanent and 419 fixed contracts) over the period.

Cabinet has approved reductions on the department's baseline budget amounting to R1.5 billion over the medium term. These reductions will mainly be effected on goods and services, primarily for allocations to the expanded public works programme. However, the department will receive additional allocations amounting to R200 million over the MTEF period to strengthen the capacity of the Waste Bureau. An amount of R404.5 million has been reprioritised in the *Environmental Programmes* programme over the medium term for implementing initiatives as part of Operation Phakisa (R117 million for the chemicals and waste economy programme and R107.5 million for the biodiversity economy programme); and to support the full-scale rollout of the youth environmental programme in municipalities to coordinate and implement awareness and education initiatives on waste management (R180 million).

Creating jobs and work opportunities through the expanded public works programme

The department's commitment to job creation is reflected in its targets to provide 115 880 full-time equivalent jobs (including 22 650 forestry full-time equivalent jobs) and 184 618 work opportunities through the expanded public works programme over the medium term. These jobs and work opportunities will be made available through projects and initiatives that focus on: restoring and rehabilitating degraded ecosystems (environmental protection and infrastructure programme); expanding the conservation estate (Working for Ecosystems); protecting, restoring and rehabilitating wetlands (Working for Wetlands); protecting water resources (Working for Water); managing land use sustainably (Working for Ecosystems); sustaining production, growth and transformation in the forestry sector (Working for Forests); and addressing the challenges faced by the fisheries sector (Working for Fisheries).

Through the Working for Forests project, the department aims to sustain production, growth and transformation in the forestry sector. The programme is expected to achieve this through the replantation of temporary unplanted areas, handing plantations over to communities, placing hectares of land under silvicultural practice (which includes weeding, pruning, coppice reduction and thinning), and restoring and rehabilitating hectares of state indigenous forests and woodlands.

To address the challenge faced by the fisheries sector, R894.8 million is expected to be transferred to the Marine Living Resources Fund as part of Working for Fisheries projects over the medium term. The broader aim of the programme is to alleviate poverty while empowering beneficiaries to participate in the mainstream fishing economy. Projects include conserving fish stocks, constructing and maintaining aquaculture production systems and cleaning coastal areas. This investment is expected to result in the creation of 1 638 full-time equivalent jobs over the medium term.

Spending on initiatives in the expanded public works programme collectively accounts for 44.1 per cent (R12 billion) of the department's total budget over the MTEF period.

Expenditure trends and estimates

Table 32.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Regulatory Compliance and Sector Monitoring											
3. Oceans and Coasts											
4. Climate Change, Air Quality and Sustainable Development											
5. Biodiversity and Conservation											
6. Environmental Programmes											
7. Chemicals and Waste Management											
8. Forestry Management											
9. Fisheries Management											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	871.0	818.3	913.3	941.4	2.6%	11.0%	1 011.6	1 072.6	1 102.6	5.4%	11.3%
Programme 2	154.3	165.4	175.9	207.5	10.4%	2.2%	208.1	221.8	229.4	3.4%	2.4%
Programme 3	502.7	428.6	436.9	507.2	0.3%	5.8%	495.1	522.0	539.2	2.1%	5.6%
Programme 4	401.0	398.6	419.8	445.9	3.6%	5.2%	435.4	461.1	482.4	2.7%	5.0%
Programme 5	738.7	692.7	791.6	801.3	2.7%	9.4%	900.1	928.0	952.6	5.9%	9.8%
Programme 6	3 766.9	3 765.7	3 510.0	4 037.4	2.3%	46.9%	3 931.7	4 002.8	4 149.0	0.9%	44.1%
Programme 7	95.0	353.9	554.1	594.3	84.3%	5.0%	646.8	669.6	696.7	5.4%	7.1%
Programme 8	583.9	778.3	723.4	664.5	4.4%	8.5%	805.2	857.5	908.0	11.0%	8.8%
Programme 9	468.1	504.7	467.0	496.1	2.0%	6.0%	520.6	552.4	580.7	5.4%	5.9%
Total	7 581.6	7 906.3	7 992.0	8 695.7	4.7%	100.0%	8 954.7	9 287.8	9 640.5	3.5%	100.0%
Change to 2019 Budget estimate				(46.3)			(262.0)	(287.4)	(299.6)		

Table 32.2 Vote expenditure trends and estimates by programme and economic classification

Economic classification					Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome				Adjusted appropriation			Medium-term expenditure estimate				
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	5 578.9	5 675.8	5 130.4	6 841.6	7.0%	72.2%	6 969.1	7 219.1	7 490.6	3.1%	78.0%
Compensation of employees	1 705.6	1 810.5	1 851.4	1 951.3	4.6%	22.7%	2 060.1	2 193.9	2 288.7	5.5%	23.2%
Goods and services ¹	3 873.1	3 855.7	3 255.0	4 880.8	8.0%	49.3%	4 899.1	5 014.7	5 191.1	2.1%	54.6%
of which:											
Consultants: Business and advisory services	159.0	193.8	387.6	245.9	15.6%	3.1%	194.8	205.1	210.5	-5.0%	2.3%
Contractors	101.2	81.8	206.0	202.4	26.0%	1.8%	145.1	133.5	94.1	-22.5%	1.6%
Agency and support/outourced services	1 139.8	2 660.0	1 350.6	3 510.9	45.5%	26.9%	3 642.1	3 705.5	3 877.1	3.4%	40.3%
Operating leases	82.1	151.4	165.6	99.2	6.5%	1.5%	121.2	127.6	132.7	10.2%	1.3%
Travel and subsistence	227.4	207.8	219.2	210.8	-2.5%	2.7%	225.4	237.4	246.3	5.3%	2.5%
Operating payments	92.3	66.7	70.5	56.8	-14.9%	0.9%	107.6	113.6	117.9	27.5%	1.1%
Interest and rent on land	0.3	9.7	24.0	9.4	215.1%	0.1%	9.9	10.4	10.8	4.8%	0.1%
Transfers and subsidies ¹	1 772.5	1 586.1	2 045.7	1 625.4	-2.8%	21.8%	1 749.5	1 816.3	1 884.1	5.0%	19.3%
Provinces and municipalities	0.8	0.9	1.0	0.9	1.8%	0.0%	0.9	0.9	0.9	2.8%	0.0%
Departmental agencies and accounts	1 552.2	1 432.9	1 491.7	1 493.0	-1.3%	18.6%	1 613.4	1 703.6	1 766.9	5.8%	18.0%
Foreign governments and international organisations	16.0	16.0	23.5	23.5	13.7%	0.2%	23.5	23.5	24.6	1.6%	0.3%
Public corporations and private enterprises	184.2	106.8	50.1	98.8	-18.8%	1.4%	104.7	80.8	83.8	-5.3%	1.0%
Non-profit institutions	4.5	8.1	4.7	7.7	19.9%	0.1%	6.4	6.9	7.1	-2.7%	0.1%
Households	14.9	21.4	474.7	1.5	-53.5%	1.6%	0.6	0.6	0.7	-23.6%	0.0%
Payments for capital assets	229.8	644.3	499.3	228.8	-0.2%	5.0%	236.0	252.4	265.8	5.1%	2.7%
Buildings and other fixed structures	136.9	501.4	293.2	159.1	5.2%	3.4%	164.0	176.3	186.3	5.4%	1.9%
Machinery and equipment	82.9	128.8	186.1	61.4	-9.5%	1.4%	63.9	67.6	70.5	4.7%	0.7%
Biological assets	—	—	—	0.0	0.0%	0.0%	0.0	0.0	0.0	2.6%	0.0%
Software and other intangible assets	10.0	14.2	20.0	8.2	-6.5%	0.2%	8.1	8.6	8.9	2.8%	0.1%
Payments for financial assets	0.3	0.0	316.5	—	-100.0%	1.0%	—	—	—	0.0%	0.0%
Total	7 581.6	7 906.3	7 992.0	8 695.7	4.7%	100.0%	8 954.7	9 287.8	9 640.5	3.5%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 32.3 Vote transfers and subsidies trends and estimates

				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							Medium-term expenditure estimate				
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	970 957	1 016 816	1 122 571	1 110 666	4.6%	60.0%	1 161 493	1 232 466	1 322 249	6.0%	68.2%
Communication	9	—	56	—	-100.0%	—	—	—	—	—	—
South African Weather Service	204 985	205 482	199 975	204 074	-0.1%	11.6%	208 179	219 739	227 907	3.8%	12.2%
iSimangaliso Wetland Park Authority	33 031	34 523	32 821	36 076	3.0%	1.9%	38 058	40 151	41 642	4.9%	2.2%
South African National Parks	245 895	250 639	291 905	239 166	-0.9%	14.6%	244 025	255 799	309 234	8.9%	14.8%
South African National Biodiversity Institute	237 973	252 728	325 781	344 079	13.1%	16.5%	374 200	403 405	418 445	6.7%	21.8%
National Regulator for Compulsory Specifications	6 843	11 314	11 832	12 473	22.2%	0.6%	12 896	13 605	14 112	4.2%	0.8%
Marine Living Resources Fund	242 221	262 130	260 201	274 798	4.3%	14.8%	284 135	299 767	310 909	4.2%	16.5%
Capital	572 430	413 465	369 173	382 343	-12.6%	24.7%	451 946	471 130	444 681	5.2%	24.7%
South African Weather Service	—	35 000	37 030	78 515	—	2.1%	140 633	142 868	148 151	23.6%	7.2%
iSimangaliso Wetland Park Authority	99 243	60 000	111 650	74 516	-9.1%	4.9%	78 614	82 938	86 021	4.9%	4.6%
South African National Parks	391 829	243 465	141 143	146 788	-27.9%	13.1%	154 861	163 378	125 517	-5.1%	8.3%
South African National Biodiversity Institute	81 358	75 000	79 350	82 524	0.5%	4.5%	77 838	81 946	84 992	1.0%	4.6%
Households											
Social benefits											
Current	14 114	20 340	22 078	1 491	-52.7%	0.8%	603	636	666	-23.6%	—
Employee social benefits	3 319	11 348	10 884	—	-100.0%	0.4%	—	—	—	—	—
Social benefits	10 720	8 946	11 132	569	-62.4%	0.4%	603	636	666	5.4%	—
Bursaries non employees	75	46	62	922	130.8%	—	—	—	—	-100.0%	—
Provinces and municipalities											
Municipal bank accounts											
Current	90	84	95	—	-100.0%	—	—	—	—	—	—
Vehicle licences	90	84	95	—	-100.0%	—	—	—	—	—	—

Table 32.3 Vote transfers and subsidies trends and estimates

					Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Adjusted appropriation			Medium-term expenditure estimate				
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	
Households											
Other transfers to households											
Current	743	1 055	452 545	—	-100.0%	6.5%	—	—	—	—	—
Employee social benefits	14	—	—	—	-100.0%	—	—	—	—	—	—
Other transfers to households	—	—	81 964	—	—	1.2%	—	—	—	—	—
Other transfers	729	1 055	1 867	—	-100.0%	0.1%	—	—	—	—	—
South African National Parks	—	—	368 714	—	—	5.2%	—	—	—	—	—
Public corporations and private enterprises											
Other transfers to public corporations											
Current	184 166	82 073	4 672	29 775	-45.5%	4.3%	33 343	5 492	5 696	-42.4%	1.1%
Development Bank of Southern Africa	180 000	77 657	—	24 840	-48.3%	4.0%	28 137	—	—	-100.0%	0.7%
Forest Sector Charter Council	4 166	4 416	4 672	4 935	5.8%	0.3%	5 206	5 492	5 696	4.9%	0.3%
Foreign governments and international organisations											
Current	16 010	16 009	23 509	23 511	13.7%	1.1%	23 512	23 513	24 632	1.6%	1.3%
Global Environment Fund	16 000	16 000	23 500	23 500	13.7%	1.1%	23 500	23 500	24 618	1.6%	1.3%
Americas Australasia Europe and Middle East Relations: International Union of Forestry Research Organisations	10	9	9	11	3.2%	—	12	13	14	8.4%	—
Non-profit institutions											
Current	4 487	8 084	4 687	7 743	19.9%	0.4%	6 396	6 877	7 134	-2.7%	0.4%
Environmental Assessment Practitioners Association of South Africa	—	4 249	—	4 056	—	0.1%	2 583	2 778	2 880	-10.8%	0.2%
National Association for Clean Air	1 400	1 548	1 400	1 400	—	0.1%	1 400	1 505	1 562	3.7%	0.1%
KwaZulu-Natal Nature Conservation Board	1 287	1 287	2 287	1 287	—	0.1%	1 358	1 460	1 515	5.6%	0.1%
African World Heritage Fund	1 800	1 000	1 000	1 000	-17.8%	0.1%	1 055	1 134	1 177	5.6%	0.1%
Departmental agencies and accounts											
Social security funds											
Current	8 794	2 643	—	—	-100.0%	0.2%	—	—	—	—	—
National Social Security Fund: Compensation Fund	8 794	2 643	—	—	-100.0%	0.2%	—	—	—	—	—
Provinces and municipalities											
Municipal agencies and funds											
Current	716	798	900	855	6.1%	—	874	887	928	2.8%	0.1%
Vehicle licences	716	798	900	855	6.1%	—	874	887	928	2.8%	0.1%
Public corporations and private enterprises											
Other transfers to private enterprises											
Current	—	24 776	45 441	69 000	—	2.0%	71 375	75 301	78 101	4.2%	4.2%
Recycling enterprise support programme	—	24 776	45 441	69 000	—	2.0%	71 375	75 301	78 101	4.2%	4.2%
Total	1 772 507	1 586 143	2 045 671	1 625 384	-2.8%	100.0%	1 749 542	1 816 302	1 884 087	5.0%	100.0%

Personnel information

Table 32.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Regulatory Compliance and Sector Monitoring																			
3. Oceans and Coasts																			
4. Climate Change, Air Quality and Sustainable Development																			
5. Biodiversity and Conservation																			
6. Environmental Programmes																			
7. Chemicals and Waste Management																			
8. Forestry Management																			
9. Fisheries Management																			
Number of posts estimated for 31 March 2020			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 (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			2019/20 - 2022/23		
Environment, Forestry and Fisheries			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	4 829	539	4 177	1 851.4	0.4	4 226	1 951.3	0.5	4 090	2 060.1	0.5	4 075	2 193.9	0.5	3 980	2 288.5	0.6	-2.0%	100.0%
1 – 6	2 270	350	1 912	397.0	0.2	2 004	417.3	0.2	1 853	398.4	0.2	1 837	423.2	0.2	1 763	425.8	0.2	-4.2%	45.6%
7 – 10	1 825	117	1 607	788.3	0.5	1 575	832.7	0.5	1 568	888.4	0.6	1 572	951.8	0.6	1 564	1 012.1	0.6	-0.2%	38.4%
11 – 12	491	30	445	397.5	0.9	440	427.4	1.0	453	467.9	1.0	450	494.2	1.1	443	516.9	1.2	0.2%	10.9%
13 – 16	241	42	211	263.9	1.3	205	268.8	1.3	214	299.9	1.4	214	318.8	1.5	208	327.6	1.6	0.5%	5.1%
Other	2	–	2	4.8	2.4	2	5.2	2.6	2	5.5	2.7	2	5.8	2.9	2	6.2	3.1	–	0.0%

Table 32.4 Vote personnel numbers and cost by salary level and programme¹

Number of posts estimated for 31 March 2020			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							Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			Actual			Revised estimate													
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
Environment, Forestry and Fisheries			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Programme	4 829	539	4 177	1 851.4	0.4	4 226	1 951.3	0.5	4 090	2 060.1	0.5	4 075	2 193.9	0.5	3 980	2 288.5	0.6	-2.0%	100.0%
Programme 1	1 118	347	847	423.4	0.5	936	441.3	0.5	775	414.2	0.5	758	435.9	0.6	683	435.6	0.6	-10.0%	19.3%
Programme 2	176	4	175	126.9	0.7	175	133.1	0.8	172	143.4	0.8	173	153.4	0.9	169	158.6	0.9	-1.2%	4.2%
Programme 3	261	64	207	120.0	0.6	207	141.3	0.7	206	151.2	0.7	206	161.4	0.8	203	167.6	0.8	-0.6%	5.0%
Programme 4	125	12	111	87.0	0.8	111	109.0	1.0	125	131.0	1.0	125	139.5	1.1	125	148.5	1.2	4.0%	3.0%
Programme 5	121	12	110	81.4	0.7	110	86.9	0.8	111	93.4	0.8	112	100.0	0.9	112	103.9	0.9	0.6%	2.7%
Programme 6	509	30	452	252.2	0.6	447	260.7	0.6	469	293.4	0.6	471	312.5	0.7	459	324.3	0.7	0.9%	11.3%
Programme 7	139	51	124	97.7	0.8	89	67.1	0.8	81	72.2	0.9	79	76.8	1.0	78	79.7	1.0	-4.3%	2.0%
Programme 8	1 929	—	1 700	456.6	0.3	1 700	490.5	0.3	1 700	524.9	0.3	1 700	561.7	0.3	1 700	600.7	0.4	—	41.5%
Programme 9	451	19	451	206.3	0.5	451	221.3	0.5	451	236.4	0.5	451	252.7	0.6	451	269.7	0.6	—	11.0%

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

2. Rand million.

Departmental receipts

Table 32.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
	2019/20	2016/17	2019/20					2020/21	2021/22	2022/23		
Departmental receipts	69 533	105 972	63 963	105 755	105 755	15.0%	100.0%	56 702	57 152	57 402	-18.4%	100.0%
Sales of goods and services produced by department	3 520	3 154	2 770	2 100	2 100	-15.8%	3.3%	4 040	4 140	4 190	25.9%	5.2%
Sales by market establishments	–	–	–	250	250	–	0.1%	–	–	–	-100.0%	0.1%
of which:												
Rental parking	–	–	–	250	250	–	0.1%	–	–	–	-100.0%	0.1%
Administrative fees	2 976	2 691	2 240	1 600	1 600	-18.7%	2.8%	3 500	3 600	3 650	31.6%	4.5%
of which:												
Licence fees	2 976	2 691	2 240	1 600	1 600	-18.7%	2.8%	3 500	3 600	3 650	31.6%	4.5%
Other sales	544	463	530	250	250	-22.8%	0.5%	540	540	540	29.3%	0.7%
of which:												
Replacement of security cards	233	125	200	–	–	-100.0%	0.2%	200	200	200	–	0.2%
Sales of departmental publications	311	338	330	250	250	-7.0%	0.4%	340	340	340	10.8%	0.5%
Sales of scrap, waste, arms and other used current goods	–	1	–	–	–	–	–	2	2	2	–	–
of which:												
Wastepaper	–	1	–	–	–	–	–	2	2	2	–	–
Transfers received	48 353	43 011	34 576	35 305	35 305	-10.0%	46.7%	35 400	35 500	35 600	0.3%	51.2%
Fines, penalties and forfeits	2 240	1 775	25	3 000	3 000	10.2%	2.0%	1 600	1 600	1 600	-18.9%	2.8%
Interest, dividends and rent on land	122	61	967	5 200	5 200	249.3%	1.8%	135	135	135	-70.4%	2.0%
Interest	122	61	967	5 200	5 200	249.3%	1.8%	135	135	135	-70.4%	2.0%
Sales of capital assets	86	200	224	150	150	20.4%	0.2%	175	175	175	5.3%	0.2%
Transactions in financial assets and liabilities	15 212	57 770	25 401	60 000	60 000	58.0%	45.9%	15 350	15 600	15 700	-36.0%	38.5%
Total	69 533	105 972	63 963	105 755	105 755	15.0%	100.0%	56 702	57 152	57 402	-18.4%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 32.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20					2019/20 - 2022/23	
Management	163.4	246.6	59.6	193.3	5.8%	18.7%	205.4	218.0	226.1	5.4%	20.4%
Corporate Management Services	418.1	273.3	536.9	421.7	0.3%	46.6%	409.9	432.5	434.1	1.0%	41.1%
Financial Management Services	68.4	71.2	81.4	84.0	7.1%	8.6%	130.1	138.2	144.1	19.7%	12.0%
Office Accommodation	221.1	227.2	235.5	242.5	3.1%	26.1%	266.2	283.9	298.3	7.1%	26.4%
Total	871.0	818.3	913.3	941.4	2.6%	100.0%	1 011.6	1 072.6	1 102.6	5.4%	100.0%
Change to 2019				–			35.2	39.4	43.3		
Budget estimate											
Economic classification											
Current payments	718.7	659.9	757.1	775.2	2.6%	82.1%	840.6	888.8	908.4	5.4%	82.7%
Compensation of employees	310.9	326.3	423.4	441.3	12.4%	42.4%	414.2	436.0	435.8	-0.4%	41.8%
Goods and services ¹	407.8	333.6	333.7	333.9	-6.4%	39.8%	426.3	452.9	472.6	12.3%	40.8%
of which:											
Computer services	61.0	65.4	39.9	73.5	6.4%	6.8%	69.2	74.0	76.6	1.4%	7.1%
Consultants: Business and advisory services	13.6	20.2	9.6	22.0	17.4%	1.8%	33.0	35.0	36.2	18.1%	3.1%
Agency and support/outourced services	0.1	0.2	0.2	0.2	34.9%	–	55.2	60.2	65.2	623.7%	4.4%
Operating leases	76.3	74.9	91.8	87.1	4.5%	9.3%	106.2	111.8	116.2	10.1%	10.2%
Travel and subsistence	95.5	57.0	59.0	48.5	-20.2%	7.3%	51.7	54.7	56.7	5.3%	5.1%
Training and development	7.9	15.9	5.3	17.2	29.9%	1.3%	18.1	19.1	19.8	4.7%	1.8%
Transfers and subsidies¹	1.7	6.6	5.7	–	-100.0%	0.4%	–	–	–	–	–
Provinces and municipalities	0.1	0.1	0.1	–	-100.0%	–	–	–	–	–	–
Departmental agencies and accounts	0.0	–	0.1	–	-100.0%	–	–	–	–	–	–
Households	1.6	6.6	5.5	–	-100.0%	0.4%	–	–	–	–	–
Payments for capital assets	150.4	151.8	150.5	166.2	3.4%	17.5%	171.1	183.8	194.2	5.3%	17.3%
Buildings and other fixed structures	136.9	144.3	138.9	159.1	5.2%	16.3%	164.0	176.3	186.3	5.4%	16.6%
Machinery and equipment	13.5	7.1	11.7	7.1	-19.4%	1.1%	7.1	7.5	7.9	3.6%	0.7%
Software and other intangible assets	0.0	0.4	–	–	-100.0%	–	–	–	–	–	–
Payments for financial assets	0.1	0.0	0.0	–	-100.0%	–	–	–	–	–	–
Total	871.0	818.3	913.3	941.4	2.6%	100.0%	1 011.6	1 072.6	1 102.6	5.4%	100.0%
Proportion of total programme expenditure to vote expenditure	11.5%	10.4%	11.4%	10.8%	–	–	11.3%	11.5%	11.4%	–	–

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

Programme 2: Regulatory Compliance and Sector Monitoring

Programme purpose

Promote the development of an enabling legal regime and licensing authorisation system that will promote enforcement and compliance, and ensure coordination of sector performance.

Objectives

- Prevent or mitigate the potential negative impact of significant developmental activities on the natural environment through the implementation of an environmental impact management authorisation system by processing and finalising or issuing 100 per cent of decisions for environmental authorisation applications within the prescribed timeframe annually.
- Improve the level of compliance with environmental legislation by increasing the number of environmental authorisation inspections from 160 in 2019/20 to 175 in 2022/23.

Subprogrammes

- *Regulatory Compliance and Sector Monitoring Management* provides for the administration and functioning of the programme by carrying out its planning and performance management functions.
- *Compliance* promotes compliance with environmental legislation by undertaking compliance inspections on all authorisations issued by the department.
- *Integrated Environmental Authorisations* implements integrated environmental authorisation systems and administers the appeals processes.
- *Enforcement* coordinates the national environment programme and provides strategic support to the environmental management inspectorate.
- *Litigation and Legal Support* provides legal support in respect of litigation, alternative dispute resolutions, and debts and losses to the department.
- *Law Reform and Appeals* ensures effective and efficient support to the department's law reform programme so that appeals are effectively dealt with.

Expenditure trends and estimates

Table 32.7 Regulatory Compliance and Sector Monitoring 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Regulatory Compliance and Sector Monitoring Management	5.7	6.0	6.6	7.6	10.0%	3.7%	8.1	8.6	8.9	5.4%	3.8%
Compliance	26.0	30.3	31.5	35.4	10.9%	17.5%	38.0	40.4	41.9	5.8%	18.0%
Integrated Environmental Authorisations	32.1	37.0	37.2	57.2	21.2%	23.3%	58.9	62.7	65.0	4.4%	28.1%
Enforcement	58.9	56.3	59.5	76.1	8.9%	35.7%	67.2	71.9	73.9	-1.0%	33.4%
Litigation and Legal Support	14.4	16.6	18.3	11.5	-7.3%	8.6%	14.9	15.8	16.4	12.6%	6.8%
Law Reform and Appeals	17.2	19.3	22.9	19.8	4.8%	11.3%	21.1	22.4	23.3	5.6%	10.0%
Total	154.3	165.4	175.9	207.5	10.4%	100.0%	208.1	221.8	229.4	3.4%	100.0%
Change to 2019				-			(12.3)	(12.5)	(13.2)		
Budget estimate											
Economic classification											
Current payments	152.4	156.2	171.6	199.9	9.5%	96.7%	202.2	215.5	222.9	3.7%	97.0%
Compensation of employees	106.4	114.6	126.9	133.1	7.7%	68.4%	143.4	153.4	158.6	6.0%	67.9%
Goods and services ¹	45.9	41.6	44.7	66.8	13.3%	28.3%	58.8	62.2	64.2	-1.3%	29.1%
of which:											
Computer services	14.7	2.2	6.4	19.5	9.9%	6.1%	9.0	9.9	10.1	-19.8%	5.6%
Consultants: Business and advisory services	1.0	2.5	1.5	2.8	39.4%	1.1%	2.9	3.1	3.2	4.2%	1.4%
Legal services	2.9	6.3	6.9	7.9	40.1%	3.4%	8.9	9.4	9.7	7.0%	4.1%
Travel and subsistence	14.4	16.4	16.3	20.6	12.7%	9.6%	21.4	22.3	23.1	3.9%	10.1%
Operating payments	1.0	1.8	1.5	2.0	23.9%	0.9%	2.1	2.2	2.3	4.7%	1.0%
Venues and facilities	2.8	2.6	4.2	3.4	6.8%	1.9%	3.5	3.7	3.9	4.2%	1.7%
Transfers and subsidies¹	0.2	4.3	0.3	4.1	187.3%	1.3%	2.6	2.8	2.9	-10.8%	1.4%
Provinces and municipalities	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Non-profit institutions	-	4.2	-	4.1	-	1.2%	2.6	2.8	2.9	-10.8%	1.4%
Households	0.2	0.1	0.3	-	-100.0%	0.1%	-	-	-	-	-
Payments for capital assets	1.7	4.9	4.1	3.6	27.5%	2.0%	3.3	3.5	3.7	0.7%	1.6%
Machinery and equipment	1.7	4.9	4.1	3.6	27.5%	2.0%	3.3	3.5	3.7	0.7%	1.6%
Software and other intangible assets	-	-	0.0	-	-	-	-	-	-	-	-
Payments for financial assets	0.0	-	-	-	-100.0%	-	-	-	-	-	-
Total	154.3	165.4	175.9	207.5	10.4%	100.0%	208.1	221.8	229.4	3.4%	100.0%
Proportion of total programme expenditure to vote expenditure	2.0%	2.1%	2.2%	2.4%	-	-	2.3%	2.4%	2.4%	-	-
Details of selected transfers and subsidies											
Non-profit institutions											
Current	-	4.2	-	4.1	-	1.2%	2.6	2.8	2.9	-10.8%	1.4%
Environmental Assessment Practitioners Association of South Africa	-	4.2	-	4.1	-	1.2%	2.6	2.8	2.9	-10.8%	1.4%

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

Programme 3: Oceans and Coasts

Programme purpose

Promote, manage and provide strategic leadership on oceans and coastal conservation.

Objectives

- Strengthen knowledge, science and policy for the management of oceans and coastlines by implementing a research programme on key areas of oceans management annually.
- Conserve ocean and coastal ecosystems, and ensure their sustainable use by March 2023 by:
 - amending, applying and monitoring the implementation of the national estuarine management plans on 4 national estuaries
 - increasing South Africa's exclusive economic zones that are declared marine protected areas to 53 594.15 square kilometres (5 per cent of exclusive economic zones), in line with the priorities of Operation Phakisa.
- Enhance sector monitoring and evaluation over the medium term by:
 - developing and implementing the national oceans and coasts water quality monitoring programme.

Subprogrammes

- *Oceans and Coasts Management* provides for the administration and coordination of activities in the programme.
- *Integrated Coastal Management and Coastal Conservation* provides overall national strategic direction, leadership, management and support, within the applicable legislation and policies on integrated coastal management.
- *Oceans and Coastal Research* provides overall national strategic direction, leadership, management and support to ocean and coastal research.
- *Oceans Economy and Project Management* manages, coordinates, facilitates, analyses and reports on the implementation of initiatives within the oceans economy.
- *Specialist Monitoring Services* provides specialist oceans and coastal monitoring, reporting and evaluation.

Expenditure trends and estimates

Table 32.8 Oceans and Coasts 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Oceans and Coasts Management	15.4	18.3	13.7	17.6	4.6%	3.5%	18.2	19.2	20.1	4.4%	3.6%
Integrated Coastal Management and Coastal Conservation	32.7	31.9	31.3	34.3	1.7%	6.9%	37.3	39.6	41.1	6.2%	7.4%
Oceans and Coastal Research	127.8	95.2	92.2	119.6	-2.2%	23.2%	126.7	134.2	139.2	5.2%	25.2%
Oceans Economy and Project Management	90.1	61.5	45.1	104.1	4.9%	16.0%	67.6	69.6	69.7	-12.5%	15.1%
Specialist Monitoring Services	236.7	221.8	254.6	231.6	-0.7%	50.4%	245.4	259.4	269.1	5.1%	48.7%
Total	502.7	428.6	436.9	507.2	0.3%	100.0%	495.1	522.0	539.2	2.1%	100.0%
Change to 2019 Budget estimate				–			(42.6)	(46.7)	(51.0)		
Economic classification	469.7	405.3	414.7	496.8	1.9%	95.3%	484.7	511.0	527.7	2.0%	97.9%
Current payments											
Compensation of employees	111.6	115.2	120.0	141.3	8.2%	26.0%	151.2	161.4	167.6	5.9%	30.1%
Goods and services ¹	358.1	290.1	294.7	355.5	-0.2%	69.2%	333.5	349.6	360.1	0.4%	67.8%
of which:											
Consultants: Business and advisory services	58.8	25.7	34.0	83.1	12.2%	10.7%	47.3	48.1	47.4	-17.1%	10.9%
Contractors	5.5	4.6	4.7	4.7	-4.9%	1.0%	4.9	5.1	5.3	4.0%	1.0%
Agency and support/outsourced services	182.9	162.9	160.0	184.4	0.3%	36.8%	195.1	205.8	213.5	5.0%	38.7%
Consumable supplies	7.1	17.4	19.1	17.9	36.0%	3.3%	18.8	19.8	20.6	4.7%	3.7%
Travel and subsistence	17.9	15.1	19.5	15.9	-4.0%	3.6%	16.3	16.8	17.4	3.1%	3.2%
Operating payments	46.7	42.3	44.8	32.1	-11.8%	8.8%	32.6	34.3	35.6	3.6%	6.5%

Table 32.8 Oceans and Coasts 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Transfers and subsidies¹	1.4	1.6	3.0	–	-100.0%	0.3%	–	–	–	–	–
Provinces and municipalities	0.0	0.0	0.0	–	-100.0%	–	–	–	–	–	–
Departmental agencies and accounts	0.0	–	0.0	–	-100.0%	–	–	–	–	–	–
Households	1.4	1.6	3.0	–	-100.0%	0.3%	–	–	–	–	–
Payments for capital assets	31.6	21.8	19.2	10.4	-30.9%	4.4%	10.4	11.0	11.5	3.3%	2.1%
Machinery and equipment	22.2	8.6	2.7	2.2	-53.7%	1.9%	2.3	2.4	2.6	5.3%	0.5%
Software and other intangible assets	9.4	13.2	16.5	8.2	-4.5%	2.5%	8.1	8.6	8.9	2.8%	1.6%
Payments for financial assets	0.0	–	–	–	-100.0%	–	–	–	–	–	–
Total	502.7	428.6	436.9	507.2	0.3%	100.0%	495.1	522.0	539.2	2.1%	100.0%
Proportion of total programme expenditure to vote expenditure	6.6%	5.4%	5.5%	5.8%	–	–	5.5%	5.6%	5.6%	–	–

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

Programme 4: Climate Change, Air Quality and Sustainable Development

Programme purpose

Lead, promote, facilitate, inform, monitor and review the mainstreaming of environmental sustainability, low carbon emissions, and climate resilience and air quality in South Africa's transition to sustainable development.

Objectives

- Manage threats to environmental quality and integrity by March 2023 by:
 - leading, supporting and coordinating effective monitoring and reporting on national and provincial and local government responses to climate change (national climate change response policy/National Climate Change Response White Paper)
 - preparing, negotiating and informing the implementation of multilateral, minilateral and bilateral climate change agreements and reporting
 - ensuring that legislative and other measures are developed, implemented and maintained so as to protect and defend the right of all to air and atmospheric quality that is not harmful to health and wellbeing
 - managing, facilitating and coordinating the department's international relations, engagements and cooperation agreements
 - developing, implementing and managing an efficient knowledge management system to ensure high-level advocacy for sustainable consumption and production
 - publishing the annual report card on key ocean and coastal indicators
 - providing strategic environmental advisory and implementation support services in line with the department's national and international environmental and sustainable development mandates.

Subprogrammes

- *Climate Change, Air Quality and Sustainable Development Management* provides for the management and administration of activities in the programme.
- *Climate Change Mitigation* leads, coordinates, supports and informs climate change mitigation responses in South Africa.
- *Climate Change Adaptation* leads and/or supports, informs, monitors and reports efficient and effective national, provincial and local climate change adaptation responses.
- *Air Quality Management* ensures that reasonable legislative and other measures are developed, implemented and maintained in such a way as to protect and defend the right of all to air and atmospheric quality that is not harmful to health and wellbeing.

- *South African Weather Service* transfers funds to the South African Weather Service for the management of meteorological services.
- *International Climate Change Relations and Reporting* prepares for, negotiates and informs the implementation of multilateral, minilateral and bilateral climate change agreements and reporting.
- *Climate Change Monitoring and Evaluation* monitors and evaluates national climate change responses to ensure informed decision-making with regards to climate change response.
- *International Governance and Resource Mobilisation* oversees, facilitates and coordinates the department's international relations, engagements and cooperation agreements.
- *Knowledge and Information Management* oversee the provision of information and advocacy for sustainable development through the development, implementation and management of knowledge and information management system.
- *Environmental Sector Performance* manage environmental sector performance and facilitate the development and implementation of the strategic and operational plans for the sector.

Expenditure trends and estimates

Table 32.9 Climate Change, Air Quality and Sustainable Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Climate Change, Air Quality and Sustainable Development Management	7.9	4.8	6.8	9.6	7.0%	1.7%	10.1	10.8	11.2	5.1%	2.3%
Climate Change Mitigation	9.9	9.2	9.9	12.2	7.1%	2.5%	13.3	14.1	14.7	6.3%	3.0%
Climate Change Adaptation	7.4	7.4	7.6	9.7	9.4%	1.9%	10.2	10.8	11.2	5.0%	2.3%
Air Quality Management	43.7	50.4	63.7	46.7	2.2%	12.3%	48.8	51.9	53.8	4.9%	11.0%
South African Weather Service	205.0	205.5	200.0	204.1	-0.1%	48.9%	208.2	219.7	227.9	3.8%	47.1%
International Climate Change Relations and Reporting	10.6	11.7	11.8	14.4	10.7%	2.9%	14.9	15.8	16.3	4.4%	3.4%
Climate Change Monitoring and Evaluation	11.0	6.0	6.6	13.6	7.4%	2.2%	14.6	15.5	16.1	5.8%	3.3%
International Governance and Resource Mobilisation	94.0	91.9	101.6	123.7	9.6%	24.7%	103.2	110.1	118.5	-1.4%	25.0%
Knowledge and Information Management	5.4	5.5	5.6	5.7	1.8%	1.3%	5.8	6.0	6.1	2.3%	1.3%
Environmental Sector Performance	6.1	6.2	6.3	6.3	1.1%	1.5%	6.4	6.4	6.5	1.1%	1.4%
Total	401.0	398.6	419.8	445.9	3.6%	100.0%	435.4	461.1	482.4	2.7%	100.0%
Change to 2019 Budget estimate				-			(17.0)	(17.9)	(9.7)		
Economic classification											
Current payments	177.0	172.3	176.1	216.1	6.9%	44.5%	201.5	215.4	227.3	1.7%	47.1%
Compensation of employees	117.3	113.9	87.0	109.0	-2.4%	25.6%	131.0	139.5	148.5	10.8%	28.9%
Goods and services ¹	59.8	58.4	89.1	107.1	21.5%	18.9%	70.5	75.9	78.9	-9.7%	18.2%
of which:											
Advertising	0.5	1.1	0.9	1.3	39.2%	0.2%	1.3	1.4	1.4	4.3%	0.3%
Consultants: Business and advisory services	21.9	29.9	49.7	75.2	50.8%	10.6%	37.3	40.7	42.4	-17.4%	10.7%
Consumables: Stationery, printing and office supplies	0.3	0.2	0.1	0.5	13.8%	0.1%	1.2	1.2	1.2	36.7%	0.2%
Travel and subsistence	19.2	16.9	18.2	18.4	-1.3%	4.4%	18.5	19.7	20.5	3.6%	4.2%
Operating payments	2.4	3.3	2.3	3.9	17.8%	0.7%	3.9	4.2	4.3	3.7%	0.9%
Venues and facilities	4.4	3.0	6.8	3.2	-10.4%	1.0%	3.3	3.5	3.6	4.8%	0.7%
Transfers and subsidies ¹	222.6	225.0	225.1	229.0	0.9%	54.1%	233.1	244.7	254.1	3.5%	52.7%
Departmental agencies and accounts	205.0	205.5	200.0	204.1	-0.1%	48.9%	208.2	219.7	227.9	3.8%	47.1%
Foreign governments and international organisations	16.0	16.0	23.5	23.5	13.7%	4.7%	23.5	23.5	24.6	1.6%	5.2%
Non-profit institutions	1.4	1.5	1.4	1.4	-	0.3%	1.4	1.5	1.6	3.7%	0.3%
Households	0.2	2.0	0.2	-	-100.0%	0.1%	-	-	-	-	-
Payments for capital assets	1.4	1.3	18.7	0.8	-15.4%	1.3%	0.9	0.9	1.0	4.5%	0.2%
Machinery and equipment	0.8	0.8	15.2	0.8	-0.1%	1.1%	0.9	0.9	1.0	4.5%	0.2%
Software and other intangible assets	0.5	0.6	3.5	-	-100.0%	0.3%	-	-	-	-	-
Payments for financial assets	0.0	-	-	-	-100.0%	-	-	-	-	-	-
Total	401.0	398.6	419.8	445.9	3.6%	100.0%	435.4	461.1	482.4	2.7%	100.0%
Proportion of total programme expenditure to vote expenditure	5.3%	5.0%	5.3%	5.1%	-	-	4.9%	5.0%	5.0%	-	-

Table 32.9 Climate Change, Air Quality and Sustainable Development expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17	2019/20	2020/21	2021/22	2022/23	2019/20	2022/23
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	205.0	205.5	200.0	204.1	-0.1%	48.9%	208.2	219.7	227.9	3.8%	47.1%
South African Weather Service	205.0	205.5	200.0	204.1	-0.1%	48.9%	208.2	219.7	227.9	3.8%	47.1%
Non-profit institutions											
Current	1.4	1.5	1.4	1.4	–	0.3%	1.4	1.5	1.6	3.7%	0.3%
National Association for Clean Air	1.4	1.5	1.4	1.4	–	0.3%	1.4	1.5	1.6	3.7%	0.3%
Foreign governments and international organisations											
Current	16.0	16.0	23.5	23.5	13.7%	4.7%	23.5	23.5	24.6	1.6%	5.2%
Global Environment Fund	16.0	16.0	23.5	23.5	13.7%	4.7%	23.5	23.5	24.6	1.6%	5.2%

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

Programme 5: Biodiversity and Conservation

Programme purpose

Ensure the regulation and management of biodiversity, heritage and conservation matters in a manner that facilitates sustainable economic growth and development.

Objectives

- Increase South Africa's land area under formal protection to ensure the conservation of ecosystems and minimise threats to ecological sustainability by:
 - increasing the percentage of land under conservation from 13.7 per cent (16 732 468 hectares out of 121 991 200 hectares) in 2019/20 to 15.2 per cent (18 542 662 hectares out of 121 991 200 hectares) in 2022/23
 - increasing the percentage of protected areas effectively managed by the state from an estimated 79 per cent (5 764 346 hectares out of 7 296 641 hectares) in 2019/20 to 85 per cent (6 202 144 hectares out of 7 296 641 hectares) in 2022/23.
- Improve access to, and the fair and equitable sharing of, natural resources by:
 - training 400 biodiversity entrepreneurs per year over the medium term
 - finalising a minimum of 20 benefit-sharing agreements arising from the use of biological resources by March 2023.

Subprogrammes

- *Biodiversity and Conservation Management* provides for the management and administration of activities in the programme.
- *Biodiversity Management and Permitting* plans, manages, protects and conserves South Africa's biological resources and ecosystems for human wellbeing and sustainable development.
- *Protected Areas Systems Management* oversees the establishment, management and maintenance of ecologically representative national and cross-border systems of protected areas to advance the heritage of humankind, and contributes to the 3 objectives of the convention on biological diversity and the sustainable development goals.
- *iSimangaliso Wetland Park Authority* transfers funds to the iSimangaliso Wetland Park Authority to cover its personnel and operational expenditure.
- *South African National Parks* transfers funds to South African National Parks to cover its personnel and operational expenditure.
- *South African National Biodiversity Institute* transfers funds to the South African National Biodiversity Institute to cover its personnel and operational expenditure.

- *Biodiversity Monitoring Specialist Services* provides biodiversity scientific, science policy interface intergovernmental and legislative support services; and monitors, evaluates, analyses, negotiates and advises on national and international biodiversity conservation status and trends. This subprogramme will catalyse international and national negotiations through the provision of the best available scientific and policy information.
- *Biodiversity Economy and Sustainable Use* transforms the biodiversity economy through inclusive economic growth, and fair and equitable access to resources.

Expenditure trends and estimates

Table 32.10 Biodiversity and Conservation 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Biodiversity and Conservation Management	22.9	19.7	19.0	21.6	-2.0%	2.8%	22.7	24.2	25.2	5.3%	2.6%
Biodiversity Management and Permitting	25.7	21.2	23.7	36.8	12.7%	3.5%	34.8	36.9	38.3	1.4%	4.1%
Protected Areas Systems Management	43.6	42.3	42.8	49.0	4.0%	5.9%	51.5	54.7	56.8	5.0%	5.9%
iSimangaliso Wetland Park Authority	33.0	34.5	32.8	36.1	3.0%	4.5%	38.1	40.2	41.6	4.9%	4.4%
South African National Parks	278.9	285.3	294.0	277.2	-0.2%	37.5%	284.2	298.2	309.2	3.7%	32.6%
South African National Biodiversity Institute	238.0	252.7	325.8	344.1	13.1%	38.4%	374.2	403.4	418.4	6.7%	43.0%
Biodiversity Monitoring Specialist Services	17.2	10.4	11.3	13.0	-8.8%	1.7%	13.8	14.6	15.2	5.3%	1.6%
Biodiversity Economy and Sustainable Use	79.4	26.4	42.1	23.5	-33.3%	5.7%	80.9	55.9	47.8	26.7%	5.8%
Total	738.7	692.7	791.6	801.3	2.7%	100.0%	900.1	928.0	952.6	5.9%	100.0%
Change to 2019 Budget estimate				4.0			47.3	20.4	11.0		
Economic classification											
Current payments	184.6	116.2	134.9	140.5	-8.7%	19.1%	200.0	182.5	179.2	8.5%	19.6%
Compensation of employees	69.7	71.0	81.4	86.9	7.6%	10.2%	93.4	100.0	103.9	6.1%	10.7%
Goods and services ¹	115.0	45.2	53.6	53.6	-22.5%	8.8%	106.6	82.4	75.4	12.0%	8.9%
of which:											
Consultants: Business and advisory services	29.0	8.6	5.3	13.2	-23.0%	1.9%	8.7	9.2	9.5	-10.4%	1.1%
Contractors	7.3	4.9	0.4	5.3	-10.1%	0.6%	5.2	5.4	5.6	2.0%	0.6%
Agency and support/outsourced services	0.1	—	0.0	—	-100.0%	—	56.5	30.0	21.0	—	3.0%
Travel and subsistence	25.9	19.6	22.0	23.3	-3.5%	3.0%	24.2	25.0	25.9	3.6%	2.7%
Operating payments	1.5	4.8	2.1	4.1	39.2%	0.4%	4.2	4.4	4.6	3.9%	0.5%
Venues and facilities	36.6	2.9	13.2	2.9	-56.9%	1.8%	3.1	3.2	3.4	4.5%	0.4%
Transfers and subsidies¹	553.4	575.6	656.3	659.7	6.0%	80.8%	698.8	744.3	772.0	5.4%	80.3%
Departmental agencies and accounts	549.9	572.6	650.6	657.4	6.1%	80.4%	696.4	741.7	769.3	5.4%	80.0%
Non-profit institutions	3.1	2.3	3.3	2.3	-9.5%	0.4%	2.4	2.6	2.7	5.6%	0.3%
Households	0.4	0.7	2.4	—	-100.0%	0.1%	—	—	—	—	—
Payments for capital assets	0.7	0.9	0.4	1.2	18.6%	0.1%	1.2	1.3	1.3	4.3%	0.1%
Machinery and equipment	0.7	0.9	0.4	1.2	18.6%	0.1%	1.2	1.3	1.3	4.3%	0.1%
Total	738.7	692.7	791.6	801.3	2.7%	100.0%	900.1	928.0	952.6	5.9%	100.0%
Proportion of total programme expenditure to vote expenditure	9.7%	8.8%	9.9%	9.2%	—	—	10.1%	10.0%	9.9%	—	—
Details of selected transfers and subsidies											
Households											
Other transfers to households											
Current	—	—	2.0	—	—	0.1%	—	—	—	—	—
South African National Parks	—	—	2.0	—	—	0.1%	—	—	—	—	—
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	516.9	537.9	614.0	619.3	6.2%	75.7%	656.3	699.4	769.3	7.5%	76.6%
iSimangaliso Wetland Park Authority	33.0	34.5	32.8	36.1	3.0%	4.5%	38.1	40.2	41.6	4.9%	4.4%
South African National Parks	245.9	250.6	255.4	239.2	-0.9%	32.8%	244.0	255.8	309.2	8.9%	29.3%
South African National Biodiversity Institute	238.0	252.7	325.8	344.1	13.1%	38.4%	374.2	403.4	418.4	6.7%	43.0%

Table 32.10 Biodiversity and Conservation expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Capital	33.0	34.7	36.6	38.1	4.8%	4.7%	40.2	42.4	–	-100.0%	3.4%
South African National Parks	33.0	34.7	36.6	38.1	4.8%	4.7%	40.2	42.4	–	-100.0%	3.4%
Non-profit institutions											
Current	3.1	2.3	3.3	2.3	-9.5%	0.4%	2.4	2.6	2.7	5.6%	0.3%
KwaZulu-Natal Nature Conservation Board	1.3	1.3	2.3	1.3	–	0.2%	1.4	1.5	1.5	5.6%	0.2%
African World Heritage Fund	1.8	1.0	1.0	1.0	-17.8%	0.2%	1.1	1.1	1.2	5.6%	0.1%

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

Programme 6: Environmental Programmes

Programme purpose

Implement the expanded public works programme and green economy projects in the environmental sector.

Objectives

- Promote the empowerment of designated communities by creating 184 618 work opportunities and 93 230 full-time equivalent jobs in environmental projects by March 2023 through the implementation of projects related to the expanded public works programme.
- Restore and maintain the structure and function of vegetation to contribute to ecosystem services over the medium term by:
 - clearing or treating 2 044 532 hectares of invasive alien plants (initial and follow-up clearing).
- Facilitate the transition to a growth path that is low in carbon emissions and efficient in natural resources by facilitating the implementation of green initiatives and projects over the medium term.

Subprogrammes

- *Environmental Protection and Infrastructure Programme* manages the planning and implementation of the environmental protection and infrastructure programmes of the expanded public works programme (Working on Waste, Working for the Coast, Working for Wetlands, People and Parks, and open space management) across South Africa using labour-intensive methods targeting the unemployed, youth, women and people with disabilities; and small, medium and micro enterprises.
- *Natural Resource Management* provides management, operational oversight and supervision for the optimal functioning and development of the natural resources management programmes of the expanded public works programme (Working for Water, Working for Land, Working for Energy: Biomass, Working on Fire, Working for Forests, value-added industries and invasive alien non-plant species, and wetlands partnerships).
- *Green Fund* invests in projects to protect the environment by working with the donor community and the private sector.
- *Environmental Programmes Management* provides strategic leadership and overall management services to the programme.
- *Information Management and Sector Coordination* ensures effective knowledge and information management support services for branch activities, and manages the coordination of sector socioeconomic interventions.

Expenditure trends and estimates

Table 32.11 Environmental Programmes 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Environmental Protection and Infrastructure Programme	1 568.8	1 404.6	991.0	1 464.4	-2.3%	36.0%	1 424.4	1 492.4	1 546.2	1.8%	36.8%
Natural Resource Management	1 956.8	1 966.9	2 170.0	2 234.8	4.5%	55.2%	2 219.1	2 270.3	2 354.5	1.8%	56.3%
Green Fund	180.0	110.5	8.3	61.0	-30.3%	2.4%	64.5	—	—	-100.0%	0.8%
Environmental Programmes Management	6.2	226.2	267.4	210.3	223.9%	4.7%	155.5	167.6	173.0	-6.3%	4.4%
Information Management and Sector Coordination	55.1	57.7	73.3	66.9	6.7%	1.7%	68.2	72.5	75.2	4.0%	1.8%
Total	3 766.9	3 765.7	3 510.0	4 037.4	2.3%	100.0%	3 931.7	4 002.8	4 149.0	0.9%	100.0%
Change to 2019 Budget estimate				(50.0)			(367.9)	(357.3)	(373.1)		
Economic classification											
Current payments	3 036.8	2 939.4	2 181.8	3 665.2	6.5%	78.4%	3 488.7	3 570.8	3 700.9	0.3%	89.5%
Compensation of employees	223.4	244.0	252.2	260.7	5.3%	6.5%	293.4	312.5	324.3	7.5%	7.4%
Goods and services ¹	2 813.3	2 695.4	1 929.6	3 404.5	6.6%	71.9%	3 195.4	3 258.3	3 376.5	-0.3%	82.1%
of which:											
Administrative fees	0.4	1.4	116.7	34.1	354.0%	1.0%	35.6	37.5	38.9	4.5%	0.9%
Consultants: Business and advisory services	24.6	25.9	182.1	25.7	1.5%	1.7%	14.3	15.1	15.6	-15.3%	0.4%
Contractors	85.4	0.5	0.2	35.2	-25.6%	0.8%	27.8	34.6	35.9	0.6%	0.8%
Agency and support/outourced services	955.9	2 467.5	1 188.5	3 088.7	47.8%	51.1%	3 029.2	3 077.2	3 188.7	1.1%	76.8%
Travel and subsistence	43.3	45.3	45.7	45.1	1.4%	1.2%	42.6	45.5	47.2	1.5%	1.1%
Operating payments	6.9	4.0	11.6	4.0	-16.2%	0.2%	8.6	9.1	9.5	32.8%	0.2%
Transfers and subsidies¹	728.2	459.9	820.6	369.1	-20.3%	15.8%	439.9	428.8	444.7	6.4%	10.4%
Provinces and municipalities	—	0.1	0.1	—	—	—	—	—	—	—	—
Departmental agencies and accounts	548.2	381.4	369.1	344.3	-14.4%	10.9%	411.8	428.8	444.7	8.9%	10.1%
Public corporations and private enterprises	180.0	77.7	—	24.8	-48.3%	1.9%	28.1	—	—	-100.0%	0.3%
Households	0.1	0.8	451.4	—	-100.0%	3.0%	—	—	—	—	—
Payments for capital assets	1.9	366.4	191.2	3.0	17.2%	3.7%	3.1	3.2	3.4	4.0%	0.1%
Buildings and other fixed structures	—	357.0	154.0	—	—	3.4%	—	—	—	—	—
Machinery and equipment	1.9	9.4	37.1	3.0	17.2%	0.3%	3.1	3.2	3.4	4.0%	0.1%
Software and other intangible assets	—	—	0.1	—	—	—	—	—	—	—	—
Payments for financial assets	0.0	0.0	316.4	—	-100.0%	2.1%	—	—	—	—	—
Total	3 766.9	3 765.7	3 510.0	4 037.4	2.3%	100.0%	3 931.7	4 002.8	4 149.0	0.9%	100.0%
Proportion of total programme expenditure to vote expenditure	49.7%	47.6%	43.9%	46.4%	—	—	43.9%	43.1%	43.0%	—	—
Details of selected transfers and subsidies											
Households											
Other transfers to households											
Current	—	—	448.7	—	—	3.0%	—	—	—	—	—
Other transfers to households	—	—	82.0	—	—	0.5%	—	—	—	—	—
South African National Parks	—	—	366.7	—	—	2.4%	—	—	—	—	—
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	—	—	36.5	—	—	0.2%	—	—	—	—	—
South African National Parks	—	—	36.5	—	—	0.2%	—	—	—	—	—
Capital	539.4	378.8	332.6	344.3	-13.9%	10.6%	411.8	428.8	444.7	8.9%	10.1%
South African Weather Service	—	35.0	37.0	78.5	—	1.0%	140.6	142.9	148.2	23.6%	3.2%
iSimangaliso Wetland Park Authority	99.2	60.0	111.7	74.5	-9.1%	2.3%	78.6	82.9	86.0	4.9%	2.0%
South African National Parks	358.8	208.8	104.5	108.7	-32.8%	5.2%	114.7	121.0	125.5	4.9%	2.9%
South African National Biodiversity Institute	81.4	75.0	79.4	82.5	0.5%	2.1%	77.8	81.9	85.0	1.0%	2.0%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	180.0	77.7	—	24.8	-48.3%	1.9%	28.1	—	—	-100.0%	0.3%
Development Bank of Southern Africa	180.0	77.7	—	24.8	-48.3%	1.9%	28.1	—	—	-100.0%	0.3%
Departmental agencies and accounts											
Social security funds											
Current	8.8	2.6	—	—	-100.0%	0.1%	—	—	—	—	—
National Social Security Fund: Compensation Fund	8.8	2.6	—	—	-100.0%	0.1%	—	—	—	—	—

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

Programme 7: Chemicals and Waste Management

Programme purpose

Manage and ensure that chemicals and waste management policies and legislation are implemented and enforced in compliance with chemicals and waste management authorisations, directives and agreements.

Objectives

- Oversee, monitor and evaluate waste sector performance, ensuring that less waste is generated and existing waste is better managed by:
 - developing and implementing national waste management policies and strategies over the medium term
 - increasing the percentage of waste tyres diverted from landfill sites from 50 per cent (85 133 tonnes out of 170 266 tonnes) in 2019/20 to 73 per cent (124 294 tonnes out of 170 266 tonnes) in 2022/23.
- Contribute to the management of the impact of chemicals on the environment by developing and implementing legislative instruments, and providing specialist advisory services on chemicals and pollution management as and when requested.

Subprogrammes

- *Chemicals and Waste Management* provides strategic leadership and overall management services to the programme.
- *Hazardous Waste Management and Licensing* develops and implements processes and systems for the efficient and effective administration of the department's authorisation of waste management activities. It also ensures that less hazardous waste streams are released into the environment and that contaminated land is remedied.
- *Integrated Waste Management and Strategic Support* ensures the development of national policies, strategies, legislation, norms and standards; and builds capacity in government, industry and civil society to respond to the challenges of pollution resulting from poor general waste management while contributing to the provision of basic waste services to all citizens of South Africa.
- *Chemicals and Waste Policy, Evaluation and Monitoring* ensures the development of national policies, strategies, legislation, norms and standards; and monitors and evaluates the impact of policies on chemicals and waste management.
- *Chemicals Management* ensures the management of and facilitates, plans and coordinates the department and South Africa's engagement and cooperation agreements in multilateral chemicals and waste agreements and related international cooperation and national programmes.
- *Waste Bureau* promotes and facilitates the minimisation, reuse, recycling and recovery of waste by providing specialist advice and support for the development of integrated waste management plans for industry and municipalities.

Expenditure trends and estimates

Table 32.12 Chemicals and Waste 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Chemicals and Waste Management	8.1	14.5	12.0	12.4	15.0%	2.9%	48.1	52.8	57.3	66.8%	6.5%
Hazardous Waste Management and Licensing	25.6	57.3	91.3	115.1	65.1%	18.1%	89.8	74.0	53.8	-22.4%	12.8%
Integrated Waste Management and Strategic Support	13.7	38.9	21.3	22.7	18.2%	6.0%	24.2	25.7	26.7	5.6%	3.8%
Chemicals and Waste Policy, Evaluation and Monitoring	24.9	17.3	18.4	16.5	-12.8%	4.8%	17.6	18.7	19.4	5.5%	2.8%
Chemicals Management	15.8	16.5	16.5	16.7	1.9%	4.1%	17.8	19.0	19.7	5.5%	2.8%
Waste Bureau	6.8	209.5	394.6	411.0	291.6%	64.0%	449.2	479.3	519.8	8.1%	71.3%
Total	95.0	353.9	554.1	594.3	84.3%	100.0%	646.8	669.6	696.7	5.4%	100.0%
Change to 2019				–			95.3	87.2	93.1		
Budget estimate											

Table 32.12 Chemicals and Waste Management expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	87.6	260.9	414.5	512.0	80.1%	79.8%	561.7	579.8	603.6	5.6%	86.6%
Compensation of employees	53.4	65.2	97.7	67.1	7.9%	17.7%	72.2	76.8	79.7	5.9%	11.3%
Goods and services ¹	34.2	186.7	293.3	435.4	133.4%	59.5%	479.6	492.6	513.1	5.6%	73.7%
of which:											
Consultants: Business and advisory services	8.4	66.1	70.7	21.5	36.9%	10.4%	22.4	23.6	24.5	4.5%	3.5%
Legal services	0.2	4.5	6.8	3.1	164.3%	0.9%	38.2	42.4	46.5	146.7%	5.0%
Contractors	0.0	68.6	193.0	152.1	3263.0%	25.9%	102.1	82.8	41.6	-35.1%	14.5%
Agency and support/outsource services	–	26.7	–	235.3	–	16.4%	292.2	317.8	373.7	16.7%	46.7%
Travel and subsistence	8.2	12.5	12.9	14.3	20.6%	3.0%	15.1	15.9	16.5	4.8%	2.4%
Operating payments	2.2	3.0	2.1	3.2	13.2%	0.7%	3.3	3.5	3.7	4.8%	0.5%
Interest and rent on land	–	9.0	23.6	9.5	–	2.6%	9.9	10.4	10.8	4.6%	1.6%
Transfers and subsidies ¹	6.9	36.2	57.4	81.5	127.5%	11.4%	84.3	88.9	92.2	4.2%	13.3%
Departmental agencies and accounts	6.8	11.3	11.8	12.5	22.2%	2.7%	12.9	13.6	14.1	4.2%	2.0%
Public corporations and private enterprises	–	24.8	45.4	69.0	–	8.7%	71.4	75.3	78.1	4.2%	11.3%
Households	0.1	0.1	0.1	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	0.4	56.8	82.1	0.9	27.3%	8.8%	0.8	0.9	0.9	2.2%	0.1%
Machinery and equipment	0.4	56.8	82.1	0.9	27.3%	8.8%	0.8	0.9	0.9	2.2%	0.1%
Total	95.0	353.9	554.1	594.3	84.3%	100.0%	646.8	669.6	696.7	5.4%	100.0%
Proportion of total programme expenditure to vote expenditure	1.3%	4.5%	6.9%	6.8%	–	–	7.2%	7.2%	7.2%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	6.8	11.3	11.8	12.5	22.2%	2.7%	12.9	13.6	14.1	4.2%	2.0%
National Regulator for Compulsory Specifications	6.8	11.3	11.8	12.5	22.2%	2.7%	12.9	13.6	14.1	4.2%	2.0%
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											
Current	–	24.8	45.4	69.0	–	8.7%	71.4	75.3	78.1	4.2%	11.3%
Recycling enterprise support programme	–	24.8	45.4	69.0	–	8.7%	71.4	75.3	78.1	4.2%	11.3%

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

Programme 8: Forestry Management

Programme purpose

Develop and facilitate the implementation of policies and targeted programmes to ensure the management of forests, the sustainable use and protection of land and water, and the management of agricultural risks and disasters.

Objectives

- Ensure sustainable production, growth and transformation in the forestry sector over the medium term by:
 - replanting 5 330 hectares of temporary unplanted areas
 - handing 7 plantations over to communities
 - placing 28 656 hectares under silvicultural practice (this includes weeding, pruning, coppice reduction and thinning).
- Ensure the conservation, protection, rehabilitation and recovery of depleted and degraded natural resources by restoring and rehabilitating 900 hectares of state indigenous forests and woodlands by March 2023.

Subprogrammes

- *Forestry Management* provides strategic leadership and overall management services to the programme.
- *Forestry Operations* ensures the sustainable management of forestry operations.
- *Forestry Development and Regulation* ensures the effective development of policies for forestry regulation and oversight.

Expenditure trends and estimates

Table 32.13 Forestry 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Forestry Management	2.8	3.1	3.2	3.5	7.4%	0.5%	11.9	14.3	17.1	69.9%	1.4%
Forestry Operations	462.1	648.7	593.6	520.3	4.0%	80.9%	606.3	646.9	689.3	9.8%	76.1%
Forestry Development and Regulation	119.0	126.6	126.5	140.7	5.7%	18.6%	187.0	196.3	201.6	12.7%	22.4%
Total	583.9	778.3	723.4	664.5	4.4%	100.0%	805.2	857.5	908.0	11.0%	100.0%
Change to 2019				(0.3)			–	–	–		
Budget estimate											
Economic classification											
Current payments	526.4	723.8	673.4	614.6	5.3%	92.3%	753.2	802.5	850.9	11.5%	93.4%
Compensation of employees	487.1	518.5	456.6	490.5	0.2%	71.0%	524.9	561.7	600.7	7.0%	67.3%
Goods and services ¹	39.0	204.7	216.4	124.1	47.1%	21.2%	228.4	240.8	250.2	26.3%	26.1%
of which:											
Consultants: Business and advisory services	1.6	15.0	34.6	2.4	13.5%	1.9%	28.9	30.3	31.7	136.8%	2.9%
Agency and support/outsourced services	0.6	2.6	1.9	2.4	54.7%	0.3%	13.9	14.5	15.1	84.7%	1.4%
Consumable supplies	3.8	2.4	2.6	3.9	1.0%	0.5%	10.0	10.5	10.9	41.1%	1.1%
Property payments	3.0	41.1	36.7	27.4	109.5%	3.9%	28.0	29.6	30.7	3.9%	3.6%
Travel and subsistence	3.0	25.0	25.8	24.5	102.3%	2.8%	35.5	37.6	39.0	16.7%	4.2%
Operating payments	2.8	3.2	1.9	3.1	3.7%	0.4%	48.1	50.9	52.8	157.3%	4.8%
Interest and rent on land	0.3	0.7	0.4	(0.1)	-155.0%	–	–	–	–	-100.0%	–
Transfers and subsidies¹	15.7	14.2	16.7	7.3	-22.5%	2.0%	6.7	7.0	7.3	0.1%	0.9%
Provinces and municipalities	0.7	0.8	0.8	0.9	6.1%	0.1%	0.9	0.9	0.9	2.8%	0.1%
Foreign governments and international organisations	0.0	0.0	0.0	0.0	3.2%	–	0.0	0.0	0.0	8.4%	–
Public corporations and private enterprises	4.2	4.4	4.7	4.9	5.8%	0.7%	5.2	5.5	5.7	4.9%	0.7%
Households	10.8	9.0	11.2	1.5	-48.3%	1.2%	0.6	0.6	0.7	-23.6%	0.1%
Payments for capital assets	41.7	40.3	33.2	42.6	0.7%	5.7%	45.3	47.9	49.8	5.3%	5.7%
Buildings and other fixed structures	–	–	0.3	–	–	–	–	–	–	–	–
Machinery and equipment	41.7	40.3	32.8	42.6	0.8%	5.7%	45.3	47.9	49.8	5.3%	5.7%
Biological assets	–	–	–	0.0	–	–	0.0	0.0	0.0	2.6%	–
Software and other intangible assets	0.1	–	–	–	-100.0%	–	–	–	–	–	–
Payments for financial assets	0.1	0.0	0.1	–	-100.0%	–	–	–	–	–	–
Total	583.9	778.3	723.4	664.5	4.4%	100.0%	805.2	857.5	908.0	11.0%	100.0%
Proportion of total programme expenditure to vote expenditure	7.7%	9.8%	9.1%	7.6%	–	–	9.0%	9.2%	9.4%	–	–
Details of selected transfers and subsidies											
Households											
Social benefits											
Current	10.8	9.0	11.2	1.5	-48.3%	1.2%	0.6	0.6	0.7	-23.6%	0.1%
Social benefits	10.7	8.9	11.1	0.6	-62.4%	1.1%	0.6	0.6	0.7	5.4%	0.1%
Bursaries non employees	0.1	0.0	0.1	0.9	130.8%	–	–	–	–	-100.0%	–
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	4.2	4.4	4.7	4.9	5.8%	0.7%	5.2	5.5	5.7	4.9%	0.7%
Forest Sector Charter Council	4.2	4.4	4.7	4.9	5.8%	0.7%	5.2	5.5	5.7	4.9%	0.7%

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

Programme 9: Fisheries Management

Programme purpose

Ensure the sustainability, utilisation and orderly access to marine living resources through improved management and regulation.

Objectives

- Ensure the development and regulation of aquaculture by coordinating the implementation of the Aquaculture Development Act, once enacted, by March 2023.
- Lead and coordinate access to and the sustainable utilisation of marine and freshwater living resources over the medium term by:
 - developing a national freshwater (inland) wild capture fisheries policy
 - reviewing policies and application forms for 12 fishing sectors
 - allocating rights to registered small-scale fisheries cooperatives.
- Ensure the conservation, protection, rehabilitation and compliance of depleted and degraded natural resources by:
 - compiling scientific recommendation reports on research for fisheries resources on total allowable catch and effort by March 2023
 - conducting 16 500 compliance and enforcement measures in the 6 prioritised fisheries sectors (abalone, rock lobster, line fish, hake, squid and pelagic fish) over the medium term
 - conducting 9 000 compliance and enforcement inspections in other fisheries over the medium term.

Subprogrammes

- *Fisheries Management* oversees and manages the programme.
- *Aquaculture and Economic Development* ensures the sustainable use of, and equitable and orderly access to marine living resources through improved management and regulation.
- *Monitoring, Control and Surveillance* ensures the protection and promotion of the sustainable use of marine living resources by intensifying enforcement and compliance.
- *Marine Resources Management* ensures the sustainable use of and equitable and orderly access to marine living resources through improved management and regulation.
- *Fisheries Research and Development* ensures the promotion of the sustainable development of fisheries resources and ecosystems by conducting and supporting appropriate research.
- *Marine Living Resources Fund* transfers funds to the Marine Living Resources Fund to cover its personnel and operational expenditure.

Expenditure trends and estimates

Table 32.14 Fisheries 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Fisheries Management	2.8	3.1	3.2	3.5	7.4%	0.6%	2.1	2.3	2.4	-11.5%	0.5%
Aquaculture and Economic Development	40.2	43.4	39.8	42.8	2.1%	8.6%	28.6	30.1	32.2	-9.0%	6.2%
Monitoring, Control and Surveillance	93.3	102.3	67.9	123.5	9.8%	20.0%	184.8	199.2	214.0	20.1%	33.6%
Marine Resources Management	21.4	21.7	23.5	25.3	5.7%	4.7%	15.6	16.5	17.5	-11.6%	3.5%
Fisheries Research and Development	68.2	72.1	72.3	26.2	-27.3%	12.3%	5.2	4.5	3.6	-48.5%	1.8%
Marine Living Resources Fund	242.2	262.1	260.2	274.8	4.3%	53.7%	284.1	299.8	310.9	4.2%	54.4%
Total	468.1	504.7	467.0	496.1	2.0%	100.0%	520.6	552.4	580.7	5.4%	100.0%
Change to 2019				–			–	–	–		
Budget estimate											

Table 32.14 Fisheries Management expenditure trends and estimates by subprogramme and economic classification

Economic classification					Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome				Adjusted appropriation			Medium-term expenditure estimate				
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20	2022/23
Current payments	225.7	242.0	206.3	221.3	-0.7%	46.2%	236.4	252.7	269.7	6.8%	45.6%
Compensation of employees	225.7	242.0	206.3	221.3	-0.7%	46.2%	236.4	252.7	269.7	6.8%	45.6%
Transfers and subsidies ¹	242.4	262.8	260.7	274.8	4.3%	53.8%	284.1	299.8	310.9	4.2%	54.4%
Departmental agencies and accounts	242.2	262.1	260.2	274.8	4.3%	53.7%	284.1	299.8	310.9	4.2%	54.4%
Households	0.2	0.6	0.5	—	-100.0%	0.1%	—	—	—	—	—
Payments for financial assets	0.0	—	—	—	-100.0%	—	—	—	—	—	—
Total	468.1	504.7	467.0	496.1	2.0%	100.0%	520.6	552.4	580.7	5.4%	100.0%
Proportion of total programme expenditure to vote expenditure	6.2%	6.4%	5.8%	5.7%	—	—	5.8%	5.9%	6.0%	—	—

Details of selected transfers and subsidies

Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	242.2	262.1	260.2	274.8	4.3%	53.7%	284.1	299.8	310.9	4.2%	54.4%
Marine Living Resources Fund	242.2	262.1	260.2	274.8	4.3%	53.7%	284.1	299.8	310.9	4.2%	54.4%

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

Entity

South African National Parks

Selected performance indicators

Table 32.15 South African National Parks performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of visitors to national parks per year	Administration	Priority 4: Spatial integration, human settlements and local government	6 750 083	7 007 152	6 464 305	7 000 000	7 018 000	7 143 000	7 464 435
Number of domestic black visitors to national parks per year	Administration		578 650	572 734	509 958	595 872	613 748	632 161	648 564
Gross operating tourism revenue (value of revenue raised from commercial activities) per year	Administration		R1.3bn	R1.6bn	R1bn	R1.6bn	R1.8bn	R1.9bn	R2.3bn
Number of free access entrants per year to parks	Administration		62 312	77 340	74 086	75 000	90 000	95 000	100 000
Number of hectares of land brought into the national parks system per year	Administration		3 873	3 847	2 395	2 300	2 300	2 300	2 300
Percentage of accommodation occupancy in national parks per year	Administration		74% (583 184/ 788 086)	71% (559 541/ 788 086)	72.5% (571 362/ 788 086)	75%	75%	75%	75.5%

Entity overview

South African National Parks was established in terms of the National Environmental Management: Protected Areas Act (2003). Its mandate is to conserve, protect, control and manage national parks and other defined protected areas and their biodiversity. The entity plays a significant role in the economy, as the presence of an efficiently managed system of national parks is a key component of the national tourism economy, and acts as a catalyst for local economic development. Through the implementation of the expanded public works programme, the entity has provided significant support to small, medium and micro enterprises, particularly in rural areas. Other initiatives that are intended to stimulate the development of rural enterprises include wildlife economy programmes, which involve the donation and loaning of wildlife, and the provision of technical expertise to communities and emerging game farmers to participate in the wildlife industry value chain. The entity also forms part of the National Wildlife Crime Reaction Unit, a multistakeholder operation established to

combat poaching crimes in South Africa. Over the medium term, the entity aims to: fight poaching, particularly rhino poaching in the Kruger National Park and abalone poaching in Western Cape; roll out its infrastructure plan; and acquire land as part of its land inclusion plan.

Strategies to combat wildlife crime such as poaching involve the technological improvement of early warning systems and risk assessments, better coordination with law enforcement agencies, and the deployment of additional rangers. Accordingly, R788.6 million is allocated over the medium term for combating wildlife trafficking, and R77.8 million is allocated to combat poaching in marine protected areas.

The entity's infrastructure plan, which was adopted in 2019, entails the construction of new roads and the development of new tourism infrastructure. This includes undertaking critical upgrades and refurbishing existing infrastructure, mainly in the Kruger National Park, for which R338 million is allocated over the MTEF period. In partnership with the Department of Tourism, the park will finalise the construction of the Golden Gate Highlands National Park Dinosaur Interpretation Centre, valued at R120 million.

The entity manages almost 4 million hectares of state-owned terrestrial protected areas. As per its land inclusion plan, over the medium term, the entity aims to acquire an additional 6 900 hectares of land that represents South Africa's biodiversity, landscapes and associated heritage at a price to be established by the market.

Expenditure is expected to increase at an average annual rate of 4.8 per cent, from R3.2 billion in 2019/20 to R3.7 billion in 2022/23. Spending on goods and services accounts for 47.5 per cent (R5 billion) of the entity's total expenditure over the MTEF period, while spending on compensation of employees accounts for 41.3 per cent (R4.3 billion). Revenue is expected to increase at an average annual rate of 4.1 per cent, from R3.2 billion in 2019/20 to R3.6 billion in 2022/23. The entity derives 24.6 per cent (R2.5 billion) of its revenue from transfers from the department over the MTEF period, while 71.7 per cent (R7.5 billion) of revenue is expected to be generated from visitor fees to national parks.

Programmes/Objectives/Activities

Table 32.16 South African National Parks 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	2 174.5	2 380.1	2 587.0	3 173.4	13.4%	100.0%	3 330.0	3 482.0	3 656.3	4.8%	100.0%
Total	2 174.5	2 380.1	2 587.0	3 173.4	13.4%	100.0%	3 330.0	3 482.0	3 656.3	4.8%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 32.17 South African National Parks statements of historical financial performance, cash flow and financial position

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Audited outcome		Average: Outcome/Budget (%)
	Budget	2016/17	Budget	2017/18	Budget	2018/19	Budget estimate	Revised estimate	
Revenue									
Non-tax revenue	1 621.6	1 831.0	1 628.2	2 024.0	2 159.2	2 291.4	2 162.4	2 354.3	112.3%
Sale of goods and services other than capital assets	1 491.0	1 737.9	1 513.8	1 918.3	2 079.9	2 166.4	2 080.4	2 244.8	112.6%
of which:									
Sales by market establishment	1 491.0	1 737.9	1 513.8	1 918.3	2 079.9	2 166.4	2 080.4	2 244.8	112.6%
Other non-tax revenue	130.6	93.1	114.4	105.7	79.3	125.0	82.0	109.5	106.6%
Transfers received	559.4	600.7	432.5	558.3	596.6	709.8	626.1	862.3	123.3%
Total revenue	2 181.0	2 431.6	2 060.7	2 582.3	2 755.8	3 001.2	2 788.5	3 216.6	114.8%
Expenses									
Current expenses	1 843.4	2 174.5	1 899.2	2 380.1	2 370.0	2 475.1	2 526.0	3 033.4	116.5%
Compensation of employees	977.2	1 005.3	1 109.8	1 098.5	1 181.7	1 140.0	1 246.7	1 308.2	100.8%
Goods and services	789.5	1 058.2	677.2	1 135.0	996.3	1 169.0	1 075.6	1 505.2	137.6%
Depreciation	75.5	110.4	111.3	135.9	161.4	146.9	170.0	181.8	110.9%
Interest, dividends and rent on land	1.2	0.6	0.9	10.7	30.6	19.2	33.6	38.1	103.6%
Transfers and subsidies	337.6	–	161.5	–	233.4	112.0	134.3	140.0	29.1%
Total expenses	2 181.0	2 174.5	2 060.7	2 380.1	2 603.4	2 587.0	2 660.3	3 173.4	108.5%
Surplus/(Deficit)	–	257.1	–	202.1	152.4	414.2	128.2	43.2	

Table 32.17 South African National Parks statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Cash flow statement									
Cash flow from operating activities	95.1	690.0	(40.7)	693.0	(19.9)	411.9	(21.6)	(21.6)	13 840.4%
Receipts									
Non-tax receipts	1 621.6	1 410.9	1 566.6	2 008.1	1 836.4	2 284.8	1 977.8	1 977.8	109.7%
Sales of goods and services other than capital assets	1 491.0	1 317.8	1 452.2	1 918.3	1 726.7	2 176.1	1 862.3	1 862.3	111.4%
<i>Sales by market establishment</i>	<i>1 475.0</i>	<i>1 275.7</i>	<i>1 431.2</i>	<i>1 900.7</i>	<i>1 710.7</i>	<i>2 162.1</i>	<i>1 846.3</i>	<i>1 846.3</i>	<i>111.2%</i>
<i>Other sales</i>	<i>16.0</i>	<i>42.1</i>	<i>21.0</i>	<i>17.6</i>	<i>16.0</i>	<i>14.0</i>	<i>16.0</i>	<i>16.0</i>	<i>130.1%</i>
Other tax receipts	130.6	93.1	114.4	89.8	109.7	108.7	115.5	115.5	86.6%
Transfers received	558.5	801.8	494.1	754.1	396.6	531.1	386.0	386.0	134.8%
Total receipts	2 180.1	2 212.8	2 060.7	2 762.2	2 233.0	2 815.9	2 363.7	2 363.7	114.9%
Payment									
Current payments	1 748.3	1 522.7	1 939.9	2 069.2	2 066.7	2 217.8	2 187.3	2 187.3	100.7%
Compensation of employees	957.6	1 005.3	1 109.8	1 042.8	1 176.4	1 260.5	1 247.0	1 247.0	101.4%
Goods and services	789.5	516.8	829.3	1 026.4	871.1	957.3	920.0	920.0	100.3%
Interest and rent on land	1.2	0.6	0.9	0.1	19.3	0.1	20.4	20.4	50.7%
Transfers and subsidies	336.7	—	161.5	—	186.2	186.2	198.0	198.0	43.5%
Total payments	2 085.0	1 522.7	2 101.5	2 069.2	2 252.9	2 404.0	2 385.4	2 385.4	95.0%
Net cash flow from investing activities	18.0	(300.7)	36.3	(254.2)	56.4	(263.8)	(22.3)	(297.8)	-1 262.2%
Acquisition of property, plant, equipment and intangible assets	(65.8)	(238.9)	(72.2)	(243.9)	(79.4)	(201.8)	(85.0)	(235.8)	304.3%
Acquisition of software and other intangible assets	(5.0)	(16.0)	(5.4)	(6.1)	(5.7)	(9.9)	(6.1)	(9.9)	188.7%
Proceeds from the sale of property, plant, equipment and intangible assets	—	0.7	—	38.3	—	4.3	—	4.3	—
Other flows from investing activities	88.8	(46.6)	113.9	(42.4)	141.5	(56.5)	68.8	(56.5)	-48.9%
Net cash flow from financing activities	(8.5)	5.7	(9.1)	(38.8)	(9.7)	(82.1)	(10.4)	(10.4)	333.6%
Borrowing activities	(3.7)	10.3	(4.0)	0.9	(4.3)	(5.5)	(4.6)	(4.6)	-6.3%
Repayment of finance leases	(4.7)	(4.6)	(5.1)	(29.0)	(5.4)	(57.4)	(5.8)	(5.8)	461.0%
Other flows from financing activities	—	—	—	(10.7)	—	(19.2)	—	—	—
Net increase/(decrease) in cash and cash equivalents	104.7	395.0	(13.5)	400.0	26.7	66.0	(54.3)	(329.8)	
Statement of financial position									
Carrying value of assets	1 986.8	2 371.4	1 986.8	2 661.9	2 661.9	2 786.7	2 661.9	2 661.9	112.7%
<i>Acquisition of assets</i>	<i>(65.8)</i>	<i>(238.9)</i>	<i>(72.2)</i>	<i>(243.9)</i>	<i>(79.4)</i>	<i>(201.8)</i>	<i>(85.0)</i>	<i>(235.8)</i>	<i>304.3%</i>
Investments	160.4	210.1	160.4	245.4	245.4	420.0	245.4	245.4	138.1%
Inventory	34.0	28.1	34.0	39.6	39.6	46.0	39.6	39.6	104.2%
Receivables and prepayments	40.4	126.6	40.4	39.9	39.9	30.2	39.9	39.9	147.3%
Cash and cash equivalents	882.8	1 376.6	882.8	1 776.6	1 776.6	1 842.7	1 776.6	1 776.6	127.3%
Total assets	3 104.3	4 112.8	3 104.3	4 763.4	4 763.4	5 125.5	4 763.4	4 763.4	119.3%
Accumulated surplus/(deficit)	1 492.8	2 081.6	1 492.8	2 283.7	2 283.7	2 721.1	2 283.7	2 283.7	124.1%
Capital reserve fund	—	721.1	—	814.4	814.4	770.5	814.4	814.4	191.6%
Borrowings	11.5	12.0	11.5	5.5	5.5	—	5.5	5.5	67.6%
Finance lease	—	3.1	—	209.0	209.0	190.7	209.0	209.0	146.4%
Deferred income	476.0	—	476.0	—	—	—	—	—	—
Trade and other payables	469.0	533.2	469.0	594.3	594.3	607.1	594.3	594.3	109.5%
Provisions	655.0	761.8	655.0	856.5	856.5	836.1	856.5	856.5	109.5%
Total equity and liabilities	3 104.3	4 112.8	3 104.3	4 763.4	4 763.4	5 125.5	4 763.4	4 763.4	119.3%

Statements of estimates of financial performance, cash flow and financial position**Table 32.18 South African National Parks statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23		
Revenue									
Non-tax revenue	2 354.3	8.7%	75.8%	2 541.6	2 623.7	2 784.7	5.8%	75.4%	
Sale of goods and services other than capital assets	2 244.8	8.9%	71.9%	2 420.3	2 489.9	2 637.9	5.5%	71.7%	
<i>Sales by market establishment</i>	<i>2 244.8</i>	<i>8.9%</i>	<i>71.9%</i>	<i>2 420.3</i>	<i>2 489.9</i>	<i>2 637.9</i>	<i>5.5%</i>	<i>71.7%</i>	
Other non-tax revenue	109.5	5.6%	3.9%	121.3	133.8	146.7	10.3%	3.7%	
Transfers received	862.3	12.8%	24.2%	809.2	832.9	847.8	-0.6%	24.6%	
Total revenue	3 216.6	9.8%	100.0%	3 350.9	3 456.7	3 632.4	4.1%	100.0%	
Current expenses	3 033.4	11.7%	97.8%	3 190.0	3 342.0	3 516.3	5.0%	95.9%	
Compensation of employees	1 308.2	9.2%	44.4%	1 373.6	1 442.3	1 514.4	5.0%	41.3%	
Goods and services	1 505.2	12.5%	47.2%	1 583.5	1 653.1	1 740.7	5.0%	47.5%	
Depreciation	181.8	18.1%	5.5%	190.9	200.4	210.5	5.0%	5.7%	
Interest, dividends and rent on land	38.1	303.1%	0.6%	41.9	46.1	50.7	10.0%	1.3%	
Transfers and subsidies	140.0	—	2.2%	140.0	140.0	140.0	—	4.1%	
Total expenses	3 173.4	13.4%	100.0%	3 330.0	3 482.0	3 656.3	4.8%	100.0%	
Surplus/(Deficit)	43.2			20.9	(25.3)	(23.9)			

Table 32.18 South African National Parks statements of estimates of financial performance, cash flow and financial position

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Cash flow statement								
Cash flow from operating activities	(21.6)	-131.5%	217.9%	(19.0)	(21.8)	214.7	14.8%	242.1%
Receipts								
Non-tax receipts	1 977.8	11.9%	75.3%	2 112.6	2 241.3	2 241.7	4.3%	83.9%
Sales of goods and services other than capital assets	1 862.3	12.2%	71.3%	1 991.0	2 110.4	2 110.7	4.3%	79.1%
Sales by market establishment	1 846.3	13.1%	70.3%	1 975.0	2 093.4	2 093.8	4.3%	78.4%
Other sales	16.0	-27.6%	0.9%	16.0	17.0	17.0	2.0%	0.6%
Other tax receipts	115.5	7.4%	4.1%	121.6	130.9	130.9	4.3%	4.9%
Transfers received	386.0	-21.6%	24.7%	398.9	419.2	434.8	4.0%	16.1%
Total receipts	2 363.7	2.2%	100.0%	2 511.5	2 660.5	2 676.4	4.2%	100.0%
Current payments	2 187.3	12.8%	77.9%	2 322.4	2 461.7	2 461.7	4.0%	93.8%
Compensation of employees	1 247.0	7.4%	44.5%	1 321.8	1 401.1	1 401.1	4.0%	53.4%
Goods and services	920.0	21.2%	33.2%	979.0	1 037.7	1 037.7	4.1%	39.5%
Interest and rent on land	20.4	227.4%	0.2%	21.7	23.0	23.0	4.0%	0.9%
Transfers and subsidies	198.0	-	3.4%	208.1	220.6	-	-100.0%	6.2%
Total payment	2 385.4	16.1%	100.0%	2 530.5	2 682.4	2 461.7	1.1%	100.0%
Net cash flow from investing activities	(297.8)	-0.3%	100.0%	(23.6)	(25.0)	(25.0)	-56.2%	100.0%
Acquisition of property, plant, equipment and intangible assets	(235.8)	-0.4%	82.8%	(90.1)	(95.5)	(95.5)	-26.0%	305.8%
Acquisition of software and other intangible assets	(9.9)	-14.8%	3.7%	(6.5)	(6.9)	(6.9)	-11.4%	21.4%
Proceeds from the sale of property, plant, equipment and intangible assets	4.3	81.3%	-4.6%	-	-	-	-100.0%	-0.4%
Other flows from investing activities	(56.5)	6.6%	18.1%	73.0	77.3	77.3	-211.1%	-226.9%
Net cash flow from financing activities	(10.4)	-222.2%	100.0%	(11.0)	(11.7)	(11.7)	4.0%	100.0%
Borrowing Activities	(4.6)	-176.4%	57.3%	(4.9)	(5.2)	(5.2)	4.0%	44.2%
Repayment of finance leases	(5.8)	8.1%	30.0%	(6.1)	(6.5)	(6.5)	4.0%	55.8%
Net increase/(decrease) in cash and cash equivalents	(329.8)	-194.2%	100.0%	(53.6)	(58.6)	178.0	-181.4%	100.0%
Statement of financial position								
Carrying value of assets	2 661.9	3.9%	55.9%	2 661.9	2 661.9	2 661.9	-	55.9%
Acquisition of assets	(235.8)	-0.4%	-5.0%	(90.1)	(95.5)	(95.5)	-26.0%	-2.7%
Investments	245.4	5.3%	5.9%	245.4	245.4	245.4	-	5.2%
Inventory	39.6	12.1%	0.8%	39.6	39.6	39.6	-	0.8%
Receivables and prepayments	39.9	-31.9%	1.3%	39.9	39.9	39.9	-	0.8%
Cash and cash equivalents	1 776.6	8.9%	36.0%	1 776.6	1 776.6	1 776.6	-	37.3%
Total assets	4 763.4	5.0%	100.0%	4 763.4	4 763.4	4 763.4	-	100.0%
Accumulated surplus/(deficit)	2 283.7	3.1%	49.9%	2 283.7	2 283.7	2 283.7	-	47.9%
Capital reserve fund	814.4	4.1%	16.7%	814.4	814.4	814.4	-	17.1%
Borrowings	5.5	-22.7%	0.1%	5.5	5.5	5.5	-	0.1%
Finance lease	209.0	308.3%	3.1%	209.0	209.0	209.0	-	4.4%
Trade and other payables	594.3	3.7%	12.4%	594.3	594.3	594.3	-	12.5%
Provisions	856.5	4.0%	17.7%	856.5	856.5	856.5	-	18.0%
Total equity and liabilities	4 763.4	5.0%	100.0%	4 763.4	4 763.4	4 763.4	-	100.0%

Personnel information

Table 32.19 South African National Parks personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment										Number						
Number of funded posts	Number of posts on approved establishment											Average growth rate (%)	Average: Salary level/ Total (%)						
		Actual		Revised estimate		Medium-term expenditure estimate													
		2018/19		2019/20		2020/21		2021/22		2022/23				2019/20 - 2022/23					
South African National Parks		Number	Unit Cost cost	Number	Unit Cost cost	Number	Unit Cost cost	Number	Unit Cost cost	Number	Unit Cost cost								
Salary level	5 231	5 231	5 231	1 140.0	0.2	5 231	1 308.2	0.3	5 231	1 373.6	0.3	5 231	1 442.3	0.3	5 231	1 514.4	0.3	5.0%	100.0%
1 – 6	4 342	4 342	4 342	694.8	0.2	4 342	797.4	0.2	4 342	837.2	0.2	4 342	879.1	0.2	4 342	923.0	0.2	5.0%	83.0%
7 – 10	724	724	724	276.4	0.4	724	317.2	0.4	724	333.1	0.5	724	349.7	0.5	724	367.2	0.5	5.0%	13.8%
11 – 12	106	106	106	87.7	0.8	106	100.6	0.9	106	105.7	1.0	106	111.0	1.0	106	116.5	1.1	5.0%	2.0%
13 – 16	59	59	59	81.0	1.4	59	93.0	1.6	59	97.7	1.7	59	102.5	1.7	59	107.7	1.8	5.0%	1.1%

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 **iSimangaliso Wetland Park Authority** was established in 2000 in terms of the World Heritage Convention Act (1999). Its mandate is to ensure that effective and active measures are taken in the park for the protection and conservation of the World Heritage Convention values; promote the empowerment of historically

disadvantaged communities living adjacent to the park; promote, manage, oversee, market and facilitate optimal tourism and related development in the park; and encourage sustained investment and job creation. Its total budget for 2020/21 is R185.3 million.

- The **Marine Living Resources Fund** was established in terms of the Marine Living Resources Act (1998). The fund's mandate and core business is to manage the development and sustainable use of South Africa's marine resources, and protect the integrity and quality of the marine ecosystem. The fund also ensures fair and equitable access to South Africa's marine resources for the benefit of all citizens. The fund's total budget for 2020/21 is R516.7 million.
- The **South African National Biodiversity Institute** was established in 2004 in terms of the National Environmental Management: Biodiversity Act (2004). Its mandate is to monitor and report regularly on the status of South Africa's biodiversity; all listed threatened or protected species, ecosystems and invasive species; and the impact of any genetically modified organism that has been released into the environment. The institute's total budget for 2020/21 is R843.2 million.
- The **South African Weather Service** was established in terms of the South African Weather Service Act (2001). Its core mandate is to provide 2 distinct services: the public good service, funded by government; and commercial services, where the user-pay principle applies. Key activities include maintaining, extending and improving the quality of meteorological services; providing risk management information; collecting meteorological data over South Africa and the surrounding southern oceans; and fulfilling government's international obligations under the conventions of the World Meteorological Organisation and the International Civil Aviation Organisation. Its total budget for 2020/21 is R559.1 million.

Vote 33

Human Settlements

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	506.4	504.2	–	2.2	537.0	559.2
Integrated Human Settlements Planning and Development	28 912.4	170.5	28 741.2	0.7	21 274.9	21 702.5
Informal Settlements	567.4	113.5	453.7	0.2	8 431.4	8 924.6
Rental and Social Housing	891.2	73.4	817.6	0.2	941.4	971.1
Affordable Housing	447.5	86.0	361.2	0.3	603.9	633.4
Total expenditure estimates	31 324.9	947.7	30 373.6	3.6	31 788.6	32 790.8
Executive authority	Minister of Human Settlements					
Accounting officer	Director-General of Human Settlements					
Website	www.dhs.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Facilitate the creation of sustainable human settlements and the improvement to household quality of life.

Mandate

The Department of Human Settlements derives its core mandate and responsibilities from section 26 of the Constitution and section 3 of the Housing Act (1997). This allows the department, in collaboration with provinces and municipalities, to establish and facilitate a sustainable process for the development of housing. The department does this by: determining national policy and national norms and standards for the development of housing and human settlements, setting broad national goals for the delivery of housing, providing funding to provinces and metropolitan municipalities, and monitoring the financial and non-financial performance of provinces and municipalities against these goals. In executing these roles and responsibilities, the department also builds capacity for provinces and municipalities, and promotes consultation with all stakeholders in the housing delivery chain, including other sector departments, civil society and the private sector.

Selected performance indicators

Table 33.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of integrated implementation plans for priority development areas completed per year	Integrated Human Settlements Planning and Development	Priority 4: Spatial integration, human settlements and local government	– ¹	– ¹	– ¹	– ¹	19	19	19
Number of fully subsidised houses delivered per year	Integrated Human Settlements Planning and Development		90 692	86 131	77 721	98 152	85 898	69 323	71 685

Table 33.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of title deeds registered for new (post-2014) developments per year	Integrated Human Settlements Planning and Development	Priority 4: Spatial integration, human settlements and local government	60 740	1 151	37 021	159 687	229 537	229 537	229 537
Number of serviced sites delivered per year	Informal Settlements		56 886	49 935	51 214	55 165	44 595	35 990	37 216
Number of informal settlements upgraded to phase 3 per year	Informal Settlements		— ¹	— ¹	— ¹	— ¹	300	300	300
Number of affordable rental units delivered per year	Rental and Social Housing		9 616	3 506	2 697	10 000	6 000	6 000	6 000
Number of community residential units delivered per year	Rental and Social Housing		2 152	3 595	3 535	750	2 400	2 400	2 400
Number of finance-linked individual subsidy programme subsidies allocated to approved beneficiaries per year	Affordable Housing		2 660	2 295	2 218	1 900	6 685	9 600	10 047

1. No historical data available.

Expenditure analysis

The National Development Plan expresses the need for a systematic response to South Africa's entrenched spatial patterns that exacerbate social inequality and economic inefficiency. Priority 4 (spatial integration, human settlements and local government) of government's 2019-2024 medium-term strategic framework is aimed at addressing this need. To give effect to these guiding policies, the Department of Human Settlements will focus on four priority areas over the medium term: facilitating the development of integrated human settlements, upgrading informal settlements, providing affordable rental housing, and providing affordable housing finance.

As a result of Cabinet-approved budget reductions of R14.6 billion over the MTEF period, the department's allocation is set to decrease at an average annual rate of 1.1 per cent, from R33.9 billion in 2019/20 to R32.8 billion in 2022/23. These reductions are largely effected on conditional grants to provinces and metropolitan cities for the development of housing and related infrastructure due to government's broad imperative to reduce public spending.

Integrated human settlements

The development of integrated human settlements is aimed at transforming spatial housing patterns in South Africa by creating more inclusive, denser, mixed-use urban areas while striving for a more functional housing market that adequately responds to both supply and demand for all levels of affordability and need. The department is reviewing housing legislation and related policies to transition from a narrow focus on housing alone to a more holistic view of human settlements.

Integrated housing developments are funded mainly through the *urban settlements development grant* and the *human settlements development grant*, both in the *Integrated Human Settlements Planning and Development* programme. To deliver mixed-use, mixed-income and integrated settlements, the department, through housing and infrastructure subsidies delivered through provinces, municipalities and public entities such as the Housing Development Agency, is expected to spend R71.9 billion over the MTEF period. Of this amount, an estimated R23.7 billion is allocated to metropolitan cities for bulk and related infrastructure through the *urban settlements development grant*, whereas provinces are allocated an estimated R41.5 billion for housing and related infrastructure through the *human settlements development grant*.

Upgrading informal settlements

According to Statistics South Africa's 2018 general household survey, 14 per cent (2.3 million) of South African

households are in informal settlements. The department's plan to upgrade informal settlements is intended to provide security of tenure and basic services to poor and underserved households, with the prospect of state-assisted housing structures for those who meet the qualifying criteria.

The sector will rely on participation from communities and community-based organisations to inform the planning and design of informal settlements as it implements the upgrades. This will enable households to invest in their communities, especially those that do not qualify for full housing subsidies. An estimated R22.6 billion will be spent on the upgrading of informal settlements over the next three years in the *Informal Settlements* programme. Of this amount, R2.3 billion is set to be spent in cities through a component in the *urban settlements development grant* in 2020/21; R2.4 billion in provinces through a component in the *human settlements development grant* in 2020/21; and R16.1 billion in cities and provinces through the new *informal settlements upgrading partnership grant* in 2021/22 and 2022/23.

Affordable rental housing

The department is committed to providing rental and social housing to support the affordable housing market, which requires flexibility in tenure in a dynamic and changing economic environment. To support this objective, spending in the *Rental and Social Housing* programme is expected to increase from R850.8 million in 2019/20 to R971.1 million in 2022/23 at an average annual rate of 4.5 per cent.

To accelerate the delivery of well-located, affordable rental and social housing, the department plans to provide capital subsidies to accredited social housing institutions through the Social Housing Regulatory Authority to lower the cost of construction for developers and the cost of occupation for tenants. The authority is expected to provide R2.3 billion in subsidies over the medium term.

Affordable housing finance

The provision of affordable housing is an important aspect of supporting the housing market. As household incomes have increased over time, many have found themselves in a position where they earn too much to qualify for a full housing subsidy, but too little to qualify for a mortgage loan that matches income-related housing supply. The department is working to enhance affordable housing finance programmes to assist this growing segment by providing lump-sum deposits to qualifying beneficiaries to lower their monthly mortgage repayments. Funding for this priority area is in the *Affordable Housing* programme, in which spending is expected to increase from R233.6 million in 2019/20 to R633.4 million in 2022/23 at an average annual rate of 39.4 per cent. This increase is largely driven by additional allocations of R1.3 billion over the MTEF period for the National Housing Finance Corporation's finance-linked individual subsidy programme.

Expenditure trends and estimates

Table 33.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Integrated Human Settlements Planning and Development											
3. Informal Settlements											
4. Rental and Social Housing											
5. Affordable Housing											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	423.0	422.5	413.7	469.3	3.5%	1.3%	506.4	537.0	559.2	6.0%	1.6%
Programme 2	29 398.3	31 688.1	30 452.9	31 785.4	2.6%	94.9%	28 912.4	21 274.9	21 702.5	-11.9%	79.9%
Programme 3	80.4	86.8	317.9	522.9	86.6%	0.8%	567.4	8 431.4	8 924.6	157.5%	14.2%
Programme 4	508.1	940.4	850.9	850.8	18.7%	2.4%	891.2	941.4	971.1	4.5%	2.8%
Programme 5	177.4	232.6	159.9	233.6	9.6%	0.6%	447.5	603.9	633.4	39.4%	1.5%
Total	30 587.2	33 370.5	32 195.4	33 861.9	3.4%	100.0%	31 324.9	31 788.6	32 790.8	-1.1%	100.0%
Change to 2019 Budget estimate				(17.3)			(3 807.1)	(4 882.3)	(5 937.5)		

Table 33.2 Vote expenditure trends and estimates by programme 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	657.8	658.2	679.2	812.6	7.3%	2.2%	947.7	1 003.8	1 044.0	8.7%	2.9%
Compensation of employees	325.3	345.9	345.0	402.6	7.4%	1.1%	433.5	461.7	481.7	6.2%	1.4%
Goods and services ¹	332.5	312.2	334.1	410.0	7.2%	1.1%	514.2	542.1	562.2	11.1%	1.6%
of which:											
Advertising	13.5	22.2	18.8	19.7	13.5%	0.1%	24.5	25.8	27.0	11.0%	0.1%
Computer services	53.3	33.9	31.1	62.8	5.6%	0.1%	66.3	70.2	75.3	6.3%	0.2%
Consultants: Business and advisory services	70.7	30.8	60.2	132.0	23.1%	0.2%	211.2	222.0	225.3	19.5%	0.6%
Operating leases	38.2	40.2	41.7	30.3	-7.5%	0.1%	37.1	39.1	40.9	10.6%	0.1%
Property payments	9.1	9.9	12.2	16.6	22.0%	—	16.8	17.7	18.5	3.8%	0.1%
Travel and subsistence	69.9	71.1	68.5	55.8	-7.2%	0.2%	59.2	62.5	65.5	5.5%	0.2%
Interest and rent on land	0.0	—	—	—	-100.0%	—	—	—	—	—	—
Transfers and subsidies¹	29 822.6	32 543.3	31 425.8	32 989.2	3.4%	97.5%	30 373.6	30 781.0	31 742.9	-1.3%	97.0%
Provinces and municipalities	29 123.5	31 351.6	30 334.0	31 798.9	3.0%	94.3%	28 934.1	29 132.1	30 025.6	-1.9%	92.4%
Departmental agencies and accounts	682.4	1 167.0	1 079.0	1 172.9	19.8%	3.2%	1 428.0	1 636.4	1 704.2	13.3%	4.6%
Higher education institutions	3.5	—	—	3.5	—	—	—	—	—	-100.0%	—
Foreign governments and international organisations	1.9	2.1	4.2	3.1	17.1%	—	3.4	3.8	3.9	8.6%	—
Public corporations and private enterprises	5.0	10.9	—	—	-100.0%	—	—	—	—	—	—
Households	6.3	11.6	8.6	10.8	19.7%	—	8.1	8.7	9.1	-5.6%	—
Payments for capital assets	6.6	18.6	9.8	9.9	14.3%	—	3.6	3.8	4.0	-26.1%	—
Machinery and equipment	6.5	18.6	9.7	9.9	14.7%	—	3.6	3.8	4.0	-26.1%	—
Software and other intangible assets	0.1	—	0.0	—	-100.0%	—	—	—	—	—	—
Payments for financial assets	100.2	150.5	80.6	50.2	-20.6%	0.3%	—	—	—	-100.0%	—
Total	30 587.2	33 370.5	32 195.4	33 861.9	3.4%	100.0%	31 324.9	31 788.6	32 790.8	-1.1%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 33.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	258 007	315 373	335 394	449 178	20.3%	1.1%	702 266	871 723	913 008	26.7%	2.3%
Housing Development Agency	147 512	210 668	222 177	229 311	15.8%	0.6%	237 100	250 140	261 845	4.5%	0.8%
Housing Development Agency: National upgrading support programme	10 000	—	—	—	-100.0%	—	—	—	—	—	—
Community Schemes Ombud Service	30 020	29 400	31 105	32 847	3.0%	0.1%	23 675	25 127	26 246	-7.2%	0.1%
Social Housing Regulatory Authority: Operational	36 392	46 815	51 980	65 761	21.8%	0.2%	69 378	73 194	76 604	5.2%	0.2%
Social Housing Regulatory Authority: Institutional investment	28 083	20 490	20 132	21 259	-8.9%	0.1%	22 428	23 662	24 764	5.2%	0.1%
Social Housing Regulatory Authority: Regulations	6 000	8 000	10 000	—	-100.0%	—	—	—	—	—	—
National Housing Finance Corporation: Finance-Linked Individual Subsidy Programme Operational	—	—	—	5 000	—	—	15 435	19 600	20 530	60.1%	—
National Housing Finance Corporation: Finance-Linked Individual Subsidy Programme	—	—	—	95 000	—	0.1%	334 250	480 000	503 019	74.3%	1.1%
Capital	424 388	851 658	743 640	723 706	19.5%	2.2%	725 747	764 646	791 144	3.0%	2.4%
Social Housing Regulatory Authority: Consolidated capital grant	424 388	851 658	743 640	723 706	19.5%	2.2%	725 747	764 646	791 144	3.0%	2.4%

Table 33.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Households											
Social benefits											
Current	1 590	1 754	1 819	3 375	28.5%	—	—	—	—	-100.0%	—
Transfers to households	1 590	1 754	1 819	3 375	28.5%	—	—	—	—	-100.0%	—
Provinces and municipalities											
Municipal bank accounts											
Capital	10 839 468	11 382 247	11 343 922	12 194 486	4.0%	36.1%	11 440 663	11 517 684	11 708 215	-1.3%	37.2%
Urban Settlements	10 839 468	11 382 247	11 306 137	12 045 386	3.6%	35.9%	11 281 871	7 404 711	7 352 273	-15.2%	30.3%
Development Grant											
Municipal Emergency Housing Grant	—	—	37 785	149 100	—	0.1%	158 792	167 526	175 412	5.6%	0.5%
Informal Settlements	—	—	—	—	—	—	—	3 945 447	4 180 530	—	6.5%
Upgrading Partnership Grant											
Municipalities											
Households											
Other transfers to households											
Current	4 731	9 820	6 760	7 474	16.5%	—	8 078	8 715	9 121	6.9%	—
Gifts and donations	150	—	—	—	-100.0%	—	—	—	—	—	—
Bursaries for non-employees	4 581	9 820	6 760	7 474	17.7%	—	8 078	8 715	9 121	6.9%	—
Public corporations and private enterprises											
Other transfers to public corporations											
Current	5 000	10 932	—	—	-100.0%	—	—	—	—	—	—
Council for Scientific and Industrial Research	5 000	10 932	—	—	-100.0%	—	—	—	—	—	—
Foreign governments and international organisations											
Current	1 923	2 121	4 245	3 085	17.1%	—	3 395	3 770	3 946	8.6%	—
Habitat Foundation	1 923	2 121	3 515	2 400	7.7%	—	2 695	3 050	3 192	10.0%	—
Cities Alliance	—	—	730	685	—	—	700	720	754	3.3%	—
Provinces and municipalities											
Provincial revenue funds											
Capital	18 283 991	19 969 343	18 990 031	19 604 415	2.4%	60.6%	17 493 454	17 614 429	18 317 427	-2.2%	58.0%
Human Settlements	18 283 991	19 969 343	18 266 647	18 779 815	0.9%	59.4%	16 620 732	13 413 593	13 870 574	-9.6%	49.8%
Development Grant											
Title Deeds Restoration Grant	—	—	518 655	547 700	—	0.8%	577 823	—	—	-100.0%	0.9%
Provincial Emergency Housing Grant	—	—	204 729	276 900	—	0.4%	294 899	311 118	325 764	5.6%	1.0%
Informal Settlements	—	—	—	—	—	—	—	3 889 718	4 121 089	—	6.4%
Upgrading Partnership Grant											
Provinces											
Higher education institutions											
Current	3 500	—	—	3 500	—	—	—	—	—	-100.0%	—
Mangosuthu University of Technology	3 500	—	—	3 500	—	—	—	—	—	-100.0%	—
Total	29 822 598	32 543 248	31 425 811	32 989 219	3.4%	100.0%	30 373 603	30 780 967	31 742 861	-1.3%	100.0%

Personnel information

Table 33.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																	
1. Administration																	
2. Integrated Human Settlements Planning and Development																	
3. Informal Settlements																	
4. Rental and Social Housing																	
5. Affordable Housing																	
Number of posts estimated for 31 March 2020			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 (%)		
		2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23	
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				
Human Settlements			631	345.0	0.6	631	400.6	0.6	635	433.5	0.7	634	461.7	0.7	623	481.7	0.8
Salary level	631	—	536	345.0	0.6	631	400.6	0.6	635	433.5	0.7	634	461.7	0.7	623	481.7	0.8
1 – 6	141	—	139	36.1	0.3	140	41.1	0.3	142	44.6	0.3	141	47.6	0.3	139	50.3	0.4
7 – 10	230	—	204	103.2	0.5	232	122.8	0.5	230	130.3	0.6	230	139.3	0.6	227	146.5	0.6
11 – 12	127	—	112	100.2	0.9	128	111.6	0.9	130	121.0	0.9	130	128.6	1.0	125	131.1	1.0
13 – 16	94	—	79	101.0	1.3	91	117.4	1.3	94	129.4	1.4	94	137.6	1.5	93	144.7	1.6
Other	39	—	2	4.5	2.2	40	7.7	0.2	39	8.1	0.2	39	8.6	0.2	39	9.1	0.2
Programme	631	—	536	345.0	0.6	631	400.6	0.6	635	433.5	0.7	634	461.7	0.7	623	481.7	0.8
Programme 1	426	—	351	206.2	0.6	425	239.4	0.6	430	261.3	0.6	429	278.3	0.6	420	288.1	0.7
Programme 2	86	—	75	54.6	0.7	84	66.1	0.8	86	72.8	0.8	86	77.5	0.9	85	81.7	1.0
Programme 3	46	—	43	33.7	0.8	48	38.1	0.8	46	39.3	0.9	46	41.9	0.9	45	43.9	1.0
Programme 4	10	—	10	9.5	0.9	11	10.6	1.0	10	10.7	1.1	10	11.4	1.1	10	12.1	1.2
Programme 5	63	—	57	41.1	0.7	63	46.4	0.7	63	49.4	0.8	63	52.6	0.8	63	55.9	0.9

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

2. Rand million.

Departmental receipts

Table 33.5 Departmental receipts by economic classification

				Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)				Average growth rate (%)	Average: Receipt item/ Total (%)
Audited outcome			Medium-term receipts estimate									
R thousand	2016/17	2017/18	2018/19	2019/20		2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental receipts	539	603	1 564	728	728	10.5%	100.0%	338	346	351	-21.6%	100.0%
Sales of goods and services produced by department	201	203	203	203	203	0.3%	23.6%	217	223	226	3.6%	49.3%
Sales by market establishments of which:	66	63	63	62	62	-2.1%	7.4%	66	70	72	5.1%	15.3%
Parking	66	63	63	62	62	-2.1%	7.4%	66	70	72	5.1%	15.3%
Administrative fees of which:	—	—	—	141	141	—	4.1%	150	152	153	2.8%	33.8%
Commission on insurance	—	—	—	141	141	—	4.1%	150	152	153	2.8%	33.8%
Other sales of which:	135	140	140	—	—	-100.0%	12.1%	1	1	1	—	0.2%
Replacement of security cards	135	140	140	—	—	-100.0%	12.1%	1	1	1	—	0.2%
Sales of scrap, waste, arms and other used current goods of which:	3	4	3	2	2	-12.6%	0.3%	3	4	5	35.7%	0.8%
Waste paper	3	4	3	2	2	-12.6%	0.3%	3	4	5	35.7%	0.8%
Interest, dividends and rent on land	20	53	652	115	115	79.2%	24.5%	118	119	120	1.4%	26.8%
Interest	20	53	652	115	115	79.2%	24.5%	118	119	120	1.4%	26.8%
Sales of capital assets	—	—	174	—	—	—	5.1%	—	—	—	—	—
Transactions in financial assets and liabilities	315	343	532	408	408	9.0%	46.5%	—	—	—	-100.0%	23.1%
Total	539	603	1 564	728	728	10.5%	100.0%	338	346	351	-21.6%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 33.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20	2022/23
Ministry	75.6	73.9	70.0	60.7	-7.1%	16.2%	64.2	67.9	70.8	5.3%	12.7%
Departmental Management	63.9	54.5	62.4	87.9	11.2%	15.5%	96.0	102.1	103.8	5.7%	18.8%
Corporate Services	189.2	191.2	171.6	207.7	3.2%	44.0%	224.7	238.2	249.2	6.3%	44.4%
Property Management	47.1	48.1	50.6	43.3	-2.7%	10.9%	50.8	53.6	56.1	9.0%	9.8%
Financial Management	47.2	54.8	59.1	69.6	13.8%	13.3%	70.6	75.2	79.3	4.5%	14.2%
Total	423.0	422.5	413.7	469.3	3.5%	100.0%	506.4	537.0	559.2	6.0%	100.0%
Change to 2019				-			6.5	8.1	(0.1)		
Budget estimate											
Economic classification											
Current payments	416.1	404.5	404.3	458.6	3.3%	97.4%	504.2	534.6	556.7	6.7%	99.1%
Compensation of employees	195.9	209.3	206.2	239.3	6.9%	49.2%	261.2	278.3	288.0	6.4%	51.5%
Goods and services ¹	220.3	195.2	198.1	219.3	-0.2%	48.2%	243.0	256.3	268.7	7.0%	47.7%
of which:											
Advertising	13.3	18.5	16.5	19.3	13.3%	3.9%	24.0	25.3	26.5	11.1%	4.6%
Computer services	41.5	19.4	17.4	33.9	-6.5%	6.5%	35.2	37.2	39.4	5.1%	7.0%
Consultants: Business and advisory services	18.3	3.9	9.2	25.0	11.0%	3.3%	25.0	26.2	27.5	3.2%	5.0%
Operating leases	38.2	40.2	41.7	30.3	-7.5%	8.7%	37.1	39.1	40.9	10.6%	7.1%
Property payments	9.1	9.9	12.2	16.6	22.0%	2.8%	16.8	17.7	18.5	3.8%	3.4%
Travel and subsistence	43.6	42.9	41.0	29.4	-12.3%	9.1%	31.7	33.4	35.0	6.0%	6.3%
Transfers and subsidies ¹	1.5	0.7	0.5	3.4	30.2%	0.3%	-	-	-	-100.0%	0.2%
Households	1.5	0.7	0.5	3.4	30.2%	0.3%	-	-	-	-100.0%	0.2%
Payments for capital assets	5.2	17.1	8.6	7.2	11.3%	2.2%	2.2	2.4	2.5	-30.0%	0.7%
Machinery and equipment	5.2	17.1	8.5	7.2	11.8%	2.2%	2.2	2.4	2.5	-30.0%	0.7%
Software and other intangible assets	0.1	-	0.0	-	-100.0%	-	-	-	-	-	-
Payments for financial assets	0.2	0.3	0.4	0.1	-16.0%	-	-	-	-	-100.0%	-
Total	423.0	422.5	413.7	469.3	3.5%	100.0%	506.4	537.0	559.2	6.0%	100.0%
Proportion of total programme expenditure to vote expenditure	1.4%	1.3%	1.3%	1.4%	-	-	1.6%	1.7%	1.7%	-	-

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

Programme 2: Integrated Human Settlements Planning and Development

Programme purpose

Manage the development of policy, planning and research in the creation of sustainable and integrated human settlements, oversee the delivery of the integrated residential development programme, and coordinate intergovernmental partnerships with stakeholders.

Objectives

- Accelerate the delivery of spatially integrated housing and human settlements development by:
 - transferring and monitoring the *human settlements development grant* and *title deeds restoration grant* to provinces, and the *urban settlements development grant* to metropolitan municipalities in terms of the annual Division of Revenue Act
 - undertaking research and developing housing and human settlements policies and programmes as and when required.
- Promote planning coordination and strengthen intergovernmental cooperation across and within different spheres of government by:
 - providing support to provinces and municipalities in the development of 57 integrated implementation plans over the medium term
 - facilitating intergovernmental forums and stakeholder partnerships on an ongoing basis.

Subprogrammes

- Management for Integrated Human Settlements Planning and Development* provides strategic leadership to the programme.

- *Macro Sector Planning* manages the development and evaluation of human settlements macro strategy and planning frameworks.
- *Macro Policy and Research* undertakes research and develops policy that promotes spatial transformation and integration.
- *Monitoring and Evaluation* monitors and reports on housing and human settlements programmes and projects in terms of the housing code.
- *Public Entity Oversight* provides regulatory, strategic and governance oversight of various public entities. It also oversees compliance with and performance against legislated mandates and responsibilities.
- *Grant Management* manages and transfers conditional grants to provinces and municipalities for the implementation of housing and human settlements programmes.
- *Capacity Building and Sector Support* improves intergovernmental coordination and provides sector-specific technical capacity to provinces and municipalities.

Expenditure trends and estimates

Table 33.7 Integrated Human Settlements Planning and Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million				2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Management for Integrated Human Settlements Planning and Development	3.6	3.3	3.2	3.7	0.8%	—	4.0	4.2	4.4	5.8%	—
Macro Sector Planning	13.9	20.3	10.5	14.5	1.3%	—	18.0	19.1	20.1	11.4%	0.1%
Macro Policy and Research	36.3	36.1	36.7	49.7	11.0%	0.1%	56.4	59.7	62.9	8.2%	0.2%
Monitoring and Evaluation	33.4	36.6	36.0	58.0	20.2%	0.1%	59.9	63.8	68.2	5.5%	0.2%
Public Entity Oversight	187.5	240.1	253.3	262.2	11.8%	0.8%	260.8	275.3	288.1	3.2%	1.0%
Grant Management	29 123.5	31 351.6	30 091.4	31 372.9	2.5%	98.9%	28 480.4	20 818.3	21 222.8	-12.2%	98.3%
Capacity Building and Sector Support	—	0.1	21.8	24.4	—	—	33.0	34.5	36.0	13.8%	0.1%
Total	29 398.3	31 688.1	30 452.9	31 785.4	2.6%	100.0%	28 912.4	21 274.9	21 702.5	-11.9%	100.0%
Change to 2019 Budget estimate				(7.3)			2 236.5	(3 966.1)	(4 973.7)		
Economic classification											
Current payments	81.7	84.0	107.2	148.5	22.0%	0.3%	170.5	180.6	190.8	8.7%	0.7%
Compensation of employees	52.3	53.6	54.6	66.7	8.5%	0.2%	72.8	77.5	81.8	7.0%	0.3%
Goods and services ¹	29.4	30.4	52.6	81.8	40.6%	0.2%	97.7	103.1	109.0	10.0%	0.4%
of which:											
Minor assets	0.0	0.1	0.1	0.9	283.2%	—	1.2	1.2	1.3	12.3%	—
Communication	1.0	1.4	1.5	1.3	8.1%	—	1.5	1.6	1.6	7.8%	—
Computer services	11.8	14.4	13.7	28.8	34.8%	0.1%	31.0	33.1	35.9	7.5%	0.1%
Consultants: Business and advisory services	2.4	3.4	5.2	37.1	149.1%	—	48.5	50.9	53.1	12.7%	0.2%
Travel and subsistence	9.6	8.9	9.9	7.5	-8.0%	—	10.7	11.3	11.8	16.3%	—
Venues and facilities	1.9	1.1	15.3	2.1	4.1%	—	1.6	1.7	1.8	-5.7%	—
Interest and rent on land	0.0	—	—	—	-100.0%	—	—	—	—	—	—
Transfers and subsidies¹	29 316.1	31 603.4	30 345.3	31 635.1	2.6%	99.7%	28 741.2	21 093.6	21 510.9	-12.1%	99.3%
Provinces and municipalities	29 123.5	31 351.6	30 091.4	31 372.9	2.5%	98.9%	28 480.4	20 818.3	21 222.8	-12.2%	98.3%
Departmental agencies and accounts	187.5	240.1	253.3	262.2	11.8%	0.8%	260.8	275.3	288.1	3.2%	1.0%
Public corporations and private enterprises	5.0	10.9	—	—	-100.0%	—	—	—	—	—	—
Households	0.1	0.8	0.5	—	-100.0%	—	—	—	—	—	—
Payments for capital assets	0.4	0.7	0.5	1.7	55.7%	—	0.7	0.7	0.8	-23.2%	—
Machinery and equipment	0.4	0.7	0.5	1.7	57.4%	—	0.7	0.7	0.8	-23.2%	—
Software and other intangible assets	0.0	—	—	—	-100.0%	—	—	—	—	—	—
Payments for financial assets	0.0	0.0	0.0	0.1	95.1%	—	—	—	—	-100.0%	—
Total	29 398.3	31 688.1	30 452.9	31 785.4	2.6%	100.0%	28 912.4	21 274.9	21 702.5	-11.9%	100.0%
Proportion of total programme expenditure to vote expenditure	96.1%	95.0%	94.6%	93.9%	—	—	92.3%	66.9%	66.2%	—	—
Details of selected transfers and subsidies											
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Capital	10 839.5	11 382.2	11 306.1	12 045.4	3.6%	37.0%	11 281.9	7 404.7	7 352.3	-15.2%	36.7%
Urban Settlements Development Grant	10 839.5	11 382.2	11 306.1	12 045.4	3.6%	37.0%	11 281.9	7 404.7	7 352.3	-15.2%	36.7%

Table 33.7 Integrated Human Settlements Planning and Development expenditure trends and estimates by subprogramme and economic classification

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	187.5	240.1	253.3	262.2	11.8%	0.8%	260.8	275.3	288.1	3.2%	1.0%
Housing Development Agency	147.5	210.7	222.2	229.3	15.8%	0.7%	237.1	250.1	261.8	4.5%	0.9%
Housing Development Agency: National upgrading support programme	10.0	—	—	—	-100.0%	—	—	—	—	—	—
Community Schemes Ombud Service	30.0	29.4	31.1	32.8	3.0%	0.1%	23.7	25.1	26.2	-7.2%	0.1%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	5.0	10.9	—	—	-100.0%	—	—	—	—	—	—
Council for Scientific and Industrial Research	5.0	10.9	—	—	-100.0%	—	—	—	—	—	—
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Capital	18 284.0	19 969.3	18 785.3	19 327.5	1.9%	61.9%	17 198.6	13 413.6	13 870.6	-10.5%	61.5%
Human Settlements Development Grant	18 284.0	19 969.3	18 266.6	18 779.8	0.9%	61.1%	16 620.7	13 413.6	13 870.6	-9.6%	60.5%
Title Deeds Restoration Grant	—	—	518.7	547.7	—	0.9%	577.8	—	—	-100.0%	1.1%

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

Programme 3: Informal Settlements

Programme purpose

Provide policy, planning and capacity support for the upgrading of informal settlements, and oversee the implementation of the informal settlements upgrading programme.

Objectives

- Accelerate the provision of security of tenure, basic services and related infrastructure by:
 - managing the transfer of the *informal settlements upgrading partnership grant* to municipalities and provinces in terms of the annual Division of Revenue Act
 - undertaking evidence-based research and developing responsive policies on an ongoing basis
 - providing capacity support to provinces and municipalities through the national upgrading support programme on an ongoing basis.
- Strengthen cooperation and collaboration by facilitating intergovernmental forums and stakeholder partnerships on an ongoing basis.

Subprogrammes

- *Management for Informal Settlements* provides strategic leadership to the programme.
- *Grant Management* provides and monitors grant funding for the implementation of upgrading programmes for informal settlements.
- *Capacity Building and Sector Support* improves coordination and provides sector-specific technical support to provinces and municipalities for the upgrading of informal settlements.

Expenditure trends and estimates

Table 33.8 Informal Settlements 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Management for Informal Settlements	3.3	8.1	5.2	5.3	17.8%	2.2%	5.2	5.5	5.9	3.6%	0.1%
Grant Management	20.0	23.0	266.5	453.9	183.1%	75.7%	489.7	8 352.1	8 841.6	169.1%	98.3%
Capacity Building and Sector Support	57.2	55.7	46.1	63.7	3.7%	22.1%	72.4	73.8	77.0	6.5%	1.6%
Total	80.4	86.8	317.9	522.9	86.6%	100.0%	567.4	8 431.4	8 924.6	157.5%	100.0%
Change to 2019				(10.1)			(5 997.6)	(867.7)	(912.6)		
Budget estimate											
Economic classification											
Current payments	80.1	86.5	74.5	96.7	6.5%	33.5%	113.5	117.4	121.6	7.9%	2.4%
Compensation of employees	26.6	30.0	33.7	38.5	13.1%	12.8%	39.3	41.9	43.9	4.4%	0.9%
Goods and services ¹	53.5	56.5	40.9	58.2	2.8%	20.7%	74.2	75.5	77.7	10.1%	1.5%
of which:											
Communication	0.4	0.6	0.6	0.8	23.7%	0.2%	0.8	0.9	0.9	5.6%	—
Consultants: Business and advisory services	45.7	20.2	34.1	43.8	-1.4%	14.3%	62.7	63.4	64.8	14.0%	1.3%
Consumables: Stationery, printing and office supplies	0.2	0.1	0.0	1.7	119.3%	0.2%	2.3	2.4	2.6	15.2%	—
Travel and subsistence	3.8	7.6	3.7	7.0	22.5%	2.2%	5.0	5.3	5.6	-7.0%	0.1%
Operating payments	2.7	2.8	1.4	1.9	-11.3%	0.9%	1.1	1.2	1.2	-13.3%	—
Venues and facilities	0.1	12.2	0.9	1.0	137.5%	1.4%	0.7	0.8	0.8	-6.8%	—
Interest and rent on land	0.0	—	—	—	-100.0%	—	—	—	—	—	—
Transfers and subsidies¹	0.1	—	243.1	426.0	1566.8%	66.4%	453.7	8 313.8	8 802.8	174.4%	97.6%
Provinces and municipalities	—	—	242.5	426.0	—	66.3%	453.7	8 313.8	8 802.8	174.4%	97.6%
Households	0.1	—	0.6	—	-100.0%	0.1%	—	—	—	—	—
Payments for capital assets	0.2	0.3	0.1	0.2	0.2%	0.1%	0.2	0.2	0.2	0.9%	—
Machinery and equipment	0.2	0.3	0.1	0.2	0.2%	0.1%	0.2	0.2	0.2	0.9%	—
Payments for financial assets	0.0	0.0	0.2	0.0	-17.0%	—	—	—	—	-100.0%	—
Total	80.4	86.8	317.9	522.9	86.6%	100.0%	567.4	8 431.4	8 924.6	157.5%	100.0%
Proportion of total programme expenditure to vote expenditure	0.3%	0.3%	1.0%	1.5%	—	—	1.8%	26.5%	27.2%	—	—
Details of selected transfers and subsidies											
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Capital	—	—	37.8	149.1	—	18.5%	158.8	4 113.0	4 355.9	208.0%	47.6%
Municipal Emergency Housing Grant	—	—	37.8	149.1	—	18.5%	158.8	167.5	175.4	5.6%	3.5%
Informal Settlements Upgrading	—	—	—	—	—	—	—	3 945.4	4 180.5	—	44.1%
Partnership Grant Municipalities	—	—	—	—	—	—	—	—	—	—	—
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Capital	—	—	204.7	276.9	—	47.8%	294.9	4 200.8	4 446.9	152.3%	50.0%
Provincial Emergency Housing Grant	—	—	204.7	276.9	—	47.8%	294.9	311.1	325.8	5.6%	6.6%
Informal Settlements Upgrading	—	—	—	—	—	—	—	3 889.7	4 121.1	—	43.4%
Partnership Grant Provinces	—	—	—	—	—	—	—	—	—	—	—

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

Programme 4: Rental and Social Housing

Programme purpose

Promote the provision of affordable rental housing, monitor the performance of the Social Housing Regulatory Authority, and develop capabilities in the rental housing sector through intergovernmental collaboration and evidence-based research.

Objectives

- Promote the delivery of affordable rental housing by conducting research, and developing policies and programmes as and when required.
- Accelerate the provision of affordable rental housing by:
 - providing capital and operational funding to the Social Housing Regulatory Authority to deliver

18 000 social housing units over the MTEF period

- monitoring and evaluating the financial and non-financial performance of affordable rental housing programmes and projects on a monthly and quarterly basis.
- Strengthen cooperation and collaboration by facilitating intergovernmental forums and stakeholder partnerships on an ongoing basis.

Subprogrammes

- *Management for Rental and Social Housing* provides strategic leadership to the programme.
- *Public Entity Oversight* provides regulatory, strategic and governance oversight of the Social Housing Regulatory Authority. It also oversees compliance with and performance against the entity's mandate and related legislation.
- *Capacity Building and Sector Support* manages capacity development programmes, improves coordination, and provides technical support in the affordable rental housing sector.

Expenditure trends and estimates

Table 33.9 Rental and Social Housing 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Management for Rental and Social Housing	3.9	3.7	3.7	4.8	6.5%	0.5%	4.9	5.2	5.4	4.5%	0.6%
Public Entity Oversight	494.9	927.0	825.8	810.7	17.9%	97.1%	817.6	861.5	892.5	3.3%	92.6%
Capacity Building and Sector Support	9.3	9.7	21.4	35.3	55.9%	2.4%	68.7	74.8	73.2	27.5%	6.9%
Total	508.1	940.4	850.9	850.8	18.7%	100.0%	891.2	941.4	971.1	4.5%	100.0%
Change to 2019				0.1			(61.2)	(66.1)	(50.9)		
Budget estimate											
Economic classification	13.1	13.4	25.0	39.9	44.9%	2.9%	73.4	79.8	78.4	25.3%	7.4%
Current payments	8.6	10.4	9.5	10.8	7.8%	1.2%	10.7	11.4	12.1	4.0%	1.2%
Compensation of employees	4.5	3.0	15.5	29.1	86.5%	1.7%	62.7	68.3	66.3	31.5%	6.2%
Goods and services ¹	0.1	0.3	0.3	0.4	43.4%	–	0.4	0.4	0.5	5.2%	–
of which:	2.2	0.2	6.8	22.7	119.0%	1.0%	56.8	62.1	59.7	38.0%	5.5%
Communication	–	0.2	0.7	0.3	–	–	0.3	0.3	0.3	3.9%	–
Consultants: Business and advisory services	0.0	0.2	0.1	0.6	148.0%	–	0.7	0.7	0.7	5.0%	0.1%
Contractors	2.0	1.9	4.5	3.6	22.6%	0.4%	3.8	4.0	4.2	5.2%	0.4%
Consumables: Stationery, printing and office supplies	0.2	0.2	2.1	0.7	63.5%	0.1%	0.3	0.3	0.3	–21.1%	–
Travel and subsistence	494.9	927.0	825.8	810.7	17.9%	97.1%	817.6	861.5	892.5	3.3%	92.6%
Venues and facilities	–	–	0.1	–	–	–	–	–	–	–	–
Transfers and subsidies¹	494.9	927.0	825.8	810.7	17.9%	97.1%	817.6	861.5	892.5	3.3%	92.6%
Departmental agencies and accounts	–	–	0.1	–	–	–	–	–	–	–	–
Households	0.2	0.1	0.1	0.2	4.4%	–	0.2	0.2	0.2	5.3%	–
Payments for capital assets	0.2	0.1	0.1	0.2	4.4%	–	0.2	0.2	0.2	5.3%	–
Machinery and equipment	–	–	0.0	–	–	–	–	–	–	–	–
Payments for financial assets	–	–	0.0	–	–	–	–	–	–	–	–
Total	508.1	940.4	850.9	850.8	18.7%	100.0%	891.2	941.4	971.1	4.5%	100.0%
Proportion of total programme expenditure to vote expenditure	1.7%	2.8%	2.6%	2.5%	–	–	2.8%	3.0%	3.0%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	70.5	75.3	82.1	87.0	7.3%	10.0%	91.8	96.9	101.4	5.2%	10.3%
Social Housing Regulatory Authority: Operational	36.4	46.8	52.0	65.8	21.8%	6.4%	69.4	73.2	76.6	5.2%	7.8%
Social Housing Regulatory Authority: Institutional investment	28.1	20.5	20.1	21.3	–8.9%	2.9%	22.4	23.7	24.8	5.2%	2.5%
Social Housing Regulatory Authority: Regulations	6.0	8.0	10.0	–	–100.0%	0.8%	–	–	–	–	–
Capital	424.4	851.7	743.6	723.7	19.5%	87.1%	725.7	764.6	791.1	3.0%	82.2%
Social Housing Regulatory Authority: Consolidated capital grant	424.4	851.7	743.6	723.7	19.5%	87.1%	725.7	764.6	791.1	3.0%	82.2%

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

Programme 5: Affordable Housing

Programme purpose

Facilitate the provision of affordable housing finance, monitor market trends, and develop research and policy that respond to demand. Oversee housing finance entities reporting to the minister.

Objectives

- Accelerate the provision of affordable housing finance by:
 - providing capital and operational funding to the National Housing Finance Corporation for the administration of the finance-linked individual subsidy programme on an ongoing basis
 - researching and developing policies and programmes that promote the provision of affordable housing finance for households as and when required
 - monitor and evaluate the financial and non-financial performance of affordable housing programmes and projects on a monthly and quarterly basis.
- Strengthen cooperation and collaboration by facilitating intergovernmental forums and stakeholder partnerships on an ongoing basis.

Subprogrammes

- *Management for Affordable Housing* provides strategic leadership to the programme.
- *Public Entity Oversight* provides regulatory, strategic and governance oversight to the National Housing Finance Corporation. It also oversees compliance with and performance against the corporation's mandate and related legislation, and provides operational and capital transfers to the corporation.
- *Capacity Building and Sector Support* improves coordination in the sector and provides sector-specific technical support.

Expenditure trends and estimates

Table 33.10 Affordable Housing 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Management Affordable Housing	3.6	3.1	3.2	3.9	3.0%	1.7%	4.1	4.3	4.5	5.1%	0.9%
Public Entity Oversight	116.1	162.3	92.6	165.2	12.5%	66.7%	365.6	516.5	540.7	48.5%	82.8%
Capacity Building and Sector Support	57.7	67.2	64.2	64.4	3.8%	31.5%	77.8	83.1	88.2	11.0%	16.3%
Total	177.4	232.6	159.9	233.6	9.6%	100.0%	447.5	603.9	633.4	39.4%	100.0%
Change to 2019 budget estimate				(0.0)			8.7	9.5	(0.2)		
Economic classification											
Current payments	66.7	69.8	68.1	68.9	1.1%	34.0%	86.0	91.5	96.4	11.9%	17.9%
Compensation of employees	41.9	42.8	41.1	47.3	4.1%	21.5%	49.4	52.6	55.9	5.7%	10.7%
Goods and services ¹	24.8	27.0	27.0	21.6	-4.5%	12.5%	36.6	38.9	40.5	23.4%	7.2%
of which:											
Minor assets	0.0	0.0	0.0	1.1	229.1%	0.2%	1.1	1.2	1.2	2.7%	0.2%
Catering: Departmental activities	0.5	0.9	1.0	1.5	43.1%	0.5%	1.4	1.4	1.5	0.4%	0.3%
Communication	0.9	1.5	1.2	1.3	11.9%	0.6%	1.3	1.4	1.4	4.8%	0.3%
Consultants: Business and advisory services	2.1	3.0	4.9	3.3	16.0%	1.7%	18.2	19.5	20.2	82.1%	3.2%
Travel and subsistence	10.9	9.8	9.5	8.3	-8.5%	4.8%	8.0	8.5	8.9	2.0%	1.8%
Venues and facilities	8.8	6.4	4.8	2.9	-31.0%	2.8%	3.1	3.3	3.4	5.8%	0.7%
Transfers and subsidies¹	10.0	12.2	11.2	114.1	124.9%	18.4%	361.2	512.1	536.6	67.6%	79.4%
Departmental agencies and accounts	–	–	–	100.0	–	12.4%	349.7	499.6	523.5	73.6%	76.8%
Higher education institutions	3.5	–	–	3.5	–	0.9%	–	–	–	-100.0%	0.2%
Foreign governments and international organisations	1.9	2.1	4.2	3.1	17.1%	1.4%	3.4	3.8	3.9	8.6%	0.7%
Households	4.6	10.1	6.9	7.5	17.7%	3.6%	8.1	8.7	9.1	6.8%	1.7%

2 Rand million

Entity

National Housing Finance Corporation

Selected performance indicators

Table 33.12 National Housing Finance Corporation performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of affordable housing opportunities facilitated through disbursements per year	Strategic investment	Priority 4: Spatial integration, human settlements and local government	126	230	44	202	— ¹	— ¹	— ¹
Number of affordable housing opportunities facilitated through leveraged funds per year	Strategic investment		1 090	669	1 546	424	335	— ¹	— ¹
Value of funds disbursed per year	Strategic investment		R66m	R120m	R98m	R41m	R41m	— ¹	— ¹
Value of funds leveraged from the private sector per year	Strategic investment		R472m	R1.2bn	R89m	R164m	R168m	— ¹	— ¹
Number of social housing opportunities facilitated through disbursements per year	Rental lending		1 861	2 242	289	775	1 001	1 055	1 736
Value of funds disbursed for social housing per year	Rental lending		R197m	R110m	R77m	R81m	R151m	R110m	R279m
Number of private rental housing opportunities facilitated through disbursements per year	Rental lending		738	579	275	352	96	390	293
Value of funds disbursed for private rental housing per year	Rental lending		R44m	R152m	R188m	R39m	R130m	R136m	R150m
Number of affordable housing opportunities facilitated through disbursements per year	Developer finance		— ²	— ²	1 334	1 800	5 978	6 702	7 437
Value of funds disbursed to developers and emerging contractors per year	Developer finance		— ²	— ²	R144m	R446m	R523m	R581m	R611m
Number of rural housing opportunities facilitated through disbursements per year	Incremental lending		— ²	— ²	14 698	37 183	41 525	44 222	45 000
Value of funds disbursed to rural households per year	Incremental lending		— ²	— ²	R63m	R250m	R379m	R398m	R405m
Number of applications per year	Finance-linked individual subsidy programme		— ²	— ²	— ²	2 572	7 479	10 277	1 0277
Number of subsidies disbursed to households per year	Finance-linked individual subsidy programme		— ²	— ²	— ²	712	4 641	8 405	10 012
Value of subsidies disbursed per year	Finance-linked individual subsidy programme		— ²	— ²	— ²	R36m	R207m	R393m	R489m

1. No projections available.

2. No historical data available.

Entity overview

The National Housing Finance Corporation was established in 1996 as a schedule 3A development finance institution. Its principal mandate is to broaden and deepen access to affordable housing finance for low-income to middle-income households by facilitating private-sector lending for housing.

Over the medium term, the corporation will focus on providing: incremental housing finance, mainly for rural housing; developer and emerging contractor finance; affordable rental housing finance; and finance-linked individual subsidies to qualifying households. Funding will be delivered through non-banking financial institutions and other retail intermediaries. It is expected that, over the medium term, a human settlements development bank, which will assume this function, will be formally established.

The corporation derives its revenue mainly through interest on loans; interest and dividends on investments; rental income; and transfers from the department for the finance-linked individual subsidy programme, which account for an average of 43.4 per cent (R1.4 billion) of total revenue over the MTEF period and include an operational allocation. Expenditure is expected to increase from R475.6 million in 2019/20 to R918.8 million in

2022/23 at an average annual rate of 24.5 per cent, largely driven by the significant increase in the funding for the finance-linked individual subsidy programme.

Programmes/Objectives/Activities

Table 33.13 National Housing Finance Corporation Limited expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/ Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/ Total (%)
Administration	79.6	87.2	113.3	193.9	34.5%	41.1%	192.8	196.0	192.1	-0.3%	27.5%
Retail	3.1	6.5	5.1	8.5	39.8%	2.1%	8.9	9.5	10.1	6.0%	1.3%
Strategic investment	0.9	5.8	0.3	—	-100.0%	0.9%	—	—	—	—	—
Rental lending programme	136.5	93.7	66.3	74.8	-18.2%	37.7%	75.4	79.0	81.1	2.7%	10.9%
Programme Management	—	—	5.9	7.2	—	0.9%	9.8	10.3	10.9	14.9%	1.3%
Developer finance programme	—	—	39.8	46.4	—	6.2%	46.4	49.9	51.9	3.8%	6.8%
Incremental lending programme	—	—	37.8	44.7	—	5.9%	44.8	47.6	49.1	3.2%	6.6%
FLISP programme	—	—	—	100.0	—	5.3%	349.7	499.6	523.5	73.6%	45.5%
Total	220.2	193.1	268.5	475.6	29.3%	100.0%	727.8	891.8	918.8	24.5%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 33.14 National Housing Finance Corporation Limited statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17	2019/20	2016/17	2019/20	2016/17 - 2019/20
Revenue									
Non-tax revenue	233.4	265.7	250.4	287.8	408.2	376.9	401.2	497.0	110.4%
Sale of goods and services other than capital assets	171.1	186.0	174.8	198.8	309.2	261.7	312.2	352.0	103.2%
of which:									
Administrative fees	2.4	4.4	2.2	2.2	17.4	3.2	18.5	27.6	91.9%
Management fees	—	2.2	—	0.2	5.7	—	5.8	16.2	162.3%
Levies from installment sale	2.4	2.2	2.2	2.0	2.0	—	2.0	—	48.5%
Fees on loans for construction projects	—	—	—	—	9.8	3.2	10.7	11.3	70.8%
Sales by market establishment	168.7	181.6	172.7	196.6	291.7	258.6	293.6	324.4	103.7%
Sale of Houses	1.9	3.0	1.3	1.3	—	0.4	(4.4)	1.2	-460.0%
Interest on Advances	165.4	174.8	151.3	181.8	280.5	242.4	286.3	311.5	103.0%
Rental Income	1.4	3.8	20.0	13.5	11.2	15.9	11.8	11.8	101.4%
Other non-tax revenue	62.3	79.8	75.6	89.1	99.0	115.1	89.0	145.1	131.6%
Transfers received	—	—	—	—	—	—	100.0	100.0	100.0%
Total revenue	233.4	265.7	250.4	287.8	408.2	376.9	501.2	597.0	109.6%
Expenses									
Current expenses	209.5	182.3	241.1	193.1	326.4	268.5	338.5	380.6	91.8%
Compensation of employees	67.0	70.7	75.0	72.0	133.0	105.7	144.6	146.2	94.0%
Goods and services	123.1	91.9	148.3	102.6	161.9	139.2	165.0	205.0	90.0%
Interest, dividends and rent on land	19.4	19.8	17.7	18.5	31.5	23.6	28.9	29.3	93.5%
Transfers and subsidies	—	—	—	—	—	—	95.0	95.0	100.0%
Total expenses	216.7	220.2	241.1	193.1	326.4	268.5	433.5	475.6	95.0%
Surplus/(Deficit)	16.7	45.6	9.3	94.7	81.8	108.4	67.7	121.5	
Cash flow statement									
Cash flow from operating activities	68.5	146.1	59.0	157.8	118.5	189.7	212.5	267.7	166.0%
Receipts									
Non-tax receipts	231.6	279.9	244.6	282.5	383.6	337.3	435.0	512.2	109.0%
Sales of goods and services other than capital assets	29.6	4.4	22.2	4.6	289.0	4.8	350.8	371.7	55.7%
Administrative fees	—	4.4	—	4.6	17.4	4.8	18.5	27.6	115.0%
Sales by market establishment	29.6	—	22.2	—	267.2	—	322.5	344.1	53.6%
Other sales	—	—	—	—	4.4	—	9.8	—	—
Other tax receipts	202.0	275.5	222.3	277.9	94.6	332.5	84.2	140.5	170.2%
Transfers received	—	—	—	—	—	—	100.0	100.0	100.0%
Total receipts	231.6	279.9	244.6	282.5	383.6	337.3	568.9	647.4	108.3%
Payment									
Current payments	155.9	124.2	153.0	124.7	265.1	147.5	261.4	284.7	81.5%
Compensation of employees	67.0	35.7	75.0	69.8	126.7	85.8	142.3	146.2	82.1%
Goods and services	69.5	68.8	60.3	36.4	105.5	38.1	89.8	109.2	77.6%
Interest and rent on land	19.4	19.8	17.7	18.5	32.8	23.6	29.3	29.3	91.9%
Transfers and subsidies	—	—	—	—	—	—	95.0	95.0	100.0%
Total payments	163.1	133.8	185.6	124.7	265.1	147.5	356.4	379.7	81.0%
Net cash flow from advancing activities (Financial Institutions only)	(256.8)	(53.9)	(243.1)	(331.1)	(286.5)	(116.2)	(322.7)	(127.9)	56.7%
Loan disbursements	(256.8)	(303.2)	(243.1)	(381.3)	(1 026.0)	(557.7)	(1 199.0)	(857.0)	77.0%
Loan principal repayments	—	249.3	—	50.1	739.5	441.5	876.3	729.1	91.0%

Table 33.14 National Housing Finance Corporation Limited statements of historical financial performance, cash flow and financial position

Cash flow statement									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Net cash flow from investing activities	(6.5)	(138.5)	(2.7)	65.8	505.8	45.5	(10.8)	(134.6)	-33.3%
Acquisition of property, plant, equipment and intangible assets	—	(0.6)	(2.7)	(1.1)	(3.0)	(0.0)	(10.8)	(14.5)	97.2%
Acquisition of software and other intangible assets	—	(0.5)	—	(0.4)	—	(0.1)	—	—	—
Proceeds from the sale of property, plant, equipment and intangible assets	—	0.0	—	—	0.0	0.0	—	—	415.4%
Other flows from investing activities	(6.5)	(137.5)	—	67.2	508.8	45.6	—	(120.1)	-28.8%
Net cash flow from financing activities	66.3	59.8	69.9	79.9	52.4	526.8	13.1	8.6	334.7%
Deferred income	100.0	100.0	100.0	100.0	80.0	80.0	50.0	50.0	100.0%
Borrowing activities	(33.7)	(40.2)	(30.1)	(33.6)	(35.4)	(35.0)	(36.7)	(41.4)	110.5%
Other flows from financing activities	—	—	—	13.4	7.8	481.8	(0.2)	—	6 488.6%
Net increase/(decrease) in cash and cash equivalents	(128.5)	13.5	(117.1)	(27.7)	390.3	645.9	(107.9)	13.8	
Statement of financial position									
Carrying value of assets	93.2	92.9	93.3	62.1	107.0	68.3	119.7	82.8	74.1%
Acquisition of assets	—	(0.6)	(2.7)	(1.1)	(3.0)	(0.0)	(10.8)	(14.5)	97.2%
Investments	745.6	896.9	884.8	875.6	832.4	844.5	823.0	967.4	109.1%
Inventory	101.5	72.8	64.0	17.7	100.8	14.7	49.5	11.7	37.0%
Loans	2 005.8	1 819.0	2 061.2	2 085.4	3 021.6	2 877.1	3 296.4	2 919.6	93.4%
Receivables and prepayments	13.8	10.7	21.9	16.1	50.1	22.3	42.1	24.5	57.5%
Cash and cash equivalents	216.0	358.1	241.0	330.4	720.7	976.3	610.3	990.1	148.5%
Taxation	37.8	32.6	—	33.9	33.9	35.2	—	—	141.7%
Total assets	3 213.8	3 282.9	3 366.3	3 421.3	4 866.5	4 838.4	4 941.1	4 996.1	100.9%
Accumulated surplus/(deficit)	1 334.1	1 363.0	1 372.2	1 424.6	1 657.5	1 639.0	1 733.7	1 760.5	101.5%
Capital and reserves	908.0	931.7	931.7	931.7	1 169.3	1 131.0	1 169.3	1 131.0	98.7%
Capital reserve fund	630.0	630.0	730.0	730.0	1 506.7	1 545.0	1 556.7	1 595.0	101.7%
Borrowings	249.7	249.3	216.4	216.6	370.5	370.7	324.6	329.3	100.4%
Trade and other payables	16.7	17.4	23.2	4.3	33.3	21.2	33.1	50.1	87.5%
Provisions	16.0	19.0	17.5	18.0	29.2	32.9	27.6	42.6	124.6%
Managed funds (e.g. poverty alleviation fund)	25.7	39.2	42.0	52.7	60.5	49.4	60.3	49.4	101.2%
Derivatives financial instruments	33.7	33.3	33.3	43.4	39.5	49.1	35.8	38.2	115.3%
Total equity and liabilities	3 213.8	3 282.9	3 366.3	3 421.3	4 866.5	4 838.4	4 941.1	4 996.1	100.9%

Statements of estimates of financial performance, cash flow and financial position**Table 33.15 National Housing Finance Corporation Limited statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Revenue								
Non-tax revenue	497.0	23.2%	95.8%	579.8	598.9	610.0	7.1%	63.5%
Sale of goods and services other than capital assets	352.0	23.7%	66.9%	429.1	446.4	452.8	8.8%	46.4%
Administrative fees	27.6	84.5%	2.0%	33.6	35.8	37.3	10.6%	3.7%
Management fees	16.2	94.4%	0.9%	22.1	22.6	23.0	12.4%	2.3%
Levies from installment sale	—	-100.0%	0.4%	—	—	—	—	—
Fees on loans for construction projects	11.3	—	0.7%	11.5	13.2	14.2	7.9%	1.4%
Sales by market establishment	324.4	21.3%	64.9%	395.5	410.7	415.5	8.6%	42.7%
Sale of Houses	1.2	-26.8%	0.5%	1.1	—	—	-100.0%	0.1%
Interest on Advances	311.5	21.2%	61.4%	381.9	397.0	415.5	10.1%	41.5%
Rental Income	11.8	45.2%	3.1%	12.4	13.7	—	-100.0%	1.1%
Other non-tax revenue	145.1	22.1%	29.0%	150.8	152.5	157.2	2.7%	17.1%
Transfers received	100.0	—	4.2%	349.7	499.6	523.5	73.6%	36.5%
Total revenue	597.0	31.0%	100.0%	929.5	1 098.5	1 133.5	23.8%	100.0%
Current expenses	380.6	27.8%	90.7%	393.5	411.8	415.8	3.0%	56.4%
Compensation of employees	146.2	27.4%	34.9%	147.2	152.0	162.2	3.5%	21.4%
Goods and services	205.0	30.7%	47.5%	219.6	236.0	234.5	4.6%	31.3%
Interest, dividends and rent on land	29.3	14.0%	8.4%	26.8	23.9	19.0	-13.4%	3.6%
Transfers and subsidies	95.0	—	5.0%	334.3	480.0	503.0	74.3%	43.6%
Total expenses	475.6	29.3%	100.0%	727.8	891.8	918.8	24.5%	100.0%
Surplus/(Deficit)	121.5			201.7	206.7	214.7		
Cash flow statement								
Cash flow from operating activities	267.7	22.4%	125.8%	313.4	314.5	331.1	28.2%	154.1%
Receipts								
Non-tax receipts	512.2	22.3%	94.8%	584.4	584.2	595.0	5.1%	62.2%
Sales of goods and services other than capital assets	371.7	339.2%	15.5%	433.7	431.7	447.9	6.4%	45.9%
Administrative fees	27.6	84.5%	2.2%	33.6	35.8	37.3	10.6%	3.6%
Sales by market establishment	344.1	—	13.3%	400.1	395.9	410.6	6.1%	42.3%
Other tax receipts	140.5	-20.1%	79.3%	150.8	152.5	147.1	1.5%	16.3%
Transfers received	100.0	—	3.9%	349.7	499.6	523.5	73.6%	36.4%
Total receipts	647.4	32.2%	100.0%	934.1	1 083.8	1 118.5	20.0%	100.0%

Table 33.15 National Housing Finance Corporation Limited statements of estimates of financial performance, cash flow and financial position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate							
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	284.7	31.8%	58.9%	286.5	289.4	284.5	-0.0%	48.7%
Compensation of employees	146.2	60.0%	28.8%	147.2	152.0	162.2	3.5%	25.6%
Goods and services	109.2	16.7%	21.8%	112.5	113.5	103.2	-1.9%	18.7%
Interest and rent on land	29.3	14.0%	8.4%	26.8	23.9	19.0	-13.4%	4.4%
Transfers and subsidies	95.0	—	5.0%	334.3	480.0	503.0	74.3%	51.3%
Total payment	379.7	41.6%	100.0%	620.7	769.4	787.5	27.5%	100.0%
Net cash flow from advancing activities (Financial Institutions only)	(127.9)	33.4%	100.0%	(423.4)	(348.9)	(408.1)	47.2%	67.1%
Loan disbursements	(857.0)	41.4%	457.0%	(1 225.0)	(1 225.0)	(1 446.0)	19.0%	300.6%
Loan principal repayments	729.1	43.0%	-357.0%	801.6	876.1	1 037.9	12.5%	-233.5%
Net cash flow from investing activities	(134.6)	-0.9%	100.0%	(37.1)	(46.1)	(1.9)	-76.0%	100.0%
Acquisition of property, plant, equipment and intangible assets	(14.5)	197.0%	2.4%	(7.2)	(6.7)	(0.5)	-68.6%	17.2%
Proceeds from the sale of property, plant, equipment and intangible assets	—	-100.0%	0.0%	—	66.0	—	—	-35.8%
Other flows from investing activities	(120.1)	-4.4%	97.7%	(29.9)	(105.4)	(1.4)	-77.3%	118.6%
Net cash flow from financing activities	8.6	-47.6%	100.0%	(33.8)	(60.2)	(69.1)	-300.4%	100.0%
Deferred Income	50.0	-20.6%	222.3%	—	—	—	-100.0%	145.5%
Borrowing Activities	(41.4)	1.0%	-149.4%	(36.8)	(63.4)	(72.5)	20.5%	-40.8%
Other flows from financing activities	—	—	27.1%	3.0	3.1	3.3	—	-4.7%
Net increase/(decrease) in cash and cash equivalents	13.8	0.6%	100.0%	(180.9)	(140.8)	(148.1)	-320.6%	100.0%
Statement of financial position								
Carrying value of assets	82.8	-3.7%	1.9%	90.0	30.7	31.1	-27.9%	1.1%
Acquisition of assets	(14.5)	197.0%	-0.1%	(7.2)	(6.7)	(0.5)	-68.6%	-0.1%
Investments	967.4	2.6%	22.4%	1 000.3	1 109.1	1 114.0	4.8%	20.0%
Inventory	11.7	-45.6%	0.8%	8.7	5.7	2.7	-38.4%	0.1%
Loans	2 919.6	17.1%	58.6%	3 230.7	3 472.1	3 751.1	8.7%	63.8%
Receivables and prepayments	24.5	32.0%	0.4%	26.9	29.6	29.6	6.6%	0.5%
Cash and cash equivalents	990.1	40.4%	15.1%	809.2	668.4	520.3	-19.3%	14.4%
Total assets	4 996.1	15.0%	100.0%	5 165.9	5 315.6	5 448.9	2.9%	100.0%
Accumulated surplus/(deficit)	1 760.5	8.9%	38.1%	1 962.2	2 168.9	2 383.6	10.6%	39.4%
Capital and reserves	1 131.0	6.7%	25.4%	1 131.0	1 131.0	1 131.0	—	21.6%
Capital reserve fund	1 595.0	36.3%	26.1%	1 595.0	1 595.0	1 595.0	—	30.5%
Borrowings	329.3	9.7%	7.0%	266.3	194.2	148.0	-23.4%	4.5%
Trade and other payables	50.1	42.1%	0.5%	49.0	48.9	31.8	-14.0%	0.9%
Provisions	42.6	30.8%	0.7%	45.5	48.8	53.7	8.0%	0.9%
Managed funds (e.g. poverty alleviation fund)	49.4	8.0%	1.2%	52.3	55.5	58.8	6.0%	1.0%
Derivatives financial instruments	38.2	4.8%	1.0%	64.5	73.2	47.0	7.1%	1.1%
Total equity and liabilities	4 996.1	15.0%	100.0%	5 165.9	5 315.6	5 448.9	2.9%	100.0%

Personnel information**Table 33.16 National Housing Finance Corporation Limited personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number	
Number of funded posts		Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost
National Housing Finance Corporation Limited			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	113	115	120	105.7	0.9	106	146.2	1.4	106	147.2	1.4	106	152.0	1.4	106	162.2	1.5	3.5%	100.0%
1 – 6	7	7	8	1.3	0.2	6	1.4	0.2	6	1.4	0.2	6	1.4	0.2	6	1.6	0.3	3.7%	5.7%
7 – 10	27	28	30	8.8	0.3	26	14.4	0.6	26	14.0	0.5	26	14.4	0.6	26	15.5	0.6	2.5%	24.5%
11 – 12	29	29	31	16.5	0.5	27	25.5	0.9	27	24.7	0.9	27	25.4	0.9	27	27.4	1.0	2.4%	25.5%
13 – 16	47	48	47	62.0	1.3	44	88.9	2.0	44	89.7	2.0	44	92.5	2.1	44	98.6	2.2	3.5%	41.5%
17 – 22	3	3	4	17.0	4.3	3	16.1	5.4	3	17.4	5.8	3	18.3	6.1	3	19.2	6.4	6.0%	2.8%

1. Rand million.

Other entities

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

- The **Community Schemes Ombud Service** provides a dispute-resolution service for community schemes, monitors and controls the quality of all documentation for sectional title scheme governance, and takes custody of, preserves and provides public access to scheme governance documentation. The ombud's total budget for 2020/21 is R271.5 million.
- The **Estate Agency Affairs Board** regulates, maintains and promotes the conduct of estate agents. The board is also responsible for managing and controlling the Estate Agents Fidelity Fund, issuing Estate Agents Fidelity Fund certificates, prescribing the standard of education and training for estate agents, and investigating complaints lodged against estate agents. The board's total budget for 2020/21 is R186.9 million.
- The **Housing Development Agency** identifies, acquires, holds, develops and releases state-owned and privately owned land for residential and community purposes. The agency is also responsible for managing housing development projects for the creation of sustainable human settlements. The agency's total budget for 2020/21 is R495.4 million.
- The **National Home Builders Registration Council** protects and represents the interests of housing consumers by providing warranty protection against defined defects in new homes and regulates the home-building industry. The council also provides training and capacity building to promote and ensure compliance with technical standards in the home-building environment. The council's total budget for 2020/21 is R855.8 million.
- The **Social Housing Regulatory Authority** regulates the social housing sector to ensure a sustainable flow of investment into accredited social housing projects in restructuring zones. The regulator's total budget for 2020/21 is R817.6 million.

Vote 34

Mineral Resources and Energy

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	642.3	621.5	3.5	17.4	683.2	707.8
Minerals and Petroleum Regulation	574.7	373.3	201.4	0.0	608.7	632.7
Mining, Minerals and Energy Policy Development	993.1	181.3	811.7	0.1	892.6	952.2
Mine Health and Safety Inspectorate	232.7	229.4	2.4	0.8	252.0	261.5
Mineral and Energy Resources Programmes and Projects	5 798.1	240.7	5 557.3	0.1	5 977.7	6 829.7
Nuclear Energy Regulation and Management	1 096.1	37.8	1 058.3	–	1 155.8	1 199.5
Total expenditure estimates	9 337.0	1 684.0	7 634.6	18.4	9 570.0	10 583.4
Executive authority	Minister of Mineral Resources and Energy					
Accounting officer	Director-General of Mineral Resources and Energy					
Website	www.energy.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Regulate the minerals and mining sector for transformation, growth and development. Formulate energy policies, regulatory frameworks and legislation to ensure energy security, environmentally friendly carriers, and access to affordable and reliable energy.

Mandate

The Department of Mineral Resources and Energy is mandated to ensure the transparent and efficient regulation of South Africa's mineral resources and minerals industry, and the secure and sustainable provision of energy in support of socioeconomic development. A number of acts regulate the mining, minerals and energy sectors. Key among these are:

- the Mineral and Petroleum Resources Development Act (2002), which provides the regulatory framework for equitable access to and the sustainable development of mineral resources and related matters.
- the Mine Health and Safety Act (1996), which governs mine health and safety.
- the National Energy Act (2008), which empowers the minister to plan for and ensure the security of supply for the energy sector.
- the Petroleum Products Act (1977), which regulates the petroleum industry at the manufacturing, wholesale and retail levels.
- the Electricity Regulation Act (2006), which establishes a national regulatory framework for the electricity supply industry, including registration and licensing.

Selected performance indicators

Table 34.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of new petroleum retail site inspections per year	Minerals and Petroleum Regulation	Priority 1: Economic transformation and job creation	1 515	2 099	1 500	1 500	1 500	1 500	1 500
Number of mining rights and permits granted or issued to historically disadvantaged South Africans per year	Minerals and Petroleum Regulation		175	178	183	120	120	120	120
Number of mining industry workshops on compliance issues conducted per year	Minerals and Petroleum Regulation		14	8	12	9	9	9	9
Number of social and labour plan verification inspections per year	Minerals and Petroleum Regulation		275	306	251	212	212	212	212
Number of environmental verification inspections conducted per year	Minerals and Petroleum Regulation	Priority 5: Social cohesion and safe communities	1 465	1 583	1 502	1 275	1 275	1 275	1 275
Number of mine economic verification audits per year	Minerals and Petroleum Regulation	Priority 1: Economic transformation and job creation	501	487	384	425	425	425	425
Number of mineral legislation compliance inspections conducted per year	Minerals and Petroleum Regulation		264	212	155	150	150	150	150
Number of mine inspections conducted per year	Mine Health and Safety Inspectorate		9 363	9 425	8 567	8 000	8 000	8 000	8 000
Number of derelict and ownerless mines rehabilitated per year	Programmes and Projects	Priority 5: Social cohesion and safe communities	45	43	20	43	43	43	43
Number of energy savings realised and verified from energy efficiency and demand-side management grant per year (terawatt hours)	Programmes and Projects	Priority 1: Economic transformation and job creation	– ¹	5.8TWh	3.4TWh	0.5TWh	0.5TWh	0.5TWh	0.5TWh
Number of additional households electrified with grid electrification per year	Programmes and Projects		301 976	275 830	242 905	181 500	180 000	180 000	200 000
Number of bulk substations built per year	Programmes and Projects		3	3	8	2	2	2	2
Number of additional substations upgraded per year	Programmes and Projects		3	4	4	3	3	3	3
Kilometres of new medium-voltage power lines constructed per year	Programmes and Projects		296	161	202	50	50	50	50
Kilometres of existing medium-voltage power lines upgraded per year	Programmes and Projects		9	32	2	50	50	50	50
Number of additional households electrified with non-grid electrification per year	Programmes and Projects		16 922	16 875	13 090	20 000	15 000	15 000	15 000

1. No historical data available.

Expenditure analysis

The National Development Plan envisages that, by 2030, South Africa will have an adequate supply of electricity and liquid fuels to maintain economic activity and prevent economic disruptions, and a mining sector that prioritises the welfare of its human resources and the environment. To give effect to this vision, over the medium term, the Department of Mineral Resources and Energy will focus on transforming mining and energy resources, rehabilitating mines and the environment, extending access to electricity, enhancing energy efficiency, and managing nuclear energy in accordance with international commitments. These focus areas contribute to priority 1 (economic transformation and job creation) and priority 5 (social cohesion and safe communities) of government's 2019–2024 medium-term strategic framework.

Transfers and subsidies to public entities and municipalities of R24 billion over the MTEF period account for

an estimated 81.6 per cent of the department's planned spending. Total expenditure is expected to increase at an average annual rate of 4.8 per cent, from R9.2 billion in 2019/20 to R10.6 billion in 2022/23.

Due to the labour-intensive nature of the department's work, which requires inspections to be conducted to ensure that mining companies comply with legislative requirements, expenditure on compensation of employees amounts to an estimated R3.6 billion over the medium term, 11.9 per cent of total expenditure. To remain within the expenditure ceiling for compensation of employees, the number of personnel in the department is expected to decrease from 1 917 in 2019/20 to 1 882 in 2022/23. This decrease is not expected to have an impact on service delivery as the affected posts are mainly administrative, and to avoid the duplication of functions following the merger of the Department of Mineral Resources with the Department of Energy through the national macro organisation of government in 2019/20.

Transforming mining and energy resources

As the department works towards growing the economy and creating jobs, it will seek to accelerate transformation within the mining and energy sectors by monitoring and enforcing compliance with the newly approved mining charter, and monitoring adherence to social labour plans. It will also promote the exploration of onshore and offshore oil and gas resources and their optimal development, and investments in the mineral and upstream petroleum sectors. Activities related to these initiatives are expected to lead to an increase in expenditure, from R399.2 million in 2019/20 to R468.1 million in 2022/23 at an average annual rate of 5.5 per cent, in the *Mineral Regulation and Administration* subprogramme in the *Minerals and Petroleum Regulation* programme.

Rehabilitating mines and the environment

The department plans to intensify its efforts to rehabilitate dangerous, derelict and ownerless mining sites to promote the health and safety of mine employees and people in surrounding communities. Over the medium term, it aims to rehabilitate 129 mines, conduct 3 825 environmental inspections, and conduct 24 000 health inspections. As a result, allocations in the *Mine Health and Safety Inspectorate* programme are expected to increase from R224.8 million in 2019/20 to R261.5 million in 2022/23 at an average annual rate of 5.2 per cent.

Extending access to electricity

In support of government's policy to extend access to electricity to all South Africans, an additional 560 000 households are expected to be connected to the electricity grid over the medium term. To enable this, 6 new substations are set to be built and 9 substations upgraded. A further 15 000 households per year are expected to be provided with non-grid, mainly solar, electrification.

Despite reductions over the MTEF period of R1.2 billion in indirect grants to Eskom and R380.5 million in municipal grants, mainly in 2020/21 and 2021/22, spending in the *Integrated National Electrification Programme* subprogramme is expected to increase at an average annual rate of 5.1 per cent, from R5.2 billion in 2019/20 to R6.1 billion in 2022/23. Transfers to Eskom are set to increase from R3.1 billion in 2019/20 to R3.7 billion in 2022/23 at an average annual rate of 5.7 per cent, and transfers to municipalities are set to increase from R1.9 billion in 2019/20 to R2.1 billion in 2022/23 at an average annual rate of 4.4 per cent. Transfers for non-grid connections are expected to increase from R212.9 million in 2019/20 to R238.5 million in 2022/23 at an average annual rate of 3.9 per cent.

The department's electrification master plan, which is intended to inform the rollout of electrification connections for universal access, is expected to be finalised in 2020/21. The plan will provide a model for allocating resources based on data informed by factors such as backlogs, and is allocated R17.2 million over a two-year period, ending in 2020/21.

Enhancing energy efficiency

To realise a target of 1.5 terawatt hours of energy savings over the medium term, allocations to the *energy efficiency and demand-side management grant* are expected to increase from R227.1 million in 2019/20 to

R243.3 million in 2022/23. This will enable municipalities to undertake initiatives to upgrade municipal infrastructure that is not energy efficient, such as replacing street and traffic lights with greener technology.

Managing nuclear energy

The *Nuclear Energy Regulation and Management* programme accounts for an estimated 11.6 per cent of the department's total expenditure over the medium term, mainly comprising transfers to entities. The South African Nuclear Energy Corporation is allocated R3 billion over the MTEF period, of which R2.3 billion is for operational costs and R635 million for the decontamination and decommissioning of old strategic nuclear facilities. The National Radioactive Waste Disposal Institute is set to receive R155 million over the period ahead for its operationalisation while it finalises its application for a radioactive waste disposal licence from the National Nuclear Regulator.

Expenditure trends and estimates

Table 34.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Minerals and Petroleum Regulation											
3. Mining, Minerals and Energy Policy Development											
4. Mine Health and Safety Inspectorate											
5. Mineral and Energy Resources Programmes and Projects											
6. Nuclear Energy Regulation and Management											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Programme 1	612.2	604.9	622.1	624.9	0.7%	6.7%	642.3	683.2	707.8	4.2%	6.9%
Programme 2	341.2	449.1	470.6	537.8	16.4%	4.9%	574.7	608.7	632.7	5.6%	6.1%
Programme 3	899.0	879.9	982.8	1 018.9	4.3%	10.2%	993.1	892.6	952.2	-2.2%	10.0%
Programme 4	191.3	205.4	210.3	224.8	5.5%	2.2%	232.7	252.0	261.5	5.2%	2.5%
Programme 5	6 258.5	6 788.1	5 814.5	5 740.9	-2.8%	66.4%	5 798.1	5 977.7	6 829.7	6.0%	62.9%
Programme 6	871.7	793.9	870.0	1 038.5	6.0%	9.6%	1 096.1	1 155.8	1 199.5	4.9%	11.6%
Total	9 173.9	9 721.3	8 970.4	9 185.8	0.0%	100.0%	9 337.0	9 570.0	10 583.4	4.8%	100.0%
Change to 2019 Budget estimate				(259.5)			(160.7)	(881.6)	(310.6)		
Economic classification											
Current payments	1 453.2	1 454.2	1 556.2	1 579.5	2.8%	16.3%	1 684.0	1 778.5	1 850.9	5.4%	17.8%
Compensation of employees	880.3	910.5	957.9	1 045.5	5.9%	10.2%	1 118.1	1 190.8	1 242.6	5.9%	11.9%
Goods and services ¹	573.0	543.6	598.3	534.0	-2.3%	6.1%	565.9	587.7	608.3	4.4%	5.9%
of which:											
Computer services	37.5	35.6	35.5	39.4	1.6%	0.4%	43.5	45.7	45.4	4.9%	0.4%
Consultants: Business and advisory services	110.7	32.5	53.0	107.0	-1.1%	0.8%	134.5	132.8	136.4	8.4%	1.3%
Operating leases	128.3	123.8	130.8	84.5	-13.0%	1.3%	92.2	97.3	101.5	6.3%	1.0%
Travel and subsistence	120.4	112.9	121.6	114.6	-1.6%	1.3%	113.0	119.4	125.4	3.1%	1.2%
Operating payments	27.7	101.1	118.1	29.7	2.3%	0.7%	17.3	18.3	19.0	-13.9%	0.2%
Venues and facilities	16.5	14.7	13.8	16.5	0.0%	0.2%	17.3	18.3	19.0	5.0%	0.2%
Interest and rent on land	—	—	0.0	—	0.0%	0.0%	—	—	—	0.0%	0.0%
Transfers and subsidies¹	7 607.4	8 251.5	7 352.4	7 588.7	-0.1%	83.1%	7 634.6	7 772.1	8 711.9	4.7%	82.0%
Provinces and municipalities	2 131.9	2 290.3	2 119.5	2 090.4	-0.7%	23.3%	2 076.7	2 233.1	2 362.0	4.2%	22.7%
Departmental agencies and accounts	506.1	570.1	605.1	647.9	8.6%	6.3%	761.3	651.2	699.5	2.6%	7.1%
Foreign governments and international organisations	25.0	25.6	26.4	29.5	5.6%	0.3%	31.1	32.8	34.0	4.9%	0.3%
Public corporations and private enterprises	4 940.3	5 359.2	4 598.1	4 818.8	-0.8%	53.2%	4 763.2	4 852.5	5 613.9	5.2%	51.8%
Households	4.2	6.4	3.2	2.2	-19.4%	0.0%	2.3	2.4	2.5	5.2%	0.0%
Payments for capital assets	112.0	15.6	61.2	17.5	-46.1%	0.6%	18.4	19.5	20.6	5.5%	0.2%
Buildings and other fixed structures	0.2	0.3	0.6	2.1	137.7%	0.0%	2.1	2.3	2.4	5.5%	0.0%
Machinery and equipment	24.5	14.5	14.1	15.5	-14.2%	0.2%	16.3	17.2	18.2	5.5%	0.2%
Software and other intangible assets	87.3	0.8	46.4	—	-100.0%	0.4%	—	—	—	0.0%	0.0%
Payments for financial assets	1.3	—	0.7	—	-100.0%	0.0%	—	—	—	0.0%	0.0%
Total	9 173.9	9 721.3	8 970.4	9 185.8	0.0%	100.0%	9 337.0	9 570.0	10 583.4	4.8%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 34.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	468 777	534 296	601 370	643 928	11.2%	7.3%	757 096	646 805	698 986	2.8%	8.7%
Energy and Water Sector Education and Training Authority	985	1 048	1 108	1 170	5.9%	–	1 209	1 276	1 324	4.2%	–
South African Diamond and Precious Metals Regulator	53 205	65 865	59 105	61 544	5.0%	0.8%	63 630	67 131	69 626	4.2%	0.8%
Council for Geoscience	341 708	330 574	311 613	410 553	6.3%	4.5%	517 223	389 852	431 008	1.6%	5.5%
Council for Geoscience: Economic competitiveness and support package	–	–	90 000	–	–	0.3%	–	–	–	–	–
Council for Geoscience: Expanded public works programme	–	1 000	1 047	–	–	–	–	–	–	–	–
Mine Health and Safety Council	–	6 162	4 803	4 386	–	–	344	4 777	4 973	4.3%	–
Mining Qualifications Authority	1 716	1 718	1 853	1 996	5.2%	–	2 104	2 240	2 324	5.2%	–
South African National Energy Development Institute	20 625	59 774	70 241	74 151	53.2%	0.7%	78 215	82 517	86 478	5.3%	1.0%
National Nuclear Regulator	40 538	38 155	16 068	42 629	1.7%	0.4%	44 974	47 448	49 214	4.9%	0.6%
National Radioactive Waste Disposal Institute	10 000	30 000	45 532	47 499	68.1%	0.4%	49 397	51 564	54 039	4.4%	0.6%
Capital	37 288	35 832	3 765	3 976	-52.6%	0.3%	4 195	4 426	539	-48.6%	–
Council for Geoscience	36 890	35 414	3 323	3 509	-54.4%	0.3%	3 702	3 906	–	-100.0%	–
National Nuclear Regulator	398	418	442	467	5.5%	–	493	520	539	4.9%	–
Households											
Social benefits											
Current	3 060	6 072	2 605	1 779	-16.5%	–	1 877	1 980	2 074	5.2%	–
Employee Social Benefits	3 060	6 072	2 605	1 779	-16.5%	–	1 877	1 980	2 074	5.2%	–
Provinces and municipalities											
Municipal bank accounts											
Current	185 625	203 236	215 024	227 065	6.9%	2.7%	217 994	229 983	243 291	2.3%	2.9%
Energy Efficiency and Demand-Side Management Grant	185 625	203 236	215 024	227 065	6.9%	2.7%	217 994	229 983	243 291	2.3%	2.9%
Capital	1 946 246	2 087 048	1 904 477	1 863 328	-1.4%	25.3%	1 858 752	2 003 157	2 118 668	4.4%	24.7%
Integrated National Electrification Programme Grant	1 946 246	2 087 048	1 904 477	1 863 328	-1.4%	25.3%	1 858 752	2 003 157	2 118 668	4.4%	24.7%
Households											
Other transfers to households											
Current	1 072	291	597	397	-28.2%	–	419	442	459	5.0%	–
Bursaries for Non-employees	813	250	–	–	-100.0%	–	–	–	–	–	–
Employee Social Benefits	139	1	270	–	-100.0%	–	–	–	–	–	–
Employee Ex-Gratia Payment	120	40	154	397	49.0%	–	419	442	459	5.0%	–
Claims Against State	–	–	173	–	–	–	–	–	–	–	–
Public corporations and private enterprises											
Other transfers to public corporations											
Current	828 613	884 705	976 526	1 162 528	11.9%	12.5%	1 324 033	1 396 470	1 448 894	7.6%	16.8%
Mintek	315 152	310 705	319 213	370 208	5.5%	4.3%	398 057	419 565	435 159	5.5%	5.1%
Mintek: Expanded public works programme	–	–	–	2 632	–	–	2 775	2 927	3 036	4.9%	–
Mintek: Economic competitiveness and support package	–	–	70 000	–	–	0.2%	–	–	–	–	–
South African Nuclear Energy Corporation	496 375	555 888	568 151	599 246	6.5%	7.2%	722 285	762 011	788 558	9.6%	9.1%
South African Nuclear Energy Corporation	17 086	18 112	19 162	190 442	123.4%	0.8%	200 916	211 967	222 141	5.3%	2.6%
Capital	127 141	146 722	126 556	163 925	8.8%	1.8%	50 523	53 302	55 244	-30.4%	1.0%
Mintek	41 264	56 551	31 155	63 182	15.3%	0.6%	34 305	36 192	37 538	-15.9%	0.5%
South African Nuclear Energy Corporation	85 877	90 171	95 401	100 743	5.5%	1.2%	16 218	17 110	17 706	-44.0%	0.5%
Foreign governments and international organisations											
Current	25 003	25 622	26 412	29 478	5.6%	0.3%	31 099	32 809	34 033	4.9%	0.4%
African Petroleum Producers' Association	–	1 074	–	3 038	–	–	3 205	3 381	3 507	4.9%	–
International Energy Forum	3 034	275	–	–	-100.0%	–	–	–	–	–	–
Generation IV International Forum	–	567	559	782	–	–	825	870	912	5.3%	–
International Renewable Energy Agency	2 216	1 015	1 177	1 201	-18.5%	–	1 267	1 337	1 401	5.3%	–
International Energy Forum	–	–	350	356	–	–	376	397	416	5.3%	–
International Partnership for Energy Efficiency Cooperation	–	–	–	1 345	–	–	1 419	1 497	1 537	4.5%	–
International Atomic Energy Agency	19 753	22 691	24 326	22 756	4.8%	0.3%	24 007	25 327	26 260	4.9%	0.3%

Table 34.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R thousand											
Public corporations and private enterprises											
Subsidies on products and production (pe)											
Current	–	87 138	98 439	133 652	–	1.0%	141 065	148 802	154 334	4.9%	1.8%
Petroleum Agency South Africa	–	87 138	98 439	127 446	–	1.0%	134 532	141 911	147 187	4.9%	1.7%
Various institutions: Water management solutions subsidies for marginal mines	–	–	–	6 206	–	–	6 533	6 891	7 147	4.8%	0.1%
Public corporations and private enterprises											
Subsidies on products and production (pc)											
Current	200	–	–	21 683	376.8%	0.1%	25 924	27 350	28 720	9.8%	0.3%
State Diamond Trader	200	–	–	–	-100.0%	–	–	–	–	–	–
Industrial Development Corporation	–	–	–	21 683	–	0.1%	25 924	27 350	28 720	9.8%	0.3%
Capital	3 846 648	4 081 626	3 262 031	3 124 053	-6.7%	46.5%	3 001 483	2 994 257	3 688 162	5.7%	40.4%
Eskom	3 526 334	3 846 154	3 262 031	3 124 053	-4.0%	44.7%	3 001 483	2 994 257	3 688 162	5.7%	40.4%
Various institutions: Solar Water Heater Project	320 314	235 472	–	–	-100.0%	1.8%	–	–	–	–	–
Public corporations and private enterprises											
Other transfers to private enterprises											
Capital	137 733	158 960	134 555	212 941	15.6%	2.1%	220 160	232 269	238 502	3.9%	2.9%
Various institutions: Integrated National Electrification Programme	137 733	158 960	134 555	212 941	15.6%	2.1%	220 160	232 269	238 502	3.9%	2.9%
Total	7 607 406	8 251 548	7 352 357	7 588 733	-0.1%	100.0%	7 634 620	7 772 052	8 711 906	4.7%	100.0%

Personnel information

Table 34.4 Vote personnel numbers and cost by salary level and programme¹

Programmes

- Administration
- Minerals and Petroleum Regulation
- Mining, Minerals and Energy Policy Development
- Mine Health and Safety Inspectorate
- Mineral and Energy Resources Programmes and Projects
- Nuclear Energy Regulation and Management

Number of posts estimated for 31 March 2020		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 (%)					
		2018/19			2019/20			2020/21		2021/22		2022/23								
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost		
Mineral Resources and Energy		1 648	26	1 865	957.9	0.5	1 917	1 045.5	0.5	1 924	1 118.1	0.6	1 920	1 190.8	0.6	1 882	1 242.6	0.7	-0.6%	100.0%
Salary level	1 648	26	1 865	957.9	0.5	1 917	1 045.5	0.5	1 924	1 118.1	0.6	1 920	1 190.8	0.6	1 882	1 242.6	0.7	-0.6%	100.0%	
1 – 6	349	6	394	89.0	0.2	434	99.9	0.2	434	102.0	0.2	433	109.6	0.3	433	117.4	0.3	-0.1%	22.7%	
7 – 10	762	10	861	379.3	0.4	867	412.0	0.5	864	441.1	0.5	861	469.8	0.5	829	481.7	0.6	-1.5%	44.8%	
11 – 12	356	4	402	282.7	0.7	405	304.0	0.8	413	330.4	0.8	413	351.3	0.9	407	366.9	0.9	0.2%	21.4%	
13 – 16	179	6	204	197.6	1.0	207	219.8	1.1	211	239.0	1.1	211	254.3	1.2	211	270.2	1.3	0.6%	11.0%	
Other	2	–	4	9.2	2.3	4	9.8	2.4	2	5.5	2.7	2	5.8	2.9	2	6.3	3.2	-20.6%	0.1%	
Programme	1 648	26	1 865	957.9	0.5	1 917	1 045.5	0.5	1 924	1 118.1	0.6	1 920	1 190.8	0.6	1 882	1 242.6	0.7	-0.6%	100.0%	
Programme 1	589	17	610	319.9	0.5	623	354.9	0.6	614	365.5	0.6	616	391.3	0.6	597	404.7	0.7	-1.4%	32.1%	
Programme 2	472	2	473	253.3	0.5	509	277.6	0.5	514	302.7	0.6	512	321.7	0.6	500	335.1	0.7	-0.6%	26.6%	
Programme 3	154	2	150	108.4	0.7	153	114.5	0.7	161	126.8	0.8	161	134.7	0.8	161	143.5	0.9	1.7%	8.3%	
Programme 4	277	–	279	171.1	0.6	278	182.5	0.7	273	192.4	0.7	273	205.1	0.8	266	212.8	0.8	-1.5%	14.3%	
Programme 5	127	5	129	83.5	0.6	127	91.7	0.7	134	103.9	0.8	132	109.8	0.8	133	116.9	0.9	1.6%	6.9%	
Programme 6	29	–	27	21.6	0.8	30	24.3	0.8	31	26.8	0.9	29	28.2	1.0	28	29.6	1.1	-2.3%	1.5%	
Programme 7	–	–	197	–	–	197	–	–	197	–	–	197	–	–	197	–	–	–	10.3%	

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

2. Rand million.

Departmental receipts

Table 34.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
R thousand				2019/20		2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental receipts	994 977	46 906	88 373	48 083	48 083	-63.6%	100.0%	48 232	49 722	50 407	1.6%	100.0%
Sales of goods and services produced by department	14 357	15 639	15 587	16 348	16 348	4.4%	5.3%	16 367	16 408	16 619	0.5%	33.5%
Sales by market establishments	617	593	571	615	615	-0.1%	0.2%	617	618	626	0.6%	1.3%
of which:												
Market establishment: Rental parking: Covered and open	617	593	571	615	615	-0.1%	0.2%	617	618	626	0.6%	1.3%
Administrative fees	13 017	14 247	14 163	14 883	14 883	4.6%	4.8%	14 898	14 934	15 121	0.5%	30.5%
of which:												
Application fees in relation to the Mineral and Petroleum Resources Development Act (2002)	1 791	1 502	924	1 577	1 577	-4.2%	0.5%	1 577	1 578	1 602	0.5%	3.2%
Requested information: Promotion of Access to Information Act (2000)	30	29	35	30	30	—	—	30	30	30	—	0.1%
Environmental Authorisation application fees	7 252	8 987	9 070	9 526	9 526	9.5%	3.0%	9 531	9 536	9 679	0.5%	19.5%
Administrative fees: Petroleum licence fees	3 944	3 729	4 134	3 750	3 750	-1.7%	1.3%	3 760	3 790	3 810	0.5%	7.7%
Other sales	723	799	853	850	850	5.5%	0.3%	852	856	872	0.9%	1.7%
of which:												
Services rendered: Commission on insurance and garnishee	345	366	390	395	395	4.6%	0.1%	397	401	410	1.3%	0.8%
Services rendered: Marking of exam paper	351	398	435	418	418	6.0%	0.1%	418	418	424	0.5%	0.9%
Services rendered: Photocopies and faxes	26	34	28	36	36	11.5%	—	36	36	37	0.9%	0.1%
Replacement of lost office property	1	1	—	1	1	—	—	1	1	1	—	—
Sales of scrap, waste, arms and other used current goods	1	1	2	1	1	—	—	1	1	1	—	—
of which:												
Sales: Scrap	1	1	2	1	1	—	—	1	1	1	—	—
Transfers received	1 745	2 226	1 617	1 750	1 750	0.1%	0.6%	1 500	1 500	1 500	-5.0%	3.2%
Fines, penalties and forfeits	990	1 294	1 872	2 380	2 380	34.0%	0.6%	1 400	1 402	1 423	-15.8%	3.4%
Interest, dividends and rent on land	24 530	23 603	19 088	24 878	24 878	0.5%	7.8%	26 246	27 690	28 105	4.1%	54.4%
Interest	914	216	88	201	201	-39.6%	0.1%	212	224	227	4.1%	0.4%
Rent on land	23 616	23 387	19 000	24 677	24 677	1.5%	7.7%	26 034	27 466	27 878	4.1%	54.0%
Transactions in financial assets and liabilities	953 354	4 143	50 207	2 726	2 726	-85.8%	85.8%	2 718	2 721	2 759	0.4%	5.6%
Total	994 977	46 906	88 373	48 083	48 083	-63.6%	100.0%	48 232	49 722	50 407	1.6%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 34.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million				2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Ministry	74.4	78.8	73.7	63.5	-5.2%	11.8%	58.0	64.5	61.5	-1.1%	9.3%
Departmental Management	39.4	41.2	47.4	53.7	10.9%	7.4%	58.7	62.1	65.1	6.6%	9.0%
Audit Services	17.5	16.4	17.8	22.6	8.8%	3.0%	23.2	24.6	25.7	4.3%	3.6%
Financial Administration	79.2	83.9	84.7	101.6	8.6%	14.2%	100.4	106.5	111.3	3.1%	15.8%
Corporate Services	349.6	327.0	333.2	294.4	-5.6%	52.9%	305.8	324.2	338.5	4.8%	47.5%
Office Accommodation	52.1	57.6	65.3	89.1	19.6%	10.7%	96.3	101.3	105.7	5.9%	14.8%
Total	612.2	604.9	622.1	624.9	0.7%	100.0%	642.3	683.2	707.8	4.2%	100.0%
Change to 2019 Budget estimate				(1.8)			(15.0)	(11.8)	(13.2)		

Table 34.6 Administration expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	595.1	585.3	603.6	605.0	0.6%	97.0%	621.5	661.2	684.6	4.2%	96.8%
Compensation of employees	293.5	299.4	319.9	354.9	6.5%	51.4%	365.5	391.3	404.7	4.5%	57.0%
Goods and services ¹	301.7	285.9	283.6	250.1	-6.1%	45.5%	256.0	269.9	279.9	3.8%	39.7%
of which:											
Audit costs: External	10.1	11.6	11.3	9.2	-2.8%	1.7%	9.8	10.3	10.8	5.2%	1.5%
Computer services	35.0	34.8	31.1	31.2	-3.8%	5.4%	31.7	33.5	34.8	3.8%	4.9%
Operating leases	126.8	122.4	129.8	83.9	-12.9%	18.8%	92.0	97.1	101.3	6.5%	14.1%
Property payments	15.1	13.5	14.4	18.2	6.4%	2.5%	15.6	16.2	16.9	-2.4%	2.5%
Travel and subsistence	42.5	41.2	42.5	37.2	-4.3%	6.6%	33.8	35.7	36.2	-0.9%	5.4%
Training and development	7.5	7.5	6.6	7.9	2.0%	1.2%	8.2	8.6	9.0	4.3%	1.3%
Interest and rent on land	—	—	0.0	—	—	—	—	—	—	—	—
Transfers and subsidies ¹	5.0	7.4	4.0	3.3	-12.4%	0.8%	3.5	3.7	3.9	4.9%	0.5%
Departmental agencies and accounts	1.0	1.0	1.1	1.2	5.9%	0.2%	1.2	1.3	1.3	4.2%	0.2%
Households	4.0	6.4	2.9	2.2	-18.3%	0.6%	2.3	2.4	2.5	5.2%	0.4%
Payments for capital assets	12.0	12.2	14.4	16.5	11.2%	2.2%	17.4	18.4	19.4	5.5%	2.7%
Buildings and other fixed structures	0.2	0.3	0.6	2.1	137.7%	0.1%	2.1	2.3	2.4	5.5%	0.3%
Machinery and equipment	11.9	11.1	13.8	14.5	6.8%	2.1%	15.2	16.1	17.0	5.5%	2.4%
Software and other intangible assets	—	0.8	—	—	—	—	—	—	—	—	—
Payments for financial assets	0.1	—	0.1	—	-100.0%	—	—	—	—	—	—
Total	612.2	604.9	622.1	624.9	0.7%	100.0%	642.3	683.2	707.8	4.2%	100.0%
Proportion of total programme expenditure to vote expenditure	6.7%	6.2%	6.9%	6.8%	—	—	6.9%	7.1%	6.7%	—	—
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1.0	1.0	1.1	1.2	5.9%	0.2%	1.2	1.3	1.3	4.2%	0.2%
Energy and Water Sector	1.0	1.0	1.1	1.2	5.9%	0.2%	1.2	1.3	1.3	4.2%	0.2%
Education and Training Authority											

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

Programme 2: Minerals and Petroleum Regulation

Programme purpose

Regulate the mining, minerals and petroleum sectors to promote economic growth, employment, transformation and sustainable development.

Objectives

- Improve the participation of historically disadvantaged South Africans in the mining sector and contribute to its transformation by:
 - issuing mining rights and permits to 360 historically disadvantaged South Africans over the medium term
 - monitoring and enforcing compliance with procurement requirements that relate to historically disadvantaged South Africans, as prescribed by the mining charter, on an ongoing basis.
- Monitor and enforce compliance with the statutory obligations of the Mineral and Petroleum Resources Development Act (2002) and the mining charter by conducting 636 social and labour plan verification inspections, 1 275 mine economic verification audits and 3 825 environmental verification inspections over the medium term.
- Ensure the development and transformation of the liquid fuels industry, and the security of supply of petroleum and petroleum products by monitoring and enforcing technical and economic compliance with legislation, specifications, standards and licence conditions annually.

- Facilitate the orderly operation of the petroleum sector through an analysis of fuel supply and the efficient adjudication of licences for manufacturing, wholesaling and retailing activities on an ongoing basis.
- Strengthen the regulatory framework in the liquid fuels petroleum industry by implementing the regulatory accounting system to introduce a transparent fuel pricing mechanism that will provide appropriate returns to investors in the liquid fuels sector across the value chain on an ongoing basis.
- Promote the sustainable use of resources and the environmentally sustainable management of mines over the medium term by supporting approved and evaluated work programmes, social and labour plans, and environmental management plans; and conducting 27 mining industry workshops over the medium term.

Subprogrammes

- *Minerals and Petroleum Management* provides overall management to the programme.
- *Mineral Regulation and Administration* administers and evaluates prospecting and mining rights and licensing. The subprogramme also makes transfers to the South African Diamond and Precious Metals Regulator, which implements and enforces the provisions of the Precious Metals Act (2005); and to Petroleum Agency South Africa, which regulates onshore and offshore oil and gas exploration and production activities.
- *Environmental Enforcement and Compliance* ensures that mining activities comply with the prescripts of the National Environmental Management Act (1998).
- *Petroleum Compliance Monitoring, Enforcement and Fuel Pricing* ensures technical, economic and legal compliance by the petroleum industry with the prescripts of the Petroleum Products Act (1977) and its regulations through monitoring and enforcement.
- *Petroleum Licensing and Fuel Supply* manages petroleum licensing, regulates import and export permits for petroleum products, monitors fuel stock levels, and ensures the security of fuel supply.

Expenditure trends and estimates

Table 34.7 Minerals and Petroleum Regulation 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Minerals and Petroleum Management	16.8	16.7	23.5	32.2	24.3%	5.0%	33.2	35.0	36.4	4.2%	5.8%
Mineral Regulation and Administration	238.7	345.4	355.0	399.2	18.7%	74.4%	425.8	451.2	468.1	5.5%	74.1%
Environmental Enforcement and Compliance	6.7	12.4	15.1	16.0	33.4%	2.8%	17.3	18.4	19.1	6.2%	3.0%
Petroleum Compliance Monitoring, Enforcement and Fuel Pricing	21.6	18.8	19.3	25.7	6.0%	4.7%	26.5	28.0	29.4	4.6%	4.7%
Petroleum Licensing and Fuel Supply	57.4	55.9	57.8	64.7	4.0%	13.1%	71.9	76.0	79.7	7.2%	12.4%
Total	341.2	449.1	470.6	537.8	16.4%	100.0%	574.7	608.7	632.7	5.6%	100.0%
Change to 2019 Budget estimate				(0.9)			0.4	(1.9)	(0.8)		

Table 34.7 Minerals and Petroleum Regulation expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Current payments	287.1	293.9	312.8	345.7	6.4%	68.9%	373.3	396.2	412.4	6.1%	64.9%
Compensation of employees	234.6	245.0	253.3	277.6	5.8%	56.2%	302.7	321.7	335.1	6.5%	52.5%
Goods and services ¹	52.5	48.9	59.5	68.1	9.1%	12.7%	70.6	74.6	77.3	4.3%	12.3%
of which:											
Communication	4.2	3.9	3.7	4.2	-0.3%	0.9%	4.6	4.8	5.0	6.1%	0.8%
Computer services	0.5	0.8	4.3	7.2	148.2%	0.7%	7.5	7.9	8.2	4.6%	1.3%
Consultants: Business and advisory services	10.6	8.9	10.2	13.1	7.3%	2.4%	13.2	13.9	14.6	3.6%	2.3%
Fleet services (including government motor transport)	3.5	3.9	5.1	4.3	7.4%	0.9%	4.6	4.8	5.0	5.2%	0.8%
Travel and subsistence	20.3	19.9	22.5	24.5	6.4%	4.9%	25.4	26.8	27.6	4.1%	4.4%
Venues and facilities	1.6	1.5	1.3	4.3	39.5%	0.5%	4.1	4.3	4.5	1.7%	0.7%
Transfers and subsidies ¹	53.3	154.1	157.6	192.0	53.3%	31.0%	201.4	212.4	220.3	4.7%	35.1%
Departmental agencies and accounts	53.2	65.9	59.1	61.5	5.0%	13.3%	63.6	67.1	69.6	4.2%	11.1%
Foreign governments and international organisations	–	1.1	–	3.0	–	0.2%	3.2	3.4	3.5	4.9%	0.6%
Public corporations and private enterprises	–	87.1	98.4	127.4	–	17.4%	134.5	141.9	147.2	4.9%	23.4%
Households	0.1	–	0.0	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	0.6	1.1	0.2	0.0	-58.6%	0.1%	0.0	0.0	0.1	5.2%	–
Machinery and equipment	0.6	1.1	0.2	0.0	-58.6%	0.1%	0.0	0.0	0.1	5.2%	–
Payments for financial assets	0.2	–	0.1	–	-100.0%	–	–	–	–	–	–
Total	341.2	449.1	470.6	537.8	16.4%	100.0%	574.7	608.7	632.7	5.6%	100.0%
Proportion of total programme expenditure to vote expenditure	3.7%	4.6%	5.2%	5.9%	–	–	6.2%	6.4%	6.0%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	53.2	65.9	59.1	61.5	5.0%	13.3%	63.6	67.1	69.6	4.2%	11.1%
South African Diamond and Precious Metals Regulator	53.2	65.9	59.1	61.5	5.0%	13.3%	63.6	67.1	69.6	4.2%	11.1%
Foreign governments and international organisations											
Current	–	1.1	–	3.0	–	0.2%	3.2	3.4	3.5	4.9%	0.6%
African Petroleum Producers' Association	–	1.1	–	3.0	–	0.2%	3.2	3.4	3.5	4.9%	0.6%
Public corporations and private enterprises											
Private enterprises											
Private enterprises (subsidies on products and production)											
Current	–	87.1	98.4	127.4	–	17.4%	134.5	141.9	147.2	4.9%	23.4%
Petroleum Agency South Africa	–	87.1	98.4	127.4	–	17.4%	134.5	141.9	147.2	4.9%	23.4%

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

Programme 3: Mining, Minerals and Energy Policy Development

Programme purpose

Formulate, maintain and implement integrated minerals and energy policies to promote and encourage investment in the mining and energy industry.

Objectives

- Promote investment in the mining, minerals and upstream petroleum sectors over the medium term by:
 - hosting 138 promotional and awareness activities or events for local and foreign investors
 - participating in local and international mining and petroleum conferences and events, engaging with stakeholders in various forums, and leading the implementation of key government priorities
 - ensuring the full implementation of plans for developing the oceans economy for oil and gas exploration through Operation Phakisa
 - ensuring the full implementation of the shale gas action plan through consultations, advocacy, research and promotional activities for shale gas exploration.

- Manage diplomatic imperatives and relations with foreign countries to benefit South Africa by establishing and implementing bilateral and multilateral partnerships for mining and upstream petroleum development on an ongoing basis.
- Promote the sustainable use and management of mineral resources over the medium term by participating in technical and strategic partnerships such as the intergovernmental forum on mining, minerals, metals and sustainable development; the Benguela Current Commission; and United Nations programmes.
- Improve energy security over the medium term by amending the Electricity Regulation Amendment Act (2007), the National Energy Regulator Amendment Act (2004) and the National Nuclear Regulator Act (1999).
- Implement the National Radioactive Waste Management Act (2012).

Subprogrammes

- *Mining, Minerals and Energy Policy Development Management* provides overall management to the programme.
- *Minerals and Petroleum Policy* develops and reviews policy and legislative frameworks for the mining, minerals and petroleum sectors; conducts research; and monitors the impact of policy implementation.
- *Nuclear, Electricity and Gas Policy* develops and reviews policy and legislative frameworks for the nuclear, electricity and gas sectors; conducts research; and monitors the impact of policy implementation.
- *Economic Analysis and Statistics* advises the department on trends in the mining and energy industries in order to attract investment.
- *Economic Growth, Promotion and Global Relations* promotes economic growth and investment in the sector. This subprogramme also makes transfers to the Council for Geoscience and the Council for Mineral Technology and Research (Mintek).
- *Mineral and Energy Planning* ensures the security of the supply of mineral and energy resources.

Expenditure trends and estimates

Table 34.8 Mining, Minerals and Energy Policy Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Mining, Minerals and Energy Policy Development Management	31.2	28.1	22.4	28.2	-3.2%	2.9%	28.2	29.8	31.1	3.3%	3.0%
Minerals and Petroleum Policy	38.0	28.7	34.6	30.4	-7.1%	3.5%	33.1	35.1	37.5	7.2%	3.5%
Nuclear, Electricity and Gas Policy	11.4	11.1	14.1	18.6	17.5%	1.5%	21.0	22.2	23.4	8.1%	2.2%
Economic Analysis and Statistics	6.1	5.1	5.9	8.5	11.8%	0.7%	8.6	9.1	10.3	6.5%	0.9%
Economic Growth, Promotion and Global Relations	793.5	786.3	888.6	910.2	4.7%	89.4%	876.3	768.8	821.1	-3.4%	87.5%
Minerals and Energy Planning	18.8	20.5	17.3	23.0	6.9%	2.1%	25.9	27.4	28.8	7.8%	2.7%
Total	899.0	879.9	982.8	1 018.9	4.3%	100.0%	993.1	892.6	952.2	-2.2%	100.0%
Change to 2019 Budget estimate				(9.8)			(69.6)	(20.6)	4.5		

Table 34.8 Mining, Minerals and Energy Policy Development expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17	2019/20	2020/21	2021/22	2022/23	2019/20	2022/23
Current payments	160.2	144.1	155.8	170.6	2.1%	16.7%	181.3	192.4	203.3	6.0%	19.4%
Compensation of employees	99.1	103.3	108.4	114.5	4.9%	11.3%	126.8	134.7	143.5	7.8%	13.5%
Goods and services ¹	61.1	40.8	47.4	56.1	-2.8%	5.4%	54.5	57.6	59.8	2.2%	5.9%
of which:											
Administrative fees	2.1	1.0	0.8	4.1	24.0%	0.2%	3.5	3.8	3.9	-1.3%	0.4%
Advertising	3.3	5.7	0.9	4.4	9.5%	0.4%	3.3	3.4	3.3	-8.7%	0.4%
Consultants: Business and advisory services	5.8	3.0	0.4	8.2	12.8%	0.5%	9.6	10.2	10.6	8.7%	1.0%
Travel and subsistence	16.4	11.4	13.0	16.9	1.0%	1.5%	15.5	16.5	17.2	0.6%	1.7%
Operating payments	20.7	7.3	3.6	7.8	-27.7%	1.0%	7.4	7.9	8.2	1.6%	0.8%
Venues and facilities	4.6	(0.7)	6.8	4.2	-3.6%	0.4%	4.1	4.3	4.5	2.5%	0.4%
Transfers and subsidies ¹	738.2	735.1	826.9	848.2	4.7%	83.3%	811.7	700.1	748.8	-4.1%	80.6%
Departmental agencies and accounts	378.6	367.0	406.0	414.1	3.0%	41.4%	499.8	371.4	407.9	-0.5%	43.9%
Foreign governments and international organisations	3.0	0.8	0.6	0.8	-36.4%	0.1%	0.8	0.9	0.9	5.3%	0.1%
Public corporations and private enterprises	356.6	367.3	420.4	433.4	6.7%	41.7%	311.1	327.8	340.0	-7.8%	36.6%
Households	—	0.0	0.0	—	—	—	—	—	—	—	—
Payments for capital assets	0.5	0.7	0.0	0.1	-43.7%	—	0.1	0.1	0.1	5.7%	—
Machinery and equipment	0.5	0.7	0.0	0.1	-43.7%	—	0.1	0.1	0.1	5.7%	—
Payments for financial assets	0.0	—	0.0	—	-100.0%	—	—	—	—	—	—
Total	899.0	879.9	982.8	1 018.9	4.3%	100.0%	993.1	892.6	952.2	-2.2%	100.0%
Proportion of total programme expenditure to vote expenditure	9.8%	9.1%	11.0%	11.1%	—	—	10.6%	9.3%	9.0%	—	—
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	341.7	331.6	402.7	410.6	6.3%	39.3%	496.1	367.5	407.9	-0.2%	43.6%
Council for Geoscience	341.7	330.6	311.6	410.6	6.3%	36.9%	496.1	367.5	407.9	-0.2%	43.6%
Council for Geoscience:	—	—	90.0	—	—	2.4%	—	—	—	—	—
Economic competitiveness and support package	—	1.0	1.0	—	—	0.1%	—	—	—	—	—
Council for Geoscience:	—	—	—	—	—	—	—	—	—	—	—
Expanded public works programme	—	—	—	—	—	—	—	—	—	—	—
Capital	36.9	35.4	3.3	3.5	-54.4%	2.1%	3.7	3.9	—	-100.0%	0.3%
Council for Geoscience	36.9	35.4	3.3	3.5	-54.4%	2.1%	3.7	3.9	—	-100.0%	0.3%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	315.2	310.7	389.2	370.2	5.5%	36.6%	276.8	291.6	302.4	-6.5%	32.2%
Mintek	315.2	310.7	319.2	370.2	5.5%	34.8%	276.8	291.6	302.4	-6.5%	32.2%
Mintek: Economic competitiveness and support package	—	—	70.0	—	—	1.9%	—	—	—	—	—
Capital	41.3	56.6	31.2	63.2	15.3%	5.1%	34.3	36.2	37.5	-15.9%	4.4%
Mintek	41.3	56.6	31.2	63.2	15.3%	5.1%	34.3	36.2	37.5	-15.9%	4.4%

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

Programme 4: Mine Health and Safety Inspectorate

Programme purpose

Ensure the health and safety of employees in the mining sector.

Objectives

- Promote health and safety by:
 - reducing occupational fatalities by 20 per cent, occupational injuries by 20 per cent and occupational diseases by 10 per cent over the medium term
 - implementing the occupational and health and safety improvement strategy, and enforcing guidelines on an ongoing basis

- conducting investigations, inspections and audits on an ongoing basis.
- Contribute to skills development in the mining sector by implementing, monitoring and evaluating the certificate of competency model on an ongoing basis.
- Improve health care in the mining sector on an ongoing basis by ensuring:
 - 80 per cent adherence to prescribed timeframes for resolving medical appeals
 - 100 per cent adherence to timelines for appeals to the chief inspector of mines
 - 100 per cent adherence to timelines for applications in terms of the Mineral and Petroleum Resources Development Act (2002).

Subprogrammes

- *Mine Health and Safety Management* provides overall management to the programme.
- *Mine Health and Safety Regions* develops strategies to reduce occupational diseases and injuries in the mining sector, and conducts audits and inspections.
- *Occupational Health* will establish an occupational health centre to provide specialist services to the mine health and safety inspectorate, with particular focus on regional components. This subprogramme also makes transfers to the Mine Health and Safety Council, which is tasked with promoting a culture of health and safety in the mining sector.

Expenditure trends and estimates

Table 34.9 Mine Health and Safety Inspectorate expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23		
Mine Health and Safety Management	35.9	40.9	40.5	59.8	18.6%	21.3%	56.0	64.0	66.4	3.6%	25.4%
Mine Health and Safety Regions	143.1	152.5	156.6	148.7	1.3%	72.2%	159.5	169.6	176.0	5.8%	67.3%
Occupational Health	12.3	12.0	13.2	16.3	9.8%	6.5%	17.3	18.4	19.1	5.5%	7.3%
Total	191.3	205.4	210.3	224.8	5.5%	100.0%	232.7	252.0	261.5	5.2%	100.0%
Change to 2019				4.2			(0.0)	(0.1)	(0.1)		
Budget estimate											
Economic classification											
Current payments	188.4	196.1	203.1	217.6	4.9%	96.8%	229.4	244.1	253.3	5.2%	97.3%
Compensation of employees	158.0	165.9	171.1	182.5	4.9%	81.5%	192.4	205.1	212.8	5.2%	81.7%
Goods and services ¹	30.3	30.2	32.0	35.1	4.9%	15.3%	37.0	39.0	40.5	4.9%	15.6%
of which:											
Communication	2.9	0.5	1.1	1.2	-24.3%	0.7%	1.3	1.4	1.4	5.0%	0.6%
Computer services	–	–	0.0	1.0	–	0.1%	1.0	1.0	1.1	4.6%	0.4%
Consultants: Business and advisory services	1.4	0.5	0.3	2.2	16.2%	0.5%	2.3	2.4	2.5	4.6%	1.0%
Fleet services (including government motor transport)	0.3	0.3	0.4	3.2	128.2%	0.5%	3.4	3.6	3.7	5.0%	1.4%
Consumables: Stationery, printing and office supplies	0.9	0.7	0.8	2.3	38.4%	0.6%	2.5	2.6	2.7	4.9%	1.0%
Travel and subsistence	22.7	25.8	27.0	20.3	-3.7%	11.5%	21.4	22.6	23.5	4.9%	9.0%
Transfers and subsidies ¹	1.7	7.9	6.7	6.4	54.9%	2.7%	2.4	7.0	7.3	4.6%	2.4%
Departmental agencies and accounts	1.7	7.9	6.7	6.4	54.9%	2.7%	2.4	7.0	7.3	4.6%	2.4%
Payments for capital assets	0.3	1.4	0.1	0.8	40.1%	0.3%	0.8	0.9	0.9	5.6%	0.3%
Machinery and equipment	0.3	1.4	0.1	0.8	40.1%	0.3%	0.8	0.9	0.9	5.6%	0.3%
Payments for financial assets	0.9	–	0.5	–	-100.0%	0.2%	–	–	–	–	–
Total	191.3	205.4	210.3	224.8	5.5%	100.0%	232.7	252.0	261.5	5.2%	100.0%
Proportion of total programme expenditure to vote expenditure	2.1%	2.1%	2.3%	2.4%	–	–	2.5%	2.6%	2.5%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1.7	7.9	6.7	6.4	54.9%	2.7%	2.4	7.0	7.3	4.6%	2.4%
Mine Health and Safety Council	–	6.2	4.8	4.4	–	1.8%	0.3	4.8	5.0	4.3%	1.5%
Mining Qualifications Authority	1.7	1.7	1.9	2.0	5.2%	0.9%	2.1	2.2	2.3	5.2%	0.9%

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

Programme 5: Mineral Resources and Energy Programmes and Projects

Programme purpose

Manage, coordinate and monitor programmes and projects focused on access to mineral and energy resources.

Objectives

- Increase access to electricity by managing the funding and monitoring of the implementation of the integrated national electrification programme on an ongoing basis.
- Increase public awareness on energy issues while empowering disadvantaged and vulnerable groups by identifying, implementing, managing and coordinating upliftment programmes and projects on an ongoing basis.
- Ensure the efficient management of electricity supply on an ongoing basis by:
 - enhancing the application of business principles for project management to assist programme and project managers
 - coordinating, monitoring and reporting on the implementation of programmes and projects focused on the development, improvement and transformation of the energy generation, refinement, transmission and distribution industry and its infrastructure.
- Promote the sustainable use and management of mineral and energy resources over the medium term by:
 - rehabilitating 129 derelict and ownerless mines
 - providing marginal mines with subsidies for water management solutions
 - managing the funding and monitoring of the *energy efficiency and demand-side management grant* to municipalities.

Subprogrammes

- *Programmes and Projects Management* provides overall management to the programme.
- *Integrated National Electrification Programme* oversees and manages the financing and implementation processes for the electrification programme; and makes transfers to Eskom, municipalities and private providers.
- *Programmes and Projects Management Office* provides specialised assistance to management to apply management principles, coordinate project information and report on projects.
- *Regional Programmes and Projects Management Office* provides regional energy-related advisory services.
- *Electricity Infrastructure and Industry Transformation* oversees programmes and projects focused on the development, improvement and transformation of the electricity generation, transmission and distribution sector, and independent power producers.
- *Energy Efficiency Projects* advances energy efficiency in South Africa through planning and coordinating initiatives and interventions focused on the energy efficiency market. This subprogramme also makes transfers in respect of municipal energy efficiency programmes.
- *Renewable Energy Projects* ensures the integration of renewable energy into South Africa's mainstream energy supply through planning and coordinating initiatives and interventions focused on the renewable energy market. This subprogramme also makes transfers to the South African National Energy Development Institute.
- *Environmental Management Projects* provides strategic guidance on environmental management and climate change. It also assists mines to prevent the uncontrolled movement of water into and out of underground mine openings and holdings.

Expenditure trends and estimates

Table 34.10 Mineral and Energy Resources Programmes and Projects 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million				2019/20	2016/17 - 2019/20					2019/20 - 2022/23	
Programmes and Projects Management	2.4	1.9	2.3	5.1	28.0%	–	3.7	3.9	4.1	-6.9%	0.1%
Integrated National Electrification Programme	5 630.6	6 111.2	5 321.0	5 234.6	-2.4%	90.6%	5 116.5	5 258.4	6 075.9	5.1%	89.1%
Programmes and Projects Management Office	38.4	29.9	33.3	50.9	9.8%	0.6%	66.6	70.4	71.6	12.1%	1.1%
Regional Programmes and Projects Management Office	19.7	18.3	20.2	20.9	2.2%	0.3%	22.1	23.4	26.2	7.7%	0.4%
Electricity Infrastructure and Industry Transformation	5.6	8.4	6.1	6.9	7.4%	0.1%	9.1	9.7	10.2	14.0%	0.1%
Energy Efficiency Projects	527.1	537.5	344.8	318.9	-15.4%	7.0%	326.1	344.0	360.7	4.2%	5.5%
Renewable Energy Projects	25.2	64.2	75.8	80.1	46.9%	1.0%	85.7	90.5	94.9	5.8%	1.4%
Environmental Management Projects	9.4	16.8	11.0	23.6	35.7%	0.2%	168.2	177.5	186.1	99.1%	2.3%
Total	6 258.5	6 788.1	5 814.5	5 740.9	-2.8%	100.0%	5 798.1	5 977.7	6 829.7	6.0%	100.0%
Change to 2019 Budget estimate				(250.4)			(76.8)	(846.6)	(300.5)		
Economic classification											
Current payments	119.2	196.3	226.4	205.9	20.0%	3.0%	240.7	244.7	256.4	7.6%	3.9%
Compensation of employees	75.6	76.7	83.5	91.7	6.7%	1.3%	103.9	109.8	116.9	8.4%	1.7%
Goods and services ¹	43.6	119.6	142.9	114.2	37.9%	1.7%	136.7	134.9	139.4	6.9%	2.2%
of which:											
Computer services	–	–	–	–	–	–	3.2	3.3	1.2	–	–
Consultants: Business and advisory services	7.8	0.7	7.3	69.6	107.3%	0.3%	93.6	89.6	92.0	9.7%	1.4%
Contractors	0.7	3.0	4.4	10.2	149.3%	0.1%	3.1	3.3	3.4	-30.4%	0.1%
Agency and support/outsourced services	1.1	–	–	–	-100.0%	–	10.6	11.2	11.6	–	0.1%
Travel and subsistence	16.2	12.4	14.6	14.1	-4.7%	0.2%	15.3	16.1	19.2	10.9%	0.3%
Venues and facilities	6.1	9.5	2.1	2.6	-24.4%	0.1%	4.3	4.6	4.8	21.8%	0.1%
Transfers and subsidies¹	6 139.1	6 591.7	5 588.1	5 535.0	-3.4%	97.0%	5 557.3	5 732.9	6 573.2	5.9%	96.1%
Provinces and municipalities	2 131.9	2 290.3	2 119.5	2 090.4	-0.7%	35.1%	2 076.7	2 233.1	2 362.0	4.2%	36.0%
Departmental agencies and accounts	20.6	59.8	70.2	74.2	53.2%	0.9%	99.4	104.8	109.6	13.9%	1.6%
Foreign governments and international organisations	2.2	1.0	1.5	2.9	9.4%	–	3.1	3.2	3.4	4.9%	0.1%
Public corporations and private enterprises	3 984.4	4 240.6	3 396.6	3 367.5	-5.5%	60.9%	3 378.2	3 391.7	4 098.3	6.8%	58.5%
Households	0.0	0.0	0.3	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	0.1	0.2	0.0	0.1	-19.0%	–	0.1	0.1	0.1	6.0%	–
Machinery and equipment	0.1	0.2	0.0	0.1	-19.0%	–	0.1	0.1	0.1	6.0%	–
Payments for financial assets	0.0	–	–	–	-100.0%	–	–	–	–	–	–
Total	6 258.5	6 788.1	5 814.5	5 740.9	-2.8%	100.0%	5 798.1	5 977.7	6 829.7	6.0%	100.0%
Proportion of total programme expenditure to vote expenditure	68.2%	69.8%	64.8%	62.5%	–	–	62.1%	62.5%	64.5%	–	–
Details of selected transfers and subsidies											
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	185.6	203.2	215.0	227.1	6.9%	3.4%	218.0	230.0	243.3	2.3%	3.8%
Energy Efficiency and Demand-Side Management Grant	185.6	203.2	215.0	227.1	6.9%	3.4%	218.0	230.0	243.3	2.3%	3.8%
Capital	1 946.2	2 087.0	1 904.5	1 863.3	-1.4%	31.7%	1 858.8	2 003.2	2 118.7	4.4%	32.2%
Integrated National Electrification Programme Grant	1 946.2	2 087.0	1 904.5	1 863.3	-1.4%	31.7%	1 858.8	2 003.2	2 118.7	4.4%	32.2%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	20.6	59.8	70.2	74.2	53.2%	0.9%	99.4	104.8	109.6	13.9%	1.6%
Council for Geoscience	–	–	–	–	–	–	21.2	22.3	23.2	–	0.3%
South African National Energy Development Institute	20.6	59.8	70.2	74.2	53.2%	0.9%	78.2	82.5	86.5	5.3%	1.3%

Table 34.10 Mineral and Energy Resources Programmes and Projects expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20	2022/23
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	–	–	–	2.6	–	–	124.1	130.9	135.8	272.2%	1.6%
Mintek	–	–	–	–	–	–	121.3	128.0	132.7	–	1.6%
Mintek: Expanded public works programme	–	–	–	2.6	–	–	2.8	2.9	3.0	4.9%	–
Foreign governments and international organisations											
Current	2.2	1.0	1.5	2.9	9.4%	–	3.1	3.2	3.4	4.9%	0.1%
International Energy Forum	–	–	0.4	0.4	–	–	0.4	0.4	0.4	5.3%	–
International Renewable Energy Agency	2.2	1.0	1.2	1.2	-18.5%	–	1.3	1.3	1.4	5.3%	–
International Partnership for Energy Efficiency Cooperation	–	–	–	1.3	–	–	1.4	1.5	1.5	4.5%	–
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											
Capital	137.7	159.0	134.6	212.9	15.6%	2.6%	220.2	232.3	238.5	3.9%	3.7%
Various institutions: Integrated National Electrification Programme	137.7	159.0	134.6	212.9	15.6%	2.6%	220.2	232.3	238.5	3.9%	3.7%
Public corporations and private enterprises											
Private enterprises											
Private enterprises (subsidies on products and production)											
Current	–	–	–	6.2	–	–	6.5	6.9	7.1	4.8%	0.1%
Various institutions: Water management solutions subsidies for marginal mines	–	–	–	6.2	–	–	6.5	6.9	7.1	4.8%	0.1%
Public corporations and private enterprises											
Public corporations											
Public corporations (subsidies on products and production)											
Current	–	–	–	21.7	–	0.1%	25.9	27.4	28.7	9.8%	0.4%
Industrial Development Corporation	–	–	–	21.7	–	0.1%	25.9	27.4	28.7	9.8%	0.4%
Capital	3 846.6	4 081.6	3 262.0	3 124.1	-6.7%	58.2%	3 001.5	2 994.3	3 688.2	5.7%	52.6%
Eskom	3 526.3	3 846.2	3 262.0	3 124.1	-4.0%	55.9%	3 001.5	2 994.3	3 688.2	5.7%	52.6%
Various institutions: Solar Water Heater Project	320.3	235.5	–	–	-100.0%	2.3%	–	–	–	–	–

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

Programme 6: Nuclear Energy Regulation and Management

Programme purpose

Manage the South African nuclear energy industry and control nuclear materials in terms of international obligations, nuclear legislation and policies to ensure the peaceful use of nuclear energy.

Objectives

- Ensure compliance with international nuclear obligations by applying the relevant statutory frameworks and following the guidelines of the International Atomic Energy Agency for best international practices on an ongoing basis.
- Regulate the security of nuclear material, related equipment and facilities by developing and publishing appropriate regulations on an ongoing basis.
- Conduct awareness workshops and training courses, and participate in regional and international forums to enhance compliance with legislation and international obligations on an ongoing basis.

Subprogrammes

- *Nuclear Energy Management* provides overall management to the programme.
- *Nuclear Safety and Technology* manages and implements all matters related to nuclear safety and

technology as required by legislation and international agreements; implements nuclear energy policy in line with the requirements of the integrated resource plan; and administers all matters related to nuclear technology, safety, liability and emergency management with the aim of improving the governance of the nuclear sector. This subprogramme also makes transfers to the South African Nuclear Energy Corporation and the National Nuclear Regulator and the National Radioactive Waste Disposal Institute; and is responsible for paying membership fees to international organisations.

- *Nuclear Non-proliferation and Radiation Security* manages and implements all matters related to nuclear non-proliferation and radiation security, as required by legislation and international agreements. It also administers the use of nuclear material, related equipment and facilities, including nuclear technology, to ensure compliance with legislation and international agreements.

Expenditure trends and estimates

Table 34.11 Nuclear Energy Regulation and 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Nuclear Energy Management	4.4	4.7	3.3	3.6	-6.6%	0.4%	3.8	4.0	4.2	5.6%	0.3%
Nuclear Safety and Technology	859.0	780.8	857.7	1 025.4	6.1%	98.6%	1 081.5	1 140.4	1 183.2	4.9%	98.7%
Nuclear Non-Proliferation and Radiation Security	8.3	8.4	9.0	9.5	4.6%	1.0%	10.8	11.4	12.1	8.2%	1.0%
Total	871.7	793.9	870.0	1 038.5	6.0%	100.0%	1 096.1	1 155.8	1 199.5	4.9%	100.0%
Change to 2019				(0.8)			0.3	(0.6)	(0.3)		
Budget estimate											
Economic classification											
Current payments	103.3	38.5	54.5	34.8	-30.5%	6.5%	37.8	39.9	41.0	5.7%	3.4%
Compensation of employees	19.4	20.3	21.6	24.3	7.8%	2.4%	26.8	28.2	29.6	6.8%	2.4%
Goods and services ¹	83.9	18.2	32.9	10.4	-50.1%	4.1%	11.0	11.6	11.4	3.1%	1.0%
of which:											
Administrative fees	0.1	0.2	0.1	0.2	8.1%	—	0.1	0.1	0.1	-6.2%	—
Advertising	0.1	0.0	0.2	0.2	23.4%	—	0.3	0.4	0.4	26.8%	—
Communication	0.3	0.8	0.4	0.3	-4.0%	0.1%	0.3	0.3	0.4	4.6%	—
Consultants: Business and advisory services	78.5	13.3	29.9	7.5	-54.3%	3.6%	8.1	8.5	8.2	3.0%	0.7%
Travel and subsistence	2.3	2.2	1.9	1.7	-9.3%	0.2%	1.7	1.8	1.8	2.9%	0.2%
Venues and facilities	1.3	0.8	0.2	0.4	-32.5%	0.1%	0.3	0.3	0.3	-7.3%	—
Transfers and subsidies¹	670.0	755.4	769.1	1 003.8	14.4%	89.5%	1 058.3	1 115.9	1 158.5	4.9%	96.6%
Departmental agencies and accounts	50.9	68.6	62.0	90.6	21.2%	7.6%	94.9	99.5	103.8	4.6%	8.7%
Foreign governments and international organisations	19.8	22.7	24.3	22.8	4.8%	2.5%	24.0	25.3	26.3	4.9%	2.2%
Public corporations and private enterprises	599.3	664.2	682.7	890.4	14.1%	79.4%	939.4	991.1	1 028.4	4.9%	85.7%
Payments for capital assets	98.4	—	46.4	—	-100.0%	4.1%	—	—	—	—	—
Machinery and equipment	11.0	—	—	—	-100.0%	0.3%	—	—	—	—	—
Software and other intangible assets	87.3	—	46.4	—	-100.0%	3.7%	—	—	—	—	—
Total	871.7	793.9	870.0	1 038.5	6.0%	100.0%	1 096.1	1 155.8	1 199.5	4.9%	100.0%
Proportion of total programme expenditure to vote expenditure	9.5%	8.2%	9.7%	11.3%	—	—	11.7%	12.1%	11.3%	—	—
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	50.5	68.2	61.6	90.1	21.3%	7.6%	94.4	99.0	103.3	4.6%	8.6%
National Nuclear Regulator	40.5	38.2	16.1	42.6	1.7%	3.8%	45.0	47.4	49.2	4.9%	4.1%
National Radioactive Waste Disposal Institute	10.0	30.0	45.5	47.5	68.1%	3.7%	49.4	51.6	54.0	4.4%	4.5%
Capital	0.4	0.4	0.4	0.5	5.5%	—	0.5	0.5	0.5	4.9%	—
National Nuclear Regulator	0.4	0.4	0.4	0.5	5.5%	—	0.5	0.5	0.5	4.9%	—
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	513.5	574.0	587.3	789.7	15.4%	69.0%	923.2	974.0	1 010.7	8.6%	82.4%
South African Nuclear Energy Corporation	513.5	574.0	587.3	789.7	15.4%	69.0%	923.2	974.0	1 010.7	8.6%	82.4%
Capital	85.9	90.2	95.4	100.7	5.5%	10.4%	16.2	17.1	17.7	-44.0%	3.4%
South African Nuclear Energy Corporation	85.9	90.2	95.4	100.7	5.5%	10.4%	16.2	17.1	17.7	-44.0%	3.4%
Foreign governments and international organisations											
Current	19.8	22.7	24.3	22.8	4.8%	2.5%	24.0	25.3	26.3	4.9%	2.2%
International Atomic Energy Agency	19.8	22.7	24.3	22.8	4.8%	2.5%	24.0	25.3	26.3	4.9%	2.2%

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

Entities

Central Energy Fund

Selected performance indicators

Table 34.12 Central Energy Fund performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Total indigenous production of fuel supplied to the market per year (million barrels)	Oil and gas, national oil company	Entity mandate	2.766	6.286	4.000	— ¹	— ¹	— ¹	— ¹
Number of reportable environmental incidents at the Central Energy Fund group per year	Oil and gas, national oil company		5	2	7	10	10	10	10
Number of tons (measured per thousand) of coal produced/sold at Vlakfontein by the African Exploration Mining and Finance Corporation per year	Mining, coal		1 389	1 400	2 100	3 000	4 000	5 000	6 000

1. Indicator discontinued.

Entity overview

The Central Energy Fund is listed in schedule 2 of the Public Finance Management Act (1999), and is governed by the Central Energy Fund Act (1977) and the Companies Act (2008). Its mandate is to research, finance, develop and exploit appropriate energy solutions to contribute to South Africa's security of energy supply. Through its subsidiaries, the fund is also mandated to finance and promote the acquisition of coal; exploit coal deposits; manufacture liquid fuel, oil and other products from coal; market these products; and acquire, generate, manufacture, market, distribute or research any other form of energy. The fund's subsidiaries are: the Petroleum Oil and Gas Corporation of South Africa; the South African Gas Development Company; Petroleum Agency South Africa; Oil Pollution Control South Africa; the Strategic Fuel Fund; African Exploration Mining Finance Corporation; and ETA Energy and CCE Solutions.

Over the medium term, the fund will focus on sustaining and improving its liquidity and solvency in its efforts to return to commercial viability. Initiatives expected to improve profitability include new business development and expansions for revenue growth, and the optimisation of feedstock for the gas-to-liquid facility. The fund will also aim to reduce operating costs, improve liquidity through working capital management, and dispose of non-core assets.

Total expenditure is expected to increase from R15.7 billion in 2019/20 to R16.9 billion in 2022/23 at an average annual rate of 2.4 per cent, mainly driven by the planned increase in production at the African Exploration Mining Finance Corporation and the Petroleum Oil and Gas Corporation of South Africa. Research and development costs and consulting fees are also expected to increase as the fund embarks on certain commercial projects.

The fund generates revenue almost entirely through commercial activities. Total revenue is expected to increase from R16.9 billion in 2019/20 to R17.3 billion in 2022/23 at an average annual rate of 0.9 per cent, driven mainly by the expected increase in sales for the Petroleum Oil and Gas Corporation of South Africa and the African Exploration Mining Finance Corporation, as well as increased income from dividends and interest.

Programmes/Objectives/Activities**Table 34.13 CEF (Pty) Ltd 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	113.0	201.7	195.3	340.6	44.4%	1.4%	358.2	376.5	394.2	5.0%	2.1%
Clean and renewable energy	16.3	22.0	1.5	201.8	131.5%	0.4%	1.9	2.0	2.1	-78.1%	0.3%
Oil and gas, national oil company	12 392.2	12 077.7	14 997.9	13 504.3	2.9%	88.6%	15 124.4	14 801.2	13 346.9	-0.4%	82.6%
Strategic stock and oil pollution control	704.0	706.1	483.0	506.5	-10.4%	4.1%	394.2	418.8	445.6	-4.2%	2.6%
Mining, coal	424.6	521.1	703.3	883.4	27.7%	4.2%	1 726.9	2 008.5	2 368.1	38.9%	10.1%
Gas and gas infrastructure	41.8	35.7	37.0	104.8	35.8%	0.4%	227.5	195.9	95.0	-3.2%	0.9%
Promotion, licensing and regulation	112.4	113.6	116.8	203.4	21.9%	0.9%	222.7	236.0	240.2	5.7%	1.3%
Total	13 804.3	13 677.9	16 534.7	15 744.8	4.5%	100.0%	18 055.8	18 038.9	16 892.1	2.4%	100.0%

Statements of historical financial performance, cash flow and financial position**Table 34.14 CEF (Pty) Ltd statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Revised estimate		Average: Outcome/ Budget (%)
	Budget	2016/17	Budget	2017/18	Budget	2018/19	Budget estimate	2019/20	
Revenue									
Non-tax revenue	18 213.9	13 183.4	18 104.1	13 544.7	13 211.2	16 064.1	20 006.1	16 873.1	85.8%
Sale of goods and services other than capital assets	17 344.3	11 940.1	17 261.5	12 131.0	12 198.3	14 491.9	18 666.3	15 388.9	82.4%
of which:									
Sales by market establishment	17 344.3	11 940.1	17 261.5	12 131.0	12 198.3	14 491.9	18 666.3	15 388.9	82.4%
Other non-tax revenue	869.6	1 243.3	842.6	1 413.7	1 012.9	1 572.3	1 339.8	1 484.2	140.6%
Total revenue	18 213.9	13 183.4	18 104.1	14 031.7	13 211.2	16 064.1	20 006.1	16 873.1	86.5%
Expenses									
Current expenses	17 788.5	13 502.8	18 703.6	13 612.2	13 638.4	15 755.0	19 123.2	15 488.7	84.3%
Compensation of employees	1 080.3	1 366.4	1 620.3	1 475.9	1 600.3	1 624.8	1 690.8	1 837.1	105.2%
Goods and services	15 566.4	10 414.4	16 789.7	10 514.4	11 706.7	13 521.4	17 256.8	13 346.7	77.9%
Depreciation	1 007.4	1 127.4	91.8	1 048.2	100.2	73.9	108.7	81.1	178.1%
Interest, dividends and rent on land	134.4	594.7	201.9	573.6	231.3	535.0	67.0	223.7	303.7%
Total expenses	17 816.4	13 804.3	18 769.1	13 677.9	13 761.6	16 534.7	19 331.3	15 744.8	85.8%
Surplus/(Deficit)	397.5	(620.8)	(665.0)	353.9	(550.4)	(470.6)	674.8	1 128.3	
Cash flow statement									
Cash flow from operating activities	2 295.1	1 237.6	2 988.2	2 468.2	730.9	1 642.8	899.6	2 212.4	109.4%
Receipts									
Non-tax receipts	18 038.0	17 556.7	21 559.1	21 221.4	12 922.4	12 558.1	19 349.3	17 086.4	95.2%
Sales of goods and services other than capital assets	17 168.4	16 391.7	20 663.2	19 815.6	12 062.3	10 905.9	18 470.9	15 840.9	92.1%
Other sales	17 168.4	16 391.7	20 663.2	19 815.6	12 062.3	10 905.9	18 470.9	15 840.9	92.1%
Other tax receipts	869.6	1 165.0	895.9	1 405.8	860.1	1 652.1	878.5	1 245.5	156.1%
Total receipts	18 038.0	17 556.7	21 559.1	21 221.4	12 922.4	12 558.1	19 349.3	17 086.4	95.2%
Payment									
Current payments	15 742.9	16 207.1	18 571.0	18 572.3	12 093.6	10 786.4	18 239.5	14 617.3	93.1%
Compensation of employees	1 080.3	1 080.3	1 157.8	1 157.8	890.9	1 626.5	933.0	1 837.1	140.4%
Goods and services	14 528.2	14 983.9	17 280.4	17 280.4	11 000.9	9 003.1	17 271.3	12 585.1	89.6%
Interest and rent on land	134.4	142.9	132.8	134.2	201.8	156.9	35.2	195.0	124.7%
Total payments	15 742.9	16 319.1	18 571.0	18 753.2	12 191.5	10 915.3	18 449.7	14 874.0	93.7%
Net cash flow from investing activities	(2 376.7)	(623.7)	(4 255.9)	(284.9)	(2 220.0)	(1 139.0)	(1 344.0)	(3 223.7)	51.7%
Acquisition of property, plant, equipment and intangible assets	(987.8)	(810.0)	(1 267.6)	(250.9)	(1 761.4)	(1 064.8)	(1 171.4)	(2 939.4)	97.6%
Acquisition of software and other intangible assets	(1 394.4)	(42.9)	(2 811.5)	(28.8)	(188.1)	(36.8)	(210.4)	(164.1)	5.9%
Proceeds from the sale of property, plant, equipment and intangible assets	—	76.5	—	—	—	0.3	—	—	—
Other flows from investing activities	5.6	152.7	(176.8)	(5.1)	(270.4)	(37.6)	37.8	(120.2)	2.5%

Table 34.14 CEF (Pty) Ltd statements of historical financial performance, cash flow and financial position

Statement of financial performance								
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate
R million	2016/17		2017/18		2018/19		2019/20	
Net cash flow from financing activities	537.3	(238.0)	1 136.0	(173.7)	291.3	335.7	314.5	(8.5)
Borrowing activities	537.3	(302.1)	1 136.0	(122.5)	190.2	204.4	(133.5)	(8.5)
Repayment of finance leases	—	—	—	(37.7)	—	129.5	—	—
Other flows from financing activities	—	64.1	—	(13.5)	101.0	1.8	448.0	—
Net increase/(decrease) in cash and cash equivalents	455.7	376.0	(131.7)	2 009.6	(1 197.8)	839.5	(129.9)	(1 019.8)
Statement of financial position								
Carrying value of assets	14 031.2	11 408.7	17 390.7	9 119.0	9 257.3	10 670.8	9 476.0	11 573.4
Acquisition of assets	(987.8)	(810.0)	(1 267.6)	(250.9)	(1 761.4)	(1 064.8)	(1 171.4)	(2 939.4)
Investments	5 636.4	1 092.7	5 775.3	2 047.7	1 558.8	2 236.2	1 636.7	3 581.7
Inventory	1 986.1	2 749.8	2 216.9	1 763.4	3 043.3	2 273.7	3 170.4	2 887.1
Loans	—	32.8	—	46.6	70.5	51.6	75.8	44.4
Receivables and prepayments	1 575.9	2 202.1	1 964.2	2 152.9	1 125.5	3 196.2	1 667.2	1 388.2
Cash and cash equivalents	8 799.1	15 694.8	8 667.4	17 186.0	16 635.5	18 924.6	16 633.6	14 743.4
Non-current assets held for sale	36.0	88.6	—	34.3	16.0	14.8	—	—
Taxation	4.9	349.7	5.5	586.3	—	624.0	—	5.2
Total assets	32 069.6	33 619.1	36 020.1	32 936.2	31 706.9	37 992.0	32 659.8	34 223.4
Accumulated surplus/(deficit)	13 866.2	14 765.6	16 012.8	16 540.0	12 799.0	12 261.1	13 514.3	17 485.8
Capital and reserves	1 704.1	(1 321.1)	1 704.1	(2 950.5)	1 534.8	856.5	1 604.5	(1 744.5)
Borrowings	1 022.3	866.8	2 196.3	770.2	999.1	968.3	865.6	911.6
Finance lease	—	—	—	812.6	819.3	1 089.4	820.3	1 016.5
Deferred income	—	—	—	—	—	—	—	41.7
Trade and other payables	1 525.4	6 800.2	1 599.3	7 070.8	4 887.9	9 554.4	4 616.5	5 502.7
Taxation	1 838.9	1 888.8	1 838.9	1 457.4	893.0	2 140.7	890.7	802.7
Provisions	11 555.1	10 431.2	12 104.1	9 074.2	9 630.7	10 965.3	10 195.8	10 112.5
Managed funds (e.g. poverty alleviation fund)	—	—	—	18.5	—	—	—	—
Derivatives financial instruments	557.5	187.7	564.5	143.2	143.3	156.3	152.1	94.5
Total equity and liabilities	32 069.6	33 619.1	36 020.1	32 936.2	31 706.9	37 992.0	32 659.8	34 223.4

Statements of estimates of financial performance, cash flow and financial position**Table 34.15 CEF (Pty) Ltd statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Revenue								
Non-tax revenue	16 873.1	8.6%	99.1%	20 410.2	19 599.9	17 329.5	0.9%	100.0%
Sale of goods and services other than capital assets	15 388.9	8.8%	89.6%	18 707.4	18 073.0	15 844.9	1.0%	91.6%
Sales by market establishment	15 388.9	8.8%	89.6%	18 707.4	18 073.0	15 844.9	1.0%	91.6%
Other non-tax revenue	1 484.2	6.1%	9.5%	1 702.7	1 526.9	1 484.6	0.0%	8.4%
Total revenue	16 873.1	8.6%	100.0%	20 410.2	19 599.9	17 329.5	0.9%	100.0%
Current expenses	15 488.7	4.7%	97.7%	17 660.3	17 678.3	16 501.4	2.1%	98.0%
Compensation of employees	1 837.1	10.4%	10.5%	2 136.8	2 315.1	2 407.0	9.4%	12.6%
Goods and services	13 346.7	8.6%	79.7%	15 168.7	15 042.6	13 801.4	1.1%	83.5%
Depreciation	81.1	-58.4%	4.2%	107.5	119.7	131.3	17.4%	0.6%
Interest, dividends and rent on land	223.7	-27.8%	3.3%	247.3	200.9	161.7	-10.3%	1.2%
Total expenses	15 744.8	4.5%	100.0%	18 055.8	18 038.9	16 892.1	2.4%	100.0%
Surplus/(Deficit)	1 128.3			2 354.3	1 561.0	437.3		
Cash flow statement								
Cash flow from operating activities	2 212.4	21.4%	283.1%	2 577.7	2 780.9	1 652.5	1.2%	286.1%
Receipts								
Non-tax receipts	17 086.4	-0.9%	100.0%	19 784.3	19 439.4	17 292.1	0.4%	100.0%
Sales of goods and services other than capital assets	15 840.9	-1.1%	91.6%	18 540.2	18 114.6	16 024.9	0.4%	93.1%
Other sales	15 840.9	-1.1%	91.6%	18 540.2	18 114.6	16 024.9	0.4%	93.1%
Other tax receipts	1 245.5	2.3%	8.4%	1 244.1	1 324.8	1 267.2	0.6%	6.9%
Total receipts	17 086.4	-0.9%	100.0%	19 784.3	19 439.4	17 292.1	0.4%	100.0%
Current payments	14 617.3	-3.4%	102.8%	16 962.2	16 298.1	15 250.0	1.4%	98.0%
Compensation of employees	1 837.1	19.4%	9.4%	2 136.8	2 315.1	2 407.0	9.4%	13.5%
Goods and services	12 585.1	-5.6%	92.3%	14 607.4	13 815.0	12 718.4	0.4%	83.4%
Interest and rent on land	195.0	10.9%	1.1%	218.0	167.9	124.7	-13.9%	1.1%
Total payment	14 874.0	-3.0%	100.0%	17 206.6	16 658.6	15 639.6	1.7%	100.0%
Net cash flow from investing activities	(3 223.7)	72.9%	100.0%	(3 942.5)	(3 224.3)	(2 340.5)	-10.1%	100.0%
Acquisition of property, plant, equipment and intangible assets	(2 939.4)	53.7%	100.7%	(2 212.7)	(2 251.1)	(1 773.1)	-15.5%	73.2%
Acquisition of software and other intangible assets	(164.1)	56.4%	6.3%	(130.9)	(304.1)	(30.7)	-42.8%	4.8%
Other flows from investing activities	(120.2)	-192.3%	-3.9%	(1 598.9)	(669.1)	(536.6)	64.7%	22.0%
Net cash flow from financing activities	(8.5)	-67.1%	100.0%	785.1	(154.0)	58.4	-290.2%	100.0%
Borrowing Activities	(8.5)	-69.6%	89.6%	785.1	(154.0)	58.4	-290.2%	100.0%
Net increase/(decrease) in cash and cash equivalents	(1 019.8)	-239.5%	100.0%	(579.7)	(597.4)	(629.6)	-14.9%	100.0%

Table 34.15 CEF (Pty) Ltd statements of estimates of financial performance, cash flow and financial position

Statement of financial position		Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate			Medium-term estimate				
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Carrying value of assets	11 573.4	0.5%	30.9%	12 807.5	14 396.4	15 274.0	9.7%	35.7%
Acquisition of assets	(2 939.4)	53.7%	-3.6%	(2 212.7)	(2 251.1)	(1 773.1)	-15.5%	-6.2%
Investments	3 581.7	48.5%	6.5%	5 784.4	6 650.4	7 398.6	27.4%	15.3%
Inventory	2 887.1	1.6%	7.0%	3 112.9	3 113.8	3 071.4	2.1%	8.1%
Loans	44.4	10.6%	0.1%	49.1	54.3	60.0	10.6%	0.1%
Receivables and prepayments	1 388.2	-14.3%	6.4%	1 555.3	1 513.6	1 333.5	-1.3%	3.8%
Cash and cash equivalents	14 743.4	-2.1%	47.9%	14 163.7	13 566.3	12 936.7	-4.3%	36.9%
Taxation	5.2	-75.5%	1.1%	5.2	5.2	5.2	—	0.0%
Total assets	34 223.4	0.6%	100.0%	37 478.2	39 300.0	40 079.5	5.4%	100.0%
Accumulated surplus/(deficit)	17 485.8	5.8%	44.4%	19 752.7	21 398.2	21 937.8	7.9%	53.2%
Capital and reserves	(1 744.5)	9.7%	-3.9%	(1 794.5)	(1 794.5)	(1 794.5)	0.9%	-4.7%
Borrowings	911.6	1.7%	2.5%	1 786.7	2 007.3	1 935.3	28.5%	4.3%
Finance lease	1 016.5	—	2.1%	733.2	142.4	44.7	-64.7%	1.4%
Deferred income	41.7	—	0.0%	28.8	18.8	1.2	-69.0%	0.1%
Trade and other payables	5 502.7	-6.8%	20.7%	5 245.5	5 242.2	5 103.7	-2.5%	14.0%
Taxation	802.7	-24.8%	4.5%	953.9	954.0	955.2	6.0%	2.4%
Provisions	10 112.5	-1.0%	29.2%	10 671.5	11 224.8	11 782.4	5.2%	29.0%
Derivatives financial instruments	94.5	-20.5%	0.4%	100.5	106.8	113.6	6.3%	0.3%
Total equity and liabilities	34 223.4	0.6%	100.0%	37 478.2	39 300.0	40 079.5	5.4%	100.0%

Personnel information

Table 34.16 CEF (Pty) Ltd personnel numbers and cost by salary level																			
Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number		
Number of funded posts		Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
CEF (Pty) Ltd			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	2 107	2 107	2 107	1 624.8	0.8	2 107	1 837.1	0.9	2 107	2 136.8	1.0	2 107	2 315.1	1.1	2 107	2 407.0	1.1	9.4%	100.0%
7 – 10	623	623	623	244.0	0.4	623	275.9	0.4	623	320.9	0.5	623	347.7	0.6	623	361.3	0.6	9.4%	29.6%
11 – 12	681	681	681	447.2	0.7	681	505.8	0.7	681	588.3	0.9	681	637.1	0.9	681	662.3	1.0	9.4%	32.3%
13 – 16	803	803	803	933.6	1.2	803	1 055.4	1.3	803	1 227.6	1.5	803	1 330.3	1.7	803	1 383.4	1.7	9.4%	38.1%

1. Rand million.

South African Nuclear Energy Corporation

Selected performance indicators

Table 34.17 South African Nuclear Energy Corporation performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of product and process innovations per year	Administration	Entity mandate	15	10	11	6	6	6	6
Number of scientific articles published per year	Administration		43	45	39	26	26	26	26
Number of days per year that the reactor is operationally available	Radiation products and services		289	300	266	287	287	287	287
Maximum allowable annual radiation dose (microsievert) in terms of licence conditions	Radiation products and services		5.6μSv	4.8μSv	5μSv	5μSv	5μSv	5μSv	5μSv

Entity overview

The South African Nuclear Energy Corporation is listed as a schedule 2 public entity in terms of the Public Finance Management Act (1999). It derives its mandate from the Nuclear Energy Act (1999), the Nuclear Energy Policy (2008) and directives conferred on it by the Minister of Energy. The corporation's subsidiaries include international fluoro-chemical producer Pelchem; radiopharmaceutical and radioisotope producer NTP Radioisotopes; and Pelindaba Enterprises, which specialises in the manufacturing of power-generation components. It also operates the SAFARI-1 nuclear reactor for research, technology development and the production of radioisotopes. The corporation is responsible for the decommissioning and decontamination of nuclear facilities, and contributes to South Africa's obligations in terms of international nuclear treaties

and agreements.

Over the medium term, the corporation will focus on increasing medical radioisotope production and radiation applications used locally and internationally for the diagnosis and treatment of cancer. This activity accounts for the bulk of the corporation's spending, and is set to increase from R1.8 billion in 2019/20 to R2.1 billion in 2022/23 at an average annual rate of 5.5 per cent. Other priorities include research and technology development for new products, specialised nuclear manufacturing, support for nuclear power generation, and the decommissioning and decontamination of disused nuclear facilities. The corporation's total expenditure is expected to be R11.2 billion over the medium term.

The sale of nuclear technology products, chemical products and nuclear engineering services are expected to account for 61.9 per cent (R7.6 billion) of the corporation's revenue over the medium term. The projected increase in sales is mostly attributed to NTP Radioisotopes operating at higher capacity, as well as improved market conditions. Transfers from the department, amounting to a projected 38.1 per cent (R3.9 billion) of total revenue over the medium term, will be used for operational requirements and activities such as the decommissioning of disused plants, radioactive waste management at all disused nuclear facilities, the production and conversion of low-enriched uranium fuel, and nuclear safety.

Programmes/Objectives/Activities

Table 34.18 South African Nuclear Energy Corporation Limited 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	442.7	464.3	487.5	463.2	1.5%	14.7%	500.2	523.8	541.3	5.3%	14.0%
Nuclear energy	409.8	409.5	429.3	399.1	-0.9%	13.0%	498.1	517.9	546.5	11.0%	13.5%
Radiation products and services	1 514.4	2 050.4	1 628.3	1 820.5	6.3%	55.0%	1 966.0	2 026.5	2 136.8	5.5%	54.9%
South African Nuclear Energy Corporation as a host of nuclear programmes	509.7	539.6	561.9	590.0	5.0%	17.4%	619.5	650.5	688.7	5.3%	17.6%
Total	2 876.6	3 463.8	3 107.0	3 272.9	4.4%	100.0%	3 583.8	3 718.7	3 913.2	6.1%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 34.19 South African Nuclear Energy Corporation Limited statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
R million	2016/17	2017/18	2017/18	2018/19	2018/19	2019/20	2019/20	2019/20	2016/17 - 2019/20
Revenue									
Non-tax revenue	1 929.1	2 281.7	1 948.9	2 689.6	2 031.6	2 373.5	2 375.7	1 468.2	106.4%
Sale of goods and services other than capital assets	1 883.4	1 622.8	1 736.1	1 815.1	1 674.8	1 468.5	2 288.2	1 423.4	83.5%
of which:									
Sales by market establishment	1 883.4	1 622.8	1 736.1	1 815.1	1 674.8	1 468.5	2 288.2	1 423.4	83.5%
Other non-tax revenue	45.6	658.9	212.8	874.4	356.8	905.1	87.5	44.8	353.3%
Transfers received	649.4	637.1	837.5	720.8	1 116.0	697.8	1 170.1	1 655.4	98.4%
Total revenue	2 578.4	2 918.9	2 786.4	3 410.4	3 147.6	3 071.3	3 545.8	3 123.6	103.9%
Expenses									
Current expenses	2 598.1	2 805.8	2 395.8	3 389.5	2 990.1	3 029.0	3 314.8	3 190.9	109.9%
Compensation of employees	916.1	989.4	990.0	1 016.3	1 066.4	1 066.4	1 220.0	1 200.4	101.9%
Goods and services	1 611.9	1 740.8	1 313.2	2 293.8	1 840.3	1 879.2	2 007.2	1 932.0	115.8%
Depreciation	65.5	70.8	87.4	74.3	78.0	78.0	81.9	52.9	88.2%
Interest, dividends and rent on land	4.5	4.9	5.1	5.1	5.4	5.4	5.6	5.6	101.7%
Total expenses	2 663.6	2 876.6	2 482.2	3 463.8	3 068.2	3 107.0	3 396.8	3 272.9	109.6%
Surplus/(Deficit)	(85.2)	42.2	304.2	(53.4)	79.4	(35.8)	149.0	(149.3)	
Cash flow statement									
Cash flow from operating activities	1 036.6	279.2	329.2	1 156.0	253.1	(1 092.4)	265.4	278.4	33.0%
Receipts									
Non-tax receipts	3 029.0	1 725.2	1 948.9	2 136.7	1 752.0	1 792.2	2 357.3	2 357.3	88.2%
Sales of goods and services other than capital assets	2 983.4	1 407.1	1 736.1	1 815.1	1 674.8	1 468.5	2 288.2	2 288.2	80.4%
Sales by market establishment	1 912.4	1 407.1	1 736.1	1 815.1	1 674.8	1 468.5	2 288.2	2 288.2	91.7%
Other sales	1 070.9	—	—	—	—	—	—	—	—
Other tax receipts	45.6	318.1	212.8	321.5	77.2	323.7	69.1	69.1	255.1%
Transfers received	632.3	637.1	837.5	720.8	945.7	697.8	1 193.7	1 193.7	90.0%
Total receipts	3 661.3	2 362.3	2 786.4	2 857.5	2 697.7	2 489.9	3 551.0	3 551.0	88.7%

Table 34.19 South African Nuclear Energy Corporation Limited statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Payment									
Current payments	2 576.7	1 986.5	2 370.8	1 650.2	2 387.1	3 582.3	3 202.2	3 189.2	98.8%
Compensation of employees	972.1	846.9	1 099.9	1 422.2	1 292.0	1 292.0	1 407.0	1 407.0	104.1%
Goods and services	1 600.1	1 128.0	1 265.7	220.7	1 051.7	2 246.9	1 773.7	1 760.7	94.1%
Interest and rent on land	4.5	11.6	5.1	7.3	43.4	43.4	21.5	21.5	112.4%
Total payments	2 624.8	2 083.1	2 457.2	1 701.5	2 444.6	3 582.3	3 285.6	3 272.6	98.4%
Net cash flow from investing activities	(124.1)	(21.9)	(230.9)	(629.9)	(261.5)	965.0	(205.0)	(121.3)	-23.4%
Acquisition of property, plant, equipment and intangible assets	(107.5)	(165.8)	(162.8)	(59.4)	(190.9)	(21.9)	(60.9)	(93.7)	65.3%
Acquisition of software and other intangible assets	(2.4)	(0.4)	(81.7)	(0.2)	(41.1)	(47.9)	(10.0)	(10.0)	43.3%
Proceeds from the sale of property, plant, equipment and intangible assets	—	2.5	18.0	2.7	—	2.2	—	—	41.4%
Other flows from investing activities	(14.1)	141.8	(4.5)	(573.1)	(29.5)	1 032.7	(134.1)	(17.6)	-320.3%
Net cash flow from financing activities	90.4	(14.5)	6.0	(25.2)	32.5	(23.5)	25.4	(6.9)	-45.4%
Deferred income	90.4	4.4	—	(14.4)	—	(17.3)	—	—	-30.2%
Borrowing activities	—	(16.0)	6.0	—	32.5	—	25.4	(6.9)	-35.9%
Repayment of finance leases	—	(2.9)	—	(6.0)	—	0.3	—	—	—
Other flows from financing activities	—	—	—	(4.8)	—	(6.5)	—	—	—
Net increase/(decrease) in cash and cash equivalents	1 002.9	242.8	104.3	500.9	24.1	(150.8)	85.8	150.2	
Statement of financial position									
Carrying value of assets	1 463.4	1 376.6	1 603.0	1 393.1	1 785.3	1 438.9	1 820.9	1 490.8	85.4%
<i>Acquisition of assets</i>	<i>(107.5)</i>	<i>(165.8)</i>	<i>(162.8)</i>	<i>(59.4)</i>	<i>(190.9)</i>	<i>(21.9)</i>	<i>(60.9)</i>	<i>(93.7)</i>	<i>65.3%</i>
Investments	3 340.5	3 172.0	3 333.6	5 187.9	3 691.8	4 665.8	3 878.1	3 586.9	116.6%
Inventory	256.4	238.1	343.4	283.2	389.9	309.4	520.6	419.0	82.7%
Loans	—	—	36.6	—	—	—	—	—	—
Receivables and prepayments	279.9	205.1	397.5	517.1	495.1	412.4	563.6	352.0	85.6%
Cash and cash equivalents	598.3	1 065.3	531.9	507.7	152.2	370.9	67.2	471.9	179.0%
Taxation	15.7	41.0	32.1	45.6	30.7	95.4	30.7	19.5	184.4%
Total assets	5 954.3	6 098.1	6 278.2	7 934.6	6 545.0	7 292.8	6 881.1	6 340.2	107.8%
Accumulated surplus/(deficit)	267.1	504.0	763.2	798.7	196.4	885.1	334.6	(677.7)	96.7%
Capital and reserves	422.4	600.4	145.4	750.9	691.4	(127.9)	698.6	624.9	94.4%
Capital reserve fund	601.6	—	198.9	—	—	—	—	—	—
Borrowings	85.2	123.7	6.0	32.0	30.3	46.0	29.8	35.0	156.4%
Finance lease	4.6	5.3	4.4	2.9	5.8	6.9	6.7	4.8	92.6%
Deferred income	—	594.4	594.4	579.9	645.0	562.7	633.9	579.9	123.7%
Trade and other payables	226.9	196.1	361.4	728.2	291.9	666.4	332.2	593.7	180.2%
Benefits payable	—	23.8	—	33.5	35.2	34.5	36.9	—	127.3%
Taxation	—	1.1	22.3	0.5	0.3	4.7	0.3	—	27.6%
Provisions	992.7	739.3	972.4	955.5	1 149.2	975.5	1 218.9	583.6	75.1%
Derivatives financial instruments	3 353.7	3 310.1	3 087.8	4 052.2	3 499.6	4 239.0	3 589.4	4 596.0	119.7%
Total equity and liabilities	5 954.3	6 098.1	6 156.1	7 934.6	6 545.0	7 292.8	6 881.1	6 340.2	108.3%

Statements of estimates of financial performance, cash flow and financial position**Table 34.20 South African Nuclear Energy Corporation Limited statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23		
Revenue									
Non-tax revenue	1 468.2	-13.7%	70.3%	2 494.3	2 583.3	2 720.2	22.8%	61.9%	
Sale of goods and services other than capital assets	1 423.4	-4.3%	50.6%	2 408.8	2 507.4	2 640.3	22.9%	60.0%	
<i>Sales by market establishment</i>	<i>1 423.4</i>	<i>-4.3%</i>	<i>50.6%</i>	<i>2 408.8</i>	<i>2 507.4</i>	<i>2 640.3</i>	<i>22.9%</i>	<i>60.0%</i>	
Other non-tax revenue	44.8	-59.2%	19.8%	85.5	75.9	80.0	21.3%	1.9%	
Transfers received	1 655.4	37.5%	29.7%	1 232.9	1 287.4	1 340.4	-6.8%	38.1%	
Total revenue	3 123.6	2.3%	100.0%	3 727.3	3 870.7	4 060.6	9.1%	100.0%	
Current expenses	3 190.9	4.4%	97.6%	3 497.7	3 628.3	3 818.1	6.2%	97.6%	
Compensation of employees	1 200.4	6.7%	33.7%	1 284.1	1 355.3	1 424.6	5.9%	36.3%	
Goods and services	1 932.0	3.5%	61.6%	2 121.7	2 176.5	2 291.8	5.9%	58.8%	
Depreciation	52.9	-9.2%	2.2%	86.0	90.3	95.1	21.6%	2.2%	
Interest, dividends and rent on land	5.6	5.0%	0.2%	5.9	6.2	6.6	5.1%	0.2%	
Total expenses	3 272.9	4.4%	100.0%	3 583.8	3 718.7	3 913.2	6.1%	100.0%	
Surplus/(Deficit)	(149.3)			143.4	152.0	147.4			

Table 34.20 South African Nuclear Energy Corporation Limited statements of estimates of financial performance, cash flow and financial position

Cash flow statement		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	Revised estimate							
R million	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	
Cash flow from operating activities	278.4	-0.1%	194.8%	349.3	400.1	406.1	14.5%	187.0%
Receipts								
Non-tax receipts	2 357.3	11.0%	71.5%	2 476.6	2 571.0	2 707.2	4.7%	63.5%
Sales of goods and services other than capital assets	2 288.2	17.6%	61.6%	2 408.8	2 507.4	2 640.3	4.9%	61.8%
<i>Sales by market establishment</i>	2 288.2	17.6%	61.6%	2 408.8	2 507.4	2 640.3	4.9%	61.8%
Other tax receipts	69.1	-39.9%	9.9%	67.8	63.6	67.0	-1.0%	1.7%
Transfers received	1 193.7	23.3%	28.5%	1 370.2	1 615.3	1 685.7	12.2%	36.5%
Total receipts	3 551.0	14.6%	100.0%	3 846.8	4 186.2	4 392.9	7.4%	100.0%
Current payments	3 189.2	17.1%	82.4%	3 423.2	3 712.1	3 908.9	7.0%	97.9%
Compensation of employees	1 407.0	18.4%	38.8%	1 487.0	1 564.0	1 646.9	5.4%	42.0%
Goods and services	1 760.7	16.0%	42.9%	1 913.1	2 122.7	2 235.2	8.3%	55.2%
Interest and rent on land	21.5	23.0%	0.7%	23.2	25.4	26.7	7.5%	0.7%
Total payment	3 272.6	16.2%	100.0%	3 497.6	3 786.1	3 986.8	6.8%	100.0%
Net cash flow from investing activities	(121.3)	76.9%	100.0%	(250.1)	(254.9)	(268.4)	30.3%	100.0%
Acquisition of property, plant, equipment and intangible assets	(93.7)	-17.3%	210.3%	(106.0)	(113.5)	(119.5)	8.5%	52.2%
Acquisition of software and other intangible assets	(10.0)	187.0%	1.3%	(10.0)	(15.3)	(16.1)	17.2%	6.1%
Other flows from investing activities	(17.6)	-149.9%	-108.7%	(134.1)	(126.1)	(132.8)	96.1%	41.8%
Net cash flow from financing activities	(6.9)	-21.8%	100.0%	6.1	(5.0)	(5.2)	-9.0%	100.0%
Borrowing Activities	(6.9)	-24.3%	52.6%	6.1	(5.0)	(5.2)	-9.0%	100.0%
Net increase/(decrease) in cash and cash equivalents	150.2	-14.8%	100.0%	105.2	140.3	132.5	-4.1%	100.0%
Statement of financial position								
Carrying value of assets	1 490.8	2.7%	20.8%	1 860.3	1 912.9	2 014.3	10.6%	25.0%
<i>Acquisition of assets</i>	<i>(93.7)</i>	<i>-17.3%</i>	<i>-1.3%</i>	<i>(106.0)</i>	<i>(113.5)</i>	<i>(119.5)</i>	<i>8.5%</i>	<i>-1.5%</i>
Investments	3 586.9	4.2%	59.5%	4 069.3	4 236.0	4 460.5	7.5%	56.4%
Inventory	419.0	20.7%	4.6%	567.1	604.4	636.5	15.0%	7.6%
Receivables and prepayments	352.0	19.7%	5.3%	620.4	690.3	726.9	27.3%	8.1%
Cash and cash equivalents	471.9	-23.8%	9.1%	32.2	67.6	71.1	-46.8%	2.4%
Taxation	19.5	-22.0%	0.7%	30.7	30.7	32.4	18.4%	0.4%
Total assets	6 340.2	1.3%	100.0%	7 180.1	7 541.9	7 941.7	7.8%	100.0%
Accumulated surplus/(deficit)	(677.7)	-210.4%	4.9%	441.4	551.8	581.1	-195.0%	2.5%
Capital and reserves	624.9	1.3%	6.9%	706.8	716.6	754.6	6.5%	9.7%
Borrowings	35.0	-34.4%	0.9%	69.1	153.6	161.8	66.6%	1.4%
Finance lease	4.8	-3.5%	0.1%	7.5	7.6	8.0	18.9%	0.1%
Deferred income	579.9	-0.8%	8.5%	694.2	719.9	758.1	9.3%	9.5%
Trade and other payables	593.7	44.7%	7.7%	351.5	388.6	409.2	-11.7%	6.1%
Taxation	—	-100.0%	0.0%	0.3	0.3	0.4	—	0.0%
Provisions	583.6	-7.6%	11.7%	1 252.2	1 285.9	1 354.1	32.4%	15.2%
Derivatives financial instruments	4 596.0	11.6%	59.0%	3 657.0	3 717.5	3 914.5	-5.2%	55.5%
Total equity and liabilities	6 340.2	1.3%	100.0%	7 180.1	7 541.9	7 941.7	7.8%	100.0%

Personnel information

Table 34.21 South African Nuclear Energy Corporation Limited personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020		Number and cost ¹ of personnel posts filled/planned for on funded establishment												Number	
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)
		2018/19			2019/20			2020/21		2021/22		2022/23		2019/20 - 2022/23	
South African Nuclear Energy Corporation Limited		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Number	Cost	Number	Cost		
Salary level	2 574	2 629	1 066.4	0.4	2 400	1 200.4	0.5	2 393	1 284.1	2 394	1 355.3	2 393	1 424.6	5.9%	100.0%
1 – 6	878	851	95.9	0.1	800	102.2	0.1	773	111.3	779	122.3	779	133.3	9.3%	32.7%
7 – 10	1 147	1 225	442.2	0.4	1 093	483.9	0.4	1 099	515.5	1 096	555.6	1 096	595.7	7.2%	45.8%
11 – 12	295	295	218.9	0.7	281	241.5	0.9	287	259.8	287	274.3	287	288.8	6.1%	11.9%
13 – 16	225	229	254.1	1.1	200	283.4	1.4	208	309.8	208	319.1	207	326.7	4.9%	8.6%
17 – 22	29	29	55.3	1.9	26	89.3	3.4	26	87.8	24	83.9	24	80.0	-3.6%	1.0%

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 **Council for Geoscience** develops and publishes world-class geoscience knowledge products, and provides geoscience-related services to the South African public and industry. The council's total budget for 2020/21 is R554.3 million.
- The **Mine Health and Safety Council** advises the Minister of Mineral Resources and Energy on occupational health and safety at mines, develops legislation, conducts research, and liaises with other statutory bodies on matters relating to occupational health and safety at mines. The council's total budget for 2020/21 is R133.9 million.
- **Mintek** develops appropriate and innovative technology for transfer to the minerals industry, and provides the industry with test work, consultancy, and analytical and mineralogical services. The entity's total budget for 2020/21 is R562.5 million.
- The **National Energy Regulator of South Africa** is the regulatory authority for electricity, piped gas and petroleum pipelines. The regulator's total budget for 2020/21 is R373.7 million.
- The **National Nuclear Regulator** is responsible for safety standards and regulatory practices for the protection of people, property and the environment against nuclear damage. The regulator's total budget for 2020/21 is R289.2 million.
- The **National Radioactive Waste Disposal Institute** is responsible for the long-term care and disposal of radioactive waste at the national level in a manner that is safe, technically sound, socially acceptable, environmentally responsible and economically feasible. The institute's total budget for 2020/21 is R51.5 million.
- The **South African Diamond and Precious Metals Regulator** was established in terms of section 3 of the Diamonds Act (1986), as amended. It is mandated to regulate control over the possession, purchase, sale, processing and export of diamonds, and the regulation of precious metals. The regulator's total budget for 2020/21 is R120.2 million.
- The **South African National Energy Development Institute** is mandated to stimulate innovation in energy research and development, transform the gender and race profile of researchers in the sector, and improve South Africa's competitiveness in energy research. The institute's total budget for 2020/21 is R234.2 million.
- The **State Diamond Trader** is mandated to buy and sell rough diamonds to promote equitable access to diamonds and the local beneficiation of diamond resources. It generates revenue by selling rough diamonds to clients, mainly diamond polishers and cutters. The trader's total budget for 2020/21 is R531.1 million.

Vote 35

Science and Innovation

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	360.3	341.9	15.6	2.8	378.1	395.0
Technology Innovation	1 504.5	84.2	1 420.3	–	1 878.3	1 899.9
International Cooperation and Resources	156.4	81.8	74.6	–	163.3	169.3
Research, Development and Support	4 882.5	62.2	4 820.2	–	5 125.3	5 316.5
Socioeconomic Innovation Partnerships	1 893.7	62.3	1 831.4	–	1 832.9	1 900.8
Total expenditure estimates	8 797.4	632.5	8 162.2	2.8	9 377.8	9 681.5
Executive authority	Minister of Science and Innovation					
Accounting officer	Director-General of Science and Innovation					
Website	www.dst.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Realise the full potential of science and technology in social and economic development by developing human resources, research and innovation.

Mandate

The Department of Science and Innovation derives its mandate from the 1996 White Paper on Science and Technology, which introduced the concept of the national system of innovation, a set of interacting organisations and policies through which South Africa creates, acquires, diffuses and puts into practice new knowledge to help achieve individual and collective goals. A coordinated and efficient national system of innovation will help the country achieve its national development priorities by promoting change through innovation, enabling all South Africans to enjoy the economic, sociopolitical and intellectual benefits of science, technology and innovation.

Selected performance indicators

Table 35.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of instruments funded in support of knowledge utilisation per year	Technology Innovation	Priority 1: Economic transformation and job creation	25	19	21	19	19	19	19
Number of commercial outputs in designated areas per year	Technology Innovation		8	5	7	8	8	8	8
Amount of funds invested by international partners in their own organisations and initiatives targeted at cooperation with South African partners in the areas of research, innovation, science, technology and innovation human capital development as part of cooperation initiatives implemented by the department per year	International Cooperation and Resources		R1.3bn	R1.2bn	R3.3bn	R300m	R300m	R300m	R300m
Number of doctoral students awarded bursaries per year, as reflected in reports from the National Research Foundation and relevant entities	Research, Development and Support	Priority 2: Education, skills and health	3 454	3 621	3 380	3 100	3 100	2 000	2 300

Table 35.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of pipeline postgraduate students (BTech, honours and masters students) awarded bursaries per year, as reflected in reports from the National Research Foundation and relevant entities	Research, Development and Support	Priority 2: Education, skills and health	10 996	10 601	9 774	10 800	9 300	6 200	5 100
Number of researchers awarded research grants per year through programmes managed by the National Research Foundation, as reflected in the foundation's project reports	Research, Development and Support		4 539	4 707	4 633	4 500	4 500	4 500	4 500
Number of knowledge and innovation products (patents, prototypes, technology demonstrators or technology transfer packages) added to the intellectual property portfolio through fully funded or co-funded research initiatives per year	Socioeconomic Innovation Partnerships	Priority 1: Economic transformation and job creation	36	38	42	50	50	50	50

Expenditure analysis

The National Development Plan identifies science, technology and innovation as primary drivers of economic growth, job creation and socioeconomic reform. Central to this identification is the emphasis of the 2019 White Paper on Science, Technology and Innovation on the themes of inclusivity, transformation and partnerships. The white paper is aimed at improving policy coherence, developing human capabilities, expanding knowledge, improving innovation performance and increasing investment. The work of the Department of Science and Innovation is pivotal in realising these goals, particularly the initiatives it champions for innovation in the challenging fields of energy, food security, poverty alleviation and health care.

The department plans to direct its allocation of R27.9 billion over the medium term towards investment in its key focus areas of developing human capital, generating and exploiting knowledge and innovation, and building and maintaining infrastructure for research and innovation. As the work of fostering, promoting and supporting innovation in scientific research and technology is conducted primarily by the department's entities, universities and non-profit organisations, transfers account for an estimated 92.6 per cent (R25.9 billion) of the department's total budget over the MTEF period. Overall expenditure is expected to increase at an average annual rate of 5.8 per cent, from R8.2 billion in 2019/20 to R9.7 billion in 2022/23. Compensation of employees is the second-largest spending item in the department, accounting for an estimated 4.8 per cent (R1.3 billion) of the total expenditure over the medium term, increasing at an average annual rate of 6.4 per cent mainly due to the expected filling of critical posts.

Cabinet has approved reductions to the department's baseline of R460.9 million over the medium term to be effected mainly on discretionary transfers and non-core goods and services. As such, these reductions are not expected to affect service delivery. An additional R1.2 billion over the medium term is allocated to set up the Sovereign Innovation Fund to ensure more effective technology commercialisation; R185 million to the Council for Scientific and Industrial Research to invest in infrastructure aimed at improving the efficiency and competitiveness of scientific research; and R100 million to the South African National Space Agency to invest in its space science programme. This allocation is expected to enable the agency to contribute to a range of national priorities, including job creation.

Developing high-end human capital

High-end, innovative human capital are key to the development of a globally competitive, expanded and transformed national system of innovation that is responsive to South Africa's developmental needs, in line with the imperatives articulated in the 2019 White Paper on Science, Technology and Innovation. Accordingly, R15.3 billion over the medium term is allocated to the *Research Development and Support* programme for the development of human capital through the provision of postgraduate bursaries and scholarships, internships, support for emerging and established researchers, and strategic instruments such as the South African Research Chairs Initiative. This expenditure is designed to attract and retain talent in research and innovation at South African public universities and centres of excellence, which act as hubs to tackle persistent and emerging

challenges in critical areas such as health, food security, human development, energy and biodiversity. To date, the department has established 239 research chairs and 14 centres of excellence. Included in the programme's allocation is a transfer of R6.3 billion over the medium term to the National Research Foundation. This transfer is aimed at awarding 20 600 bursaries to postgraduate (bachelor of technology, honours and masters) students and 7 400 bursaries to doctoral students, mainly in the fields of science, engineering and technology, as part of programmes to prepare them for work; and improving the foundation's infrastructure.

Generating and exploiting knowledge and innovation

In its efforts to generate and exploit knowledge and innovation that is in line with government's priorities for inclusive economic growth, the department plans to invest R5.8 billion over the medium term in the development of industry, particularly in high-potential fields such as aresospace, advanced manufacturing, chemicals, advanced metals, mining and ICT; the creation of instruments to increase the competitiveness of small, medium and micro enterprises (SMMEs); and youth, by fully funding and co-funding 1 454 masters and doctoral students, and 590 interns over the medium term. This expenditure is in the *Socioeconomic Innovation Partnerships* programme.

An estimated R3.4 billion of this amount, in the *Sector Innovation and Green Economy* subprogramme, is earmarked for advancing technology-based interventions intended to enhance South Africa's economic competitiveness and increase exports. The department will aim to do this by creating an environment in which government can effectively partner with industry to co-fund research, development and innovation. Of this R3.4 billion, R123.6 million is expected to be invested in a range of ICT initiatives such as artificial intelligence, nanotechnology, quantum computing and biotechnology. Activities related to advancing the development of a joint industry-government mining research and development hub will be funded through an allocation of R1.2 billion over the medium term in the *Innovation for Inclusive Development* subprogramme.

The department is set to receive an additional R1.2 billion over the medium term to set up the Sovereign Innovation Fund, which will seek to leverage co-investment by the public and private sectors to address gaps in technology commercialisation. The fund will be designed to complement and enhance existing funding instruments, and provide large-scale funding for the development and maturation of radical innovations and emerging industries. This expenditure is in the *Technology Innovation* programme.

Investing in infrastructure for research and innovation

The department's research infrastructure roadmap is intended to provide a strategic framework for planning, implementing, monitoring and evaluating the provision of research infrastructure necessary to create and maintain a competitive and sustainable national system of innovation. Accordingly, the department aims to improve the outcomes and quality of research by providing and increasing access to research equipment and facilities through an allocation of R3.4 billion over the medium term in the *Basic Science and Infrastructure* subprogramme. A significant portion of this investment is earmarked for the ongoing implementation of roadmap projects in the thematic areas of humans and society; health, biological and food security; earth and environment; materials and manufacturing; energy; and physical sciences and engineering.

The national integrated cyberinfrastructure system supports the successful and sustainable implementation of national projects such as the MeerKAT and the Square Kilometre Array, as well as large research infrastructure required for the processing and transmission of large amounts of data dependent on the presence of a robust cyberinfrastructure system. To complete the installation of receivers on the MeerKAT project; maintain the MeerKAT telescope and operations; expand the MeerKAT telescope; and continue with strategic interventions such as the Square Kilometre Array, the human capital development bursary programme, and science outreach and socioeconomic projects, the *Astronomy* subprogramme is allocated R2.6 billion over the MTEF period.

For scientific research in strategic research areas defined by South Africa's geographic advantage, such as palaeosciences, astronomy, climate change, indigenous knowledge, and marine and polar research, R782.5 million over the MTEF period is allocated to the *Science Missions* subprogramme.

Expenditure trends and estimates

Table 35.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Technology Innovation											
3. International Cooperation and Resources											
4. Research, Development and Support											
5. Socioeconomic Innovation Partnerships											
Programme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	351.4	357.9	379.5	391.3	3.7%	4.8%	360.3	378.1	395.0	0.3%	4.2%
Programme 2	1 019.8	1 120.6	1 149.0	1 224.3	6.3%	14.5%	1 504.5	1 878.3	1 899.9	15.8%	18.1%
Programme 3	125.8	136.7	145.2	149.0	5.8%	1.8%	156.4	163.3	169.3	4.4%	1.8%
Programme 4	4 157.5	4 296.5	4 520.4	4 572.9	3.2%	56.5%	4 882.5	5 125.3	5 316.5	5.2%	55.2%
Programme 5	1 768.6	1 617.0	1 755.2	1 834.7	1.2%	22.4%	1 893.7	1 832.9	1 900.8	1.2%	20.7%
Total	7 423.2	7 528.6	7 949.3	8 172.3	3.3%	100.0%	8 797.4	9 377.8	9 681.5	5.8%	100.0%
Change to 2019				(22.3)			151.2	450.6	422.4		
Budget estimate											
Economic classification											
Current payments	547.3	552.2	602.0	645.7	5.7%	7.6%	632.5	666.4	694.0	2.4%	7.3%
Compensation of employees	340.4	345.1	358.8	389.1	4.6%	4.6%	422.0	449.4	468.9	6.4%	4.8%
Goods and services ¹	206.9	207.1	243.2	256.6	7.4%	2.9%	210.5	217.1	225.1	-4.3%	2.5%
of which:											
Advertising	12.7	9.3	25.1	11.2	-4.1%	0.2%	13.3	13.8	14.3	8.3%	0.1%
Consultants: Business and advisory services	20.9	6.4	16.4	21.4	0.9%	0.2%	22.0	22.7	23.5	3.2%	0.2%
Agency and support/outsourced services	14.1	7.3	12.0	16.1	4.5%	0.2%	16.1	16.6	17.3	2.3%	0.2%
Property payments	10.5	12.9	11.8	61.2	80.2%	0.3%	14.2	14.7	15.2	-37.1%	0.3%
Travel and subsistence	77.2	67.2	65.9	59.4	-8.4%	0.9%	61.2	62.9	65.2	3.2%	0.7%
Venues and facilities	7.1	22.1	26.6	16.5	32.7%	0.2%	16.2	16.7	17.3	1.5%	0.2%
Transfers and subsidies ¹	6 860.2	6 955.1	7 336.9	7 523.9	3.1%	92.3%	8 162.2	8 708.5	8 984.5	6.1%	92.6%
Departmental agencies and accounts	4 735.1	4 807.3	5 044.7	5 605.3	5.8%	65.0%	6 179.9	6 635.9	6 835.1	6.8%	70.1%
Higher education institutions	187.0	—	—	—	-100.0%	0.6%	—	—	—	0.0%	0.0%
Public corporations and private enterprises	1 778.9	1 683.5	1 809.3	1 541.9	-4.7%	21.9%	1 593.3	1 663.5	1 725.1	3.8%	18.1%
Non-profit institutions	157.7	462.5	481.4	376.1	33.6%	4.8%	389.0	409.1	424.3	4.1%	4.4%
Households	1.5	1.8	1.5	0.6	-27.4%	0.0%	—	—	—	-100.0%	0.0%
Payments for capital assets	15.5	21.1	10.3	2.8	-43.7%	0.2%	2.8	2.9	3.0	3.0%	0.0%
Machinery and equipment	15.5	21.1	10.3	2.8	-43.7%	0.2%	2.8	2.9	3.0	3.0%	0.0%
Payments for financial assets	0.1	0.2	0.1	—	-100.0%	0.0%	—	—	—	0.0%	0.0%
Total	7 423.2	7 528.6	7 949.3	8 172.3	3.3%	100.0%	8 797.4	9 377.8	9 681.5	5.8%	100.0%

Transfers and subsidies expenditure trends and estimates

Table 35.3 Vote transfers and subsidies trends and estimates

					Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome				Adjusted appropriation			Medium-term expenditure estimate				
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	3 616 766	3 630 637	3 760 432	4 193 295	5.1%	53.0%	4 582 239	4 976 280	5 112 799	6.8%	56.5%
Various institutions: Institutional and programme support research	1 616	18	1 231	–	-100.0%	–	–	–	–	–	–
Various institutions: Technology transfer offices: Support of research units	687	41 439	2 073	–	-100.0%	0.2%	–	–	–	–	–
Various institutions: Implementation of bio-economy strategy	9 500	21 000	30 851	–	-100.0%	0.2%	–	–	–	–	–
Various institutions: Energy grand challenge research	22 316	16 000	–	40 946	22.4%	0.3%	42 913	45 105	46 775	4.5%	0.5%
Various institutions: Health innovation research	37 500	21 074	72 800	–	-100.0%	0.5%	–	–	–	–	–
Various institutions: Hydrogen strategy research	4 007	2 929	–	–	-100.0%	–	–	–	–	–	–

Table 35.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	Average: Expenditure/ Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/ Total (%)
Various institutions: Innovation projects research	10 000	15 044	–	19 453	24.8%	0.2%	241 376	544 876	546 547	204.0%	4.1%
National Research Foundation: Indigenous knowledge systems	–	1 574	–	–	–	–	–	–	–	–	–
Technology Innovation Agency	382 364	396 732	420 322	440 929	4.9%	5.7%	455 858	471 398	488 874	3.5%	5.6%
South African National Space Agency	154 630	131 226	138 036	143 464	-2.5%	2.0%	182 087	200 962	178 873	7.6%	2.1%
Various institutions: Emerging research areas	11 498	7 500	3 400	–	-100.0%	0.1%	–	–	–	–	–
National Research Foundation: Research and development in indigenous knowledge systems	–	–	9 650	5 144	–	0.1%	5 391	6 945	7 208	11.9%	0.1%
National Research Foundation: Bilateral cooperation for global science development	13 598	13 979	14 793	15 952	5.5%	0.2%	16 718	17 545	18 194	4.5%	0.2%
Various institutions: Global science: International multilateral agreements	28 088	27 857	9 532	–	-100.0%	0.2%	–	–	–	–	–
Various institutions: Global science: African multilateral agreements	2 900	3 300	5 200	–	-100.0%	–	–	–	–	–	–
Academy of Science of South Africa	–	25 261	25 668	26 983	–	0.3%	27 898	36 393	37 763	11.9%	0.4%
Various institutions: Astronomy research and development	14 069	29 348	30 639	32 789	32.6%	0.4%	34 364	42 298	43 896	10.2%	0.5%
Various institutions: Policy development on basic science development and support	10 283	26 012	25 619	28 896	41.1%	0.3%	30 284	38 470	39 928	11.4%	0.4%
National Research Foundation: Human resources development for science and engineering	832 662	744 590	851 898	950 582	4.5%	11.8%	993 972	1 034 442	1 072 693	4.1%	12.1%
National Research Foundation	882 805	925 965	904 752	943 385	2.2%	12.8%	966 097	1 013 066	1 050 694	3.7%	11.9%
Various institutions: Science awareness, research and initiatives to encourage youth participation in science	66 221	73 018	58 137	81 579	7.2%	1.0%	85 498	95 422	98 984	6.7%	1.1%
National Research Foundation: South African research chairs initiative to develop human resources in science	482 243	496 872	530 274	566 305	5.5%	7.2%	593 508	619 415	642 328	4.3%	7.3%
Various institutions: Strategic science platforms for research and development	181 819	180 626	188 883	220 176	6.6%	2.7%	230 753	244 870	253 948	4.9%	2.8%
Various institutions: Economic competitiveness and support package: Local manufacturing capacity research and technical support	–	–	–	80 000	–	0.3%	83 843	–	–	-100.0%	0.5%
Various institutions: Economic competitiveness and support package: Local systems of innovation for the cold chain technologies project	–	–	–	62 000	–	0.2%	64 978	–	–	-100.0%	0.4%
Various institutions: Advanced manufacturing technology strategy implementation	–	–	269	–	–	–	–	–	–	–	–
Various institutions: Innovative research and development	6 866	36 317	19 106	41 955	82.8%	0.4%	46 375	50 315	52 186	7.5%	0.6%
Human Sciences Research Council	290 149	304 656	303 733	324 155	3.8%	4.3%	324 585	337 262	349 772	2.6%	4.0%
Various institutions: Local manufacturing capacity research and technical support	70 739	21 172	57 544	28 689	-26.0%	0.6%	30 067	33 932	35 200	7.1%	0.4%
Various institutions: Local systems of innovation for the cold chain technologies project	64 000	11 560	–	11 793	-43.1%	0.3%	12 360	15 668	16 261	11.3%	0.2%
Various institutions: Resource-based industries research and development	1 000	–	–	–	-100.0%	–	–	–	–	–	–
National Research Foundation: Research information management system	7 201	3 781	4 000	8 448	5.5%	0.1%	8 854	11 614	12 055	12.6%	0.1%
Human Science Research Council: Develop and monitor science and technology indicators	–	3 172	9 984	12 404	–	0.1%	13 000	16 328	16 946	11.0%	0.2%
Various institutions: Environmental innovation	4 205	3 755	4 250	29 402	91.2%	0.1%	30 814	34 706	36 002	7.0%	0.4%
Various institutions: HIV and AIDS prevention and treatment technologies research	23 800	–	24 588	27 866	5.4%	0.3%	29 205	31 471	32 641	5.4%	0.4%
Various institutions: Space science research: Economic competitiveness and support package	–	44 860	13 200	50 000	–	0.4%	31 441	33 777	35 031	-11.2%	0.5%

Table 35.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Capital	1 079 949	1 137 597	1 243 198	1 389 989	8.8%	16.9%	1 574 599	1 640 275	1 702 173	7.0%	18.9%
Various institutions: Infrastructure projects for research and development	413 312	443 666	533 991	703 015	19.4%	7.3%	793 821	829 237	861 609	7.0%	9.5%
National Research Foundation: Square Kilometre Array: Capital contribution to research	666 637	693 931	709 207	686 974	1.0%	9.6%	780 778	811 038	840 564	7.0%	9.3%
Households											
Social benefits											
Current	693	1 133	851	555	-7.1%	-	-	-	-	-100.0%	-
Households	693	1 133	851	555	-7.1%	-	-	-	-	-100.0%	-
Households											
Other transfers to households											
Current	728	680	650	-	-100.0%	-	-	-	-	-	-
Households	528	280	650	-	-100.0%	-	-	-	-	-	-
Various institutions: Policy development on human and social development dynamics	200	-	-	-	-100.0%	-	-	-	-	-	-
National Research Foundation: Human resources development for science and engineering	-	400	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises											
Other transfers to public corporations											
Current	517 831	373 836	432 372	346 399	-12.5%	5.8%	358 454	377 354	391 413	4.2%	4.4%
Households	-	-	-	-	-	-	-	-	-	-	-
Various institutions: Technology transfer offices: Support of research units	28 993	892	7 652	-	-100.0%	0.1%	-	-	-	-	-
Various institutions: Implementation of bio-economy strategy	76 620	9 399	6 000	-	-100.0%	0.3%	-	-	-	-	-
Various institutions: Energy grand challenge research	15 923	-	10 153	-	-100.0%	0.1%	-	-	-	-	-
Various institutions: Hydrogen strategy research	-	-	4 860	-	-	-	-	-	-	-	-
Various institutions: Innovation projects research	7 450	9 808	4 916	-	-100.0%	0.1%	-	-	-	-	-
National Research Foundation: Indigenous knowledge systems	6 150	2 664	1 500	-	-100.0%	-	-	-	-	-	-
Various institutions: Emerging research areas	-	77 860	67 800	112 672	-	0.9%	116 492	121 501	126 010	3.8%	1.4%
Various institutions: Global science: International multilateral agreements	2 115	1 680	4 400	-	-100.0%	-	-	-	-	-	-
Various institutions: Global science: African multilateral agreements	2 200	3 110	4 002	-	-100.0%	-	-	-	-	-	-
National Research Foundation: Human resources development for science and engineering: Economic competitiveness and support package	38 388	39 056	41 040	22 000	-16.9%	0.5%	23 057	19 374	20 103	-3.0%	0.3%
Various institutions: Science awareness	-	-	2 356	-	-	-	-	-	-	-	-
Various institutions: Strategic science platforms for research and development	4 610	5 215	6 355	-	-100.0%	0.1%	-	-	-	-	-
Various institutions: Advanced manufacturing technology strategy implementation	43 145	48 239	41 245	59 542	11.3%	0.7%	61 561	65 955	68 413	4.7%	0.8%
Various institutions: Innovative research and development	19 237	5 283	-	-	-100.0%	0.1%	-	-	-	-	-
Various institutions: Local manufacturing capacity research and technical support	141 925	65 172	48 320	-	-100.0%	0.9%	-	-	-	-	-
Council for Scientific and Industrial Research: Mining research and development	-	-	-	60 000	-	0.2%	62 034	66 874	69 366	5.0%	0.8%
Various institutions: Local systems of innovation for the cold chain technologies project	54 471	4 274	31 600	-	-100.0%	0.3%	-	-	-	-	-
Various institutions: Resource-based industries research and development	41 100	62 571	107 391	53 652	9.3%	0.9%	55 471	60 104	62 348	5.1%	0.7%
Various institutions: Environmental innovation	13 675	11 730	16 545	-	-100.0%	0.1%	-	-	-	-	-
Various institutions: Information and communications technology	21 829	26 883	26 237	38 533	20.9%	0.4%	39 839	43 546	45 173	5.4%	0.5%

Table 35.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19	2019/20	2016/17	2019/20		2020/21	2021/22	2022/23	2019/20	2022/23
Capital	424 380	413 273	440 991	251 686	-16.0%	5.3%		260 218	275 204	285 437	4.3%	3.2%
Council for Scientific and Industrial Research: Cyberinfrastructure research and development	214 546	413 273	236 339	251 686	5.5%	3.9%		260 218	275 204	285 437	4.3%	3.2%
Various institutions: Infrastructure projects for research and development	209 834	–	180 653	–	-100.0%	1.4%		–	–	–	–	–
Various institutions: Hydrogen strategy (capital)	–	–	23 999	–	–	0.1%		–	–	–	–	–
Higher education institutions												
Current	159 936	–	–	–	-100.0%	0.6%		–	–	–	–	–
Various institutions: Institutional and programme support research	6 000	–	–	–	-100.0%	–		–	–	–	–	–
Various institutions: Biofuels	2 000	–	–	–	-100.0%	–		–	–	–	–	–
Various institutions: Implementation of bio-economy strategy	995	–	–	–	-100.0%	–		–	–	–	–	–
Various institutions: Energy grand challenge research	5 250	–	–	–	-100.0%	–		–	–	–	–	–
Various institutions: Health innovation research	463	–	–	–	-100.0%	–		–	–	–	–	–
Various institutions: Hydrogen strategy research	81 438	–	–	–	-100.0%	0.3%		–	–	–	–	–
Various institutions: Innovation projects research	2 004	–	–	–	-100.0%	–		–	–	–	–	–
International Centre for Genetic Engineering and Biotechnology	10 000	–	–	–	-100.0%	–		–	–	–	–	–
National Research Foundation: Indigenous knowledge systems	3 662	–	–	–	-100.0%	–		–	–	–	–	–
Various institutions: Emerging research areas	14 500	–	–	–	-100.0%	0.1%		–	–	–	–	–
Various institutions: Global science: International multilateral agreements	8 332	–	–	–	-100.0%	–		–	–	–	–	–
Various institutions: Global science: African multilateral agreements	200	–	–	–	-100.0%	–		–	–	–	–	–
National Research Foundation: Human resources development for science and engineering	3 024	–	–	–	-100.0%	–		–	–	–	–	–
Various institutions: Science awareness	200	–	–	–	-100.0%	–		–	–	–	–	–
Various institutions: Strategic science platforms for research and development	7 244	–	–	–	-100.0%	–		–	–	–	–	–
Various institutions: Advanced manufacturing technology strategy implementation	330	–	–	–	-100.0%	–		–	–	–	–	–
Various institutions: Innovative research and development	8 001	–	–	–	-100.0%	–		–	–	–	–	–
Various institutions: Local manufacturing capacity research and technical support	1 974	–	–	–	-100.0%	–		–	–	–	–	–
Various institutions: Local systems of innovation for the cold chain technologies project	4 319	–	–	–	-100.0%	–		–	–	–	–	–
Capital	27 079	–	–	–	-100.0%	0.1%		–	–	–	–	–
Various institutions: Infrastructure projects for research and development	27 079	–	–	–	-100.0%	0.1%		–	–	–	–	–
Non-profit institutions												
Current	146 426	310 830	327 324	301 188	27.2%	3.8%		311 726	327 871	340 169	4.1%	3.8%
Various institutions: Institutional and programme support research	9 170	16 642	11 567	15 086	18.1%	0.2%		15 594	15 894	16 484	3.0%	0.2%
Various institutions: Biofuels research	1 799	5 100	7 245	7 651	62.0%	0.1%		7 889	9 507	9 855	8.8%	0.1%
Various institutions: Implementation of the bio-economy strategy	11 556	21 138	891	41 651	53.3%	0.3%		42 944	45 222	46 839	4.0%	0.5%
Various institutions: Energy grand challenge research	700	16 677	26 895	–	-100.0%	0.2%		–	–	–	–	–
Various institutions: Health innovation research	300	20 599	2 597	82 840	551.2%	0.4%		52 749	55 860	57 861	-11.3%	0.7%
Various institutions: Hydrogen strategy research	–	30 581	35 347	42 458	–	0.4%		43 776	44 336	45 911	2.6%	0.5%
Various institutions: Innovation projects research	1 000	4 379	4 501	–	-100.0%	–		–	–	–	–	–

Table 35.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
International Centre for Genetic Engineering and Biotechnology	22 186	17 000	31 249	14 295	-13.6%	0.3%	14 981	16 800	17 428	6.8%	0.2%
Various institutions: Space science research	—	3 595	5 299	—	—	—	—	—	—	—	—
Various institutions: Technology transfer offices: Support for research units	1 833	35 466	37 434	41 184	182.2%	0.4%	42 463	44 773	46 377	4.0%	0.5%
National Research Foundation: Indigenous knowledge systems	—	5 366	16 921	—	—	0.1%	—	—	—	—	—
South African Association of Science and Technology Centres: Technology top 100 awards	—	1 754	—	—	—	—	—	—	—	—	—
Various institutions: Emerging research areas	6 000	6 700	25 202	—	-100.0%	0.1%	—	—	—	—	—
Various institutions: Global science: International multilateral agreements	424	13 629	28 784	46 009	377.0%	0.3%	47 557	49 293	51 121	3.6%	0.6%
Various institutions: Global science: African multilateral agreements	2 950	649	186	10 014	50.3%	—	10 351	10 926	11 332	4.2%	0.1%
Academy of Science of South Africa	25 106	12 480	—	—	-100.0%	0.1%	—	—	—	—	—
Various institutions: Policy development on basic science development and support	—	—	1 780	—	—	—	—	—	—	—	—
National Research Foundation: Human resources development for science and engineering	6 042	49 611	4 568	—	-100.0%	0.2%	—	—	—	—	—
Various institutions: Science awareness	3 060	—	16 760	—	-100.0%	0.1%	—	—	—	—	—
National Research Foundation: Square Kilometre Array: Research and development	—	—	205	—	—	—	—	—	—	—	—
Various institutions: Strategic science platforms for research and development	3 311	—	11 051	—	-100.0%	0.1%	—	—	—	—	—
Various institutions: Advanced manufacturing technology strategy implementation	100	3 462	400	—	-100.0%	—	—	—	—	—	—
Various institutions: Innovative research and development	8 920	1 540	6 734	—	-100.0%	0.1%	—	—	—	—	—
Various institutions: Local manufacturing capacity research and technical support	—	5 241	—	—	—	—	—	—	—	—	—
Various institutions: Local systems of innovation for the cold chain technologies project	30 292	6 704	39 991	—	-100.0%	0.3%	—	—	—	—	—
Various institutions: Resource-based industries research and development	1 697	2 397	800	—	-100.0%	—	—	—	—	—	—
Various institutions: Environmental innovation	5 480	6 409	10 917	—	-100.0%	0.1%	—	—	—	—	—
Various institutions: Hydrogen strategy (capital)	—	23 711	—	—	—	0.1%	33 422	35 260	36 961	—	0.3%
Various institutions: Information and communications technology	4 500	—	—	—	-100.0%	—	—	—	—	—	—
Capital	11 301	151 714	154 043	74 945	87.9%	1.4%	77 272	81 199	84 103	3.9%	1.0%
Various institutions: Infrastructure projects for research and development	11 301	84 634	107 071	—	-100.0%	0.7%	—	—	—	—	—
Various institutions: Hydrogen strategy (capital)	—	67 080	46 972	74 945	—	0.7%	77 272	81 199	84 103	3.9%	1.0%
Public corporations and private enterprises											
Other transfers to private enterprises											
Current	3 044	19 765	13 847	—	-100.0%	0.1%	—	—	—	—	—
Various institutions: Institutional and programme support research	191	—	1 415	—	-100.0%	—	—	—	—	—	—
Various institutions: Technology transfer offices: Support of research units	—	—	605	—	—	—	—	—	—	—	—
Various institutions: Health innovation research	2 853	2 467	300	—	-100.0%	—	—	—	—	—	—
Various institutions: Global science: International multilateral agreements	—	—	378	—	—	—	—	—	—	—	—

Table 35.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Various institutions: Advanced manufacturing technology strategy implementation	—	1 462	10 748	—	—	—	—	—	—	—	—
Various institutions: Local manufacturing capacity research and technical support	—	7 808	—	—	—	—	—	—	—	—	—
Various institutions: Local systems of innovation for the cold chain technologies project	—	—	401	—	—	—	—	—	—	—	—
Various institutions: Resource-based industries research and development	—	8 028	—	—	—	—	—	—	—	—	—
Public corporations and private enterprises											
Subsidies on products and production (pc)											
Current	872 043	915 645	963 164	965 823	3.5%	13.0%	997 650	1 030 343	1 068 393	3.4%	12.2%
Council for Scientific and Industrial Research	872 043	915 645	963 164	965 823	3.5%	13.0%	997 650	1 030 343	1 068 393	3.4%	12.2%
Total	6 860 176	6 955 110	7 336 872	7 523 880	3.1%	100.0%	8 162 158	8 708 526	8 984 487	6.1%	100.0%

Personnel information

Table 35.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Technology Innovation																			
3. International Cooperation and Resources																			
4. Research, Development and Support																			
5. Socioeconomic Innovation Partnerships																			
Number of posts estimated for 31 March 2020			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 (%)				
		2018/19			2019/20			2020/21			2021/22					2022/23			2019/20 - 2022/23
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost	
Science and Innovation			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	509	2	508	360.9	0.7	526	388.9	0.7	539	421.8	0.8	538	449.1	0.8	527	468.8	0.9	0.1%	100.0%
1 – 6	65	1	61	16.2	0.3	64	18.0	0.3	70	21.0	0.3	70	22.2	0.3	66	22.5	0.3	1.0%	12.7%
7 – 10	141	1	149	64.9	0.4	163	75.2	0.5	167	82.4	0.5	165	87.2	0.5	160	88.8	0.6	-0.6%	30.8%
11 – 12	175	–	173	137.7	0.8	171	144.4	0.8	172	154.5	0.9	173	165.4	1.0	172	174.6	1.0	0.2%	32.3%
13 – 16	128	–	123	136.8	1.1	126	145.2	1.2	128	157.4	1.2	128	167.4	1.3	127	175.7	1.4	0.3%	23.9%
Other	–	–	2	5.3	2.6	2	6.1	3.0	2	6.4	3.2	2	6.8	3.4	2	7.3	3.6	–	0.4%
Programme	509	2	508	360.9	0.7	526	388.9	0.7	539	421.8	0.8	538	449.1	0.8	527	468.8	0.9	0.1%	100.0%
Programme 1	240	2	216	179.7	0.8	207	182.6	0.9	216	200.1	0.9	217	213.4	1.0	210	224.1	1.1	0.5%	39.9%
Programme 2	61	–	53	45.4	0.9	65	56.7	0.9	66	60.9	0.9	65	65.1	1.0	63	67.6	1.1	-1.0%	12.2%
Programme 3	91	–	69	53.4	0.8	79	58.5	0.7	79	62.7	0.8	77	65.9	0.9	75	68.3	0.9	-1.7%	14.6%
Programme 4	55	–	49	37.9	0.8	52	42.4	0.8	54	45.8	0.8	55	49.1	0.9	54	50.7	0.9	1.3%	10.1%
Programme 5	62	–	52	44.5	0.9	54	48.6	0.9	55	52.3	1.0	55	55.6	1.0	56	58.0	1.0	1.2%	10.3%
Other	–	–	69	–	–	69	–	–	69	–	–	69	–	–	69	–	–	–	13.0%

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

2. Rand million.

Departmental receipts

Table 35.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
Departmental receipts	8 199	10 298	32 749	20 081	20 081	34.8%	100.0%	545	560	565	-69.6%	100.0%
Sales of goods and services produced by department	57	60	64	66	66	5.0%	0.3%	35	40	45	-12.0%	0.9%
Other sales	57	60	64	66	66	5.0%	0.3%	35	40	45	-12.0%	0.9%
of which:												
Services rendered:	57	60	64	66	66	5.0%	0.3%	35	40	45	-12.0%	0.9%
Commission on insurance.												
Interest, dividends and rent on land	9	34	27	15	15	18.6%	0.1%	10	20	20	10.1%	0.3%
Interest	9	34	27	15	15	18.6%	0.1%	10	20	20	10.1%	0.3%
Sales of capital assets	45	430	217	—	—	-100.0%	1.0%	—	—	—	—	—
Transactions in financial assets and liabilities	8 088	9 774	32 441	20 000	20 000	35.2%	98.6%	500	500	500	-70.8%	98.8%
Total	8 199	10 298	32 749	20 081	20 081	34.8%	100.0%	545	560	565	-69.6%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 35.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Ministry	8.4	8.3	8.9	8.1	-1.2%	2.3%	5.9	6.1	6.3	-8.1%	1.7%
Institutional Planning and Support	186.4	196.5	201.4	185.1	-0.2%	52.0%	185.9	198.1	208.3	4.0%	51.0%
Corporate Services	152.1	145.6	167.0	145.1	-1.6%	41.2%	162.9	168.2	174.4	6.3%	42.7%
Office Accommodation	4.4	7.5	2.2	53.0	129.6%	4.5%	5.6	5.8	6.0	-51.6%	4.6%
Total	351.4	357.9	379.5	391.3	3.7%	100.0%	360.3	378.1	395.0	0.3%	100.0%
Change to 2019				11.0			17.4	18.2	21.6		
Budget estimate											
Economic classification											
Current payments	318.2	319.2	354.6	372.9	5.4%	92.2%	341.9	359.4	375.5	0.2%	95.1%
Compensation of employees	166.4	167.5	179.7	182.6	3.2%	47.0%	200.4	213.5	224.3	7.1%	53.8%
Goods and services ¹	151.8	151.7	174.8	190.3	7.8%	45.2%	141.6	145.8	151.2	-7.4%	41.2%
of which:											
Advertising	12.0	8.2	23.6	10.1	-5.7%	3.6%	12.1	12.5	13.0	8.8%	3.1%
Consultants: Business and advisory services	15.0	2.6	7.3	15.4	0.8%	2.7%	15.7	16.2	16.8	2.9%	4.2%
Agency and support/outsourced services	7.3	4.7	7.7	7.6	1.6%	1.8%	7.2	7.4	7.7	0.1%	2.0%
Property payments	10.5	12.7	11.6	60.3	79.3%	6.4%	13.3	13.7	14.2	-38.2%	6.7%
Travel and subsistence	48.0	33.0	33.8	34.8	-10.1%	10.1%	36.3	37.2	38.6	3.5%	9.6%
Operating payments	8.8	8.9	6.2	6.5	-9.3%	2.1%	6.8	7.0	7.3	3.5%	1.8%
Transfers and subsidies¹	17.6	17.5	14.6	15.6	-3.9%	4.4%	15.6	15.9	16.5	1.8%	4.2%
Departmental agencies and accounts	1.6	0.0	1.2	-	-100.0%	0.2%	-	-	-	-	-
Higher education institutions	6.0	-	-	-	-100.0%	0.4%	-	-	-	-	-
Public corporations and private enterprises	0.2	-	1.4	-	-100.0%	0.1%	-	-	-	-	-
Non-profit institutions	9.2	16.6	11.6	15.1	18.1%	3.5%	15.6	15.9	16.5	3.0%	4.1%
Households	0.6	0.9	0.4	0.6	-3.9%	0.2%	-	-	-	-100.0%	-
Economic classification											
Payments for capital assets	15.5	21.1	10.2	2.8	-43.7%	3.3%	2.8	2.9	3.0	3.0%	0.7%
Machinery and equipment	15.5	21.1	10.2	2.8	-43.7%	3.3%	2.8	2.9	3.0	3.0%	0.7%
Payments for financial assets	0.1	0.1	0.1	-	-100.0%	-	-	-	-	-	-
Total	351.4	357.9	379.5	391.3	3.7%	100.0%	360.3	378.1	395.0	0.3%	100.0%
Proportion of total programme expenditure to vote expenditure	4.7%	4.8%	4.8%	4.8%	-	-	4.1%	4.0%	4.1%	-	-
Details of selected transfers and subsidies											
Non-profit institutions											
Current	9.2	16.6	11.6	15.1	18.1%	3.5%	15.6	15.9	16.5	3.0%	4.1%
Various institutions: Institutional and programme support research	9.2	16.6	11.6	15.1	18.1%	3.5%	15.6	15.9	16.5	3.0%	4.1%
Higher education institutions											
Current	6.0	-	-	-	-100.0%	0.4%	-	-	-	-	-
Various institutions: Institutional and programme support research	6.0	-	-	-	-100.0%	0.4%	-	-	-	-	-

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

Programme 2: Technology Innovation

Programme purpose

Enable research and development in space science and technology, energy security and the bioeconomy, and in the emerging and converging areas of nanotechnology, robotics, photonics and indigenous knowledge systems, to promote the realisation of commercial products, processes and services. Promote the protection and utilisation of intellectual property, technology transfer and technology commercialisation through the implementation of enabling policies and interventions along the entire innovation value chain.

Objectives

- Facilitate and resource strategic investments in space science and technology, energy, the bio-economy, nanotechnology, robotics, photonics, indigenous knowledge systems, intellectual property management, technology transfer and technology commercialisation by 31 March 2023, by:
 - funding and/or maintaining 57 instruments to support the use of knowledge
 - generating 365 knowledge products (including peer-reviewed scientific articles published in scientific publications, and the filing of applications for or the registration/granting of intellectual property rights)
 - developing and approving 11 science, technology and innovation strategic policy directives to enhance understanding and analyses that support the implementation of relevant interventions
 - developing and/or maintaining 8 decision support interventions to improve the delivery of government services or functions
 - providing recommendations for all genetically modified organism permit applications received to support decision-making by government.
- Oversee, monitor and regulate key policy initiatives in the strategic areas of space science and technology, energy, bio-innovation, nanotechnology, robotics and photonics by 31 March 2023 by overseeing 615 new disclosures reported by publicly funded institutions.

Subprogrammes

- Space Science* supports the creation of an environment conducive to the implementation of the national space strategy and South African earth observation strategy, and that addresses the development of innovative applications and human capital to respond to national priorities and support socioeconomic development.
- Hydrogen and Energy* provides policy leadership in research, development and innovation initiatives in the energy sector. This subprogramme plays a key role in developing a sustainable and globally competitive South African energy knowledge base and industry.
- Bio-innovation* leads the implementation of the national bio-economy strategy.
- Innovation Priorities and Instruments* supports and strengthens the innovation policy package aimed at creating and sustaining an enabling environment for innovation, technology and development, and the commercialisation of publicly funded research and development initiatives.
- National Intellectual Property Management Office* is the implementing agency established to provide for the more effective use of intellectual property emanating from publicly financed research and development.
- Office of the Deputy Director-General: Technology Innovation* provides management and administrative support to the programme and the office of the deputy director-general.

Expenditure trends and estimates

Table 35.7 Technology Innovation 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 (%)
	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
R million											
Space Science	167.8	191.8	170.1	209.4	7.7%	16.4%	230.1	252.2	232.1	3.5%	14.2%
Hydrogen and Energy	143.6	147.5	164.8	178.5	7.5%	14.1%	185.2	194.5	201.5	4.1%	11.7%
Bio-innovation	220.2	161.9	215.3	193.3	-4.3%	17.5%	201.2	215.3	223.5	5.0%	12.8%
Innovation Priorities and Instruments	442.0	526.8	531.4	585.4	9.8%	46.2%	826.9	1 151.9	1 176.0	26.2%	57.5%
National Intellectual Property Management Office	42.2	88.2	62.1	53.6	8.3%	5.5%	55.8	59.1	61.3	4.5%	3.5%
Office of the Deputy Director-General: Technology Innovation	3.9	4.4	5.2	4.2	2.0%	0.4%	5.3	5.3	5.5	9.9%	0.3%
Total	1 019.8	1 120.6	1 149.0	1 224.3	6.3%	100.0%	1 504.5	1 878.3	1 899.9	15.8%	100.0%
Change to 2019				-			211.3	523.2	494.5		
Budget estimate											

Table 35.7 Technology Innovation expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	59.6	58.8	65.6	78.8	9.8%	5.8%	84.2	89.3	92.6	5.5%	5.3%
Compensation of employees	45.8	45.0	45.4	56.7	7.4%	4.3%	60.9	65.2	67.6	6.0%	3.8%
Goods and services ¹	13.8	13.8	20.1	22.1	17.0%	1.5%	23.4	24.1	25.0	4.3%	1.5%
of which:											
Communication	1.0	0.8	0.7	1.1	1.7%	0.1%	1.1	1.1	1.2	3.8%	0.1%
Consultants: Business and advisory services	2.1	1.2	5.2	1.7	-7.5%	0.2%	1.8	1.9	2.0	5.7%	0.1%
Agency and support/outsource services	0.2	0.5	0.8	6.6	215.0%	0.2%	6.9	7.2	7.4	4.0%	0.4%
Entertainment	0.0	0.0	0.0	3.4	419.1%	0.1%	3.5	3.7	3.8	4.1%	0.2%
Travel and subsistence	7.4	8.4	10.6	5.3	-10.7%	0.7%	5.5	5.6	5.8	3.5%	0.3%
Venues and facilities	2.0	1.9	1.1	2.3	5.2%	0.2%	2.6	2.6	2.7	6.2%	0.2%
Transfers and subsidies ¹	960.2	1 061.7	1 083.4	1 145.5	6.1%	94.2%	1 420.3	1 789.0	1 807.3	16.4%	94.7%
Departmental agencies and accounts	656.3	699.4	714.9	727.8	3.5%	62.0%	988.3	1 334.5	1 335.9	22.4%	67.4%
Higher education institutions	120.3	—	—	—	-100.0%	2.7%	—	—	—	—	—
Public corporations and private enterprises	138.0	103.1	127.8	112.7	-6.5%	10.7%	116.5	121.5	126.0	3.8%	7.3%
Non-profit institutions	45.4	259.1	240.6	305.0	88.7%	18.8%	315.5	333.0	345.3	4.2%	20.0%
Households	0.2	0.1	0.1	—	-100.0%	—	—	—	—	—	—
Payments for capital assets	0.0	—	—	—	-100.0%	—	—	—	—	—	—
Machinery and equipment	0.0	—	—	—	-100.0%	—	—	—	—	—	—
Payments for financial assets	—	0.1	0.0	—	—	—	—	—	—	—	—
Total	1 019.8	1 120.6	1 149.0	1 224.3	6.3%	100.0%	1 504.5	1 878.3	1 899.9	15.8%	100.0%
Proportion of total programme expenditure to vote expenditure	13.7%	14.9%	14.5%	15.0%	—	—	17.1%	20.0%	19.6%	—	—
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	656.3	699.4	714.9	727.8	3.5%	62.0%	988.3	1 334.5	1 335.9	22.4%	67.4%
Various institutions: Technology transfer offices: Support of research units	0.7	41.4	2.1	—	-100.0%	1.0%	—	—	—	—	—
Various institutions: Implementation of bio-economy strategy	9.5	21.0	30.9	—	-100.0%	1.4%	—	—	—	—	—
Various institutions: Energy grand challenge research	22.3	16.0	—	40.9	22.4%	1.8%	42.9	45.1	46.8	4.5%	2.7%
Various institutions: Health innovation research	37.5	21.1	72.8	—	-100.0%	2.9%	—	—	—	—	—
Various institutions: Hydrogen strategy research	4.0	2.9	—	—	-100.0%	0.2%	—	—	—	—	—
Various institutions: Innovation projects research	10.0	15.0	—	19.5	24.8%	1.0%	241.4	544.9	546.5	204.0%	20.8%
National Research Foundation: Indigenous knowledge systems	—	1.6	—	—	—	—	—	—	—	—	—
Technology Innovation Agency	382.4	396.7	420.3	440.9	4.9%	36.3%	455.9	471.4	488.9	3.5%	28.5%
South African National Space Agency	154.6	131.2	138.0	143.5	-2.5%	12.6%	182.1	201.0	178.9	7.6%	10.8%
Various institutions: Emerging research areas	11.5	7.5	3.4	—	-100.0%	0.5%	—	—	—	—	—
National Research Foundation: Research and development in indigenous knowledge systems	—	—	9.7	5.1	—	0.3%	5.4	6.9	7.2	11.9%	0.4%
Various institutions: HIV and AIDS prevention and treatment technologies research	23.8	—	24.6	27.9	5.4%	1.7%	29.2	31.5	32.6	5.4%	1.9%
Various institutions: Space science research: Economic competitiveness and support package	—	44.9	13.2	50.0	—	2.4%	31.4	33.8	35.0	-11.2%	2.3%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	135.1	100.6	102.9	112.7	-5.9%	10.0%	116.5	121.5	126.0	3.8%	7.3%
Various institutions: Technology transfer offices: Support of research units	29.0	0.9	7.7	—	-100.0%	0.8%	—	—	—	—	—
Various institutions: Implementation of bio-economy strategy	76.6	9.4	6.0	—	-100.0%	2.0%	—	—	—	—	—
Various institutions: Energy grand challenge research	15.9	—	10.2	—	-100.0%	0.6%	—	—	—	—	—
Various institutions: Hydrogen strategy research	—	—	4.9	—	—	0.1%	—	—	—	—	—
Various institutions: Innovation projects research	7.5	9.8	4.9	—	-100.0%	0.5%	—	—	—	—	—
National Research Foundation: Indigenous knowledge systems	6.2	2.7	1.5	—	-100.0%	0.2%	—	—	—	—	—
Various institutions: Emerging research areas	—	77.9	67.8	112.7	—	5.7%	116.5	121.5	126.0	3.8%	7.3%
Capital	—	—	24.0	—	—	0.5%	—	—	—	—	—
Various institutions: Hydrogen strategy (capital)	—	—	24.0	—	—	0.5%	—	—	—	—	—
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											
Current	2.9	2.5	0.3	—	-100.0%	0.1%	—	—	—	—	—
Various institutions: Health innovation research	2.9	2.5	0.3	—	-100.0%	0.1%	—	—	—	—	—
Non-profit institutions											
Current	45.4	192.1	193.6	230.1	71.8%	14.6%	238.2	251.8	261.2	4.3%	15.1%
Various institutions: Biofuels research	1.8	5.1	7.2	7.7	62.0%	0.5%	7.9	9.5	9.9	8.8%	0.5%
Various institutions: Implementation of the bio-economy strategy	11.6	21.1	0.9	41.7	53.3%	1.7%	42.9	45.2	46.8	4.0%	2.7%

Table 35.7 Technology Innovation 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Various institutions: Energy grand challenge research	0.7	16.7	26.9	—	-100.0%	1.0%	—	—	—	—	—
Various institutions: Health innovation research	0.3	20.6	2.6	82.8	551.2%	2.4%	52.7	55.9	57.9	-11.3%	3.8%
Various institutions: Hydrogen strategy research	—	30.6	35.3	42.5	—	2.4%	43.8	44.3	45.9	2.6%	2.7%
Various institutions: Innovation projects research	1.0	4.4	4.5	—	-100.0%	0.2%	—	—	—	—	—
International Centre for Genetic Engineering and Biotechnology	22.2	17.0	31.2	14.3	-13.6%	1.9%	15.0	16.8	17.4	6.8%	1.0%
Various institutions: Space science research	—	3.6	5.3	—	—	0.2%	—	—	—	—	—
Various institutions: Technology transfer offices: Support for research units	1.8	35.5	37.4	41.2	182.2%	2.6%	42.5	44.8	46.4	4.0%	2.7%
National Research Foundation: Indigenous knowledge systems	—	5.4	16.9	—	—	0.5%	—	—	—	—	—
South African Association of Science and Technology Centres: Technology top 100 awards	—	1.8	—	—	—	—	—	—	—	—	—
Various institutions: Emerging research areas	6.0	6.7	25.2	—	-100.0%	0.8%	—	—	—	—	—
Various institutions: Hydrogen strategy (capital)	—	23.7	—	—	—	0.5%	33.4	35.3	37.0	—	1.6%
Capital	—	67.1	47.0	74.9	—	4.2%	77.3	81.2	84.1	3.9%	4.9%
Various institutions: Hydrogen strategy (capital)	—	67.1	47.0	74.9	—	4.2%	77.3	81.2	84.1	3.9%	4.9%
Higher education institutions											
Current	118.9	—	—	—	-100.0%	2.6%	—	—	—	—	—
Various institutions: Biofuels	2.0	—	—	—	-100.0%	—	—	—	—	—	—
Various institutions: Energy grand challenge research	5.3	—	—	—	-100.0%	0.1%	—	—	—	—	—
Various institutions: Hydrogen strategy research	81.4	—	—	—	-100.0%	1.8%	—	—	—	—	—
Various institutions: Innovation projects research	2.0	—	—	—	-100.0%	—	—	—	—	—	—
International Centre for Genetic Engineering and Biotechnology	10.0	—	—	—	-100.0%	0.2%	—	—	—	—	—
National Research Foundation: Indigenous knowledge systems	3.7	—	—	—	-100.0%	0.1%	—	—	—	—	—
Various institutions: Emerging research areas	14.5	—	—	—	-100.0%	0.3%	—	—	—	—	—

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

Programme 3: International Cooperation and Resources

Programme purpose

Strategically develop, promote and manage international partnerships that strengthen the national system of innovation. Enable an exchange of knowledge, capacity and resources between South Africa and its international partners, with a focus on building capacity to support science, technology and innovation in Africa. Support South African foreign policy through science diplomacy.

Objectives

- Complement South Africa's national investments in science, technology and innovation, including access to resources for departmental initiatives that require external investment, by securing international funding of R900 million over the medium term.
- Enhance South Africa's national science, technology and innovation capabilities to contribute to the attainment of the department's targets for human capital development by accessing international knowledge and resources through securing the participation of 2 090 South African researchers in international postgraduate training programmes by 31 March 2023.
- Build capacity in and support initiatives for the Southern African Development Community (SADC) and African Union (AU) to advance Africa's growth and development agenda by strengthening cooperation in science, technology and innovation through providing technical and financial support for 67 approved SADC and AU science, technology and innovation initiatives and programmes by 31 March 2023.
- Support South Africa's foreign policy objectives of creating a better Africa and world by maximising the country's strategic interests in international science, technology and innovation cooperation through interventions that ensure South Africa occupies 12 new leadership positions in international science, technology and innovation governance structures by 31 March 2023.

Subprogrammes

- *Multilateral Cooperation and Africa* advances and facilitates South Africa's participation in bilateral science, technology and innovation cooperation initiatives with other African partners; in African multilateral programmes, especially those of the SADC and AU; and in broader multilateral science, technology and innovation partnerships, with a strategic focus on South-South cooperation.
- *International Resources* works to increase the flow of international funding into South African science, technology and innovation initiatives, as well as African regional and continental programmes, through concerted efforts to promote foreign investment and the fostering of strategic relations with partners such as the European Union, as well as foundations and philanthropic organisations and the multinational private sector.
- *Overseas Bilateral Cooperation* promotes and facilitates South Africa's cooperation in bilateral science, technology and innovation agreements with partners in Europe, the Americas, Asia and Australasia, especially for human capital development and collaborative research and innovation; and secures support for joint cooperation with other African partners.
- *Office of the Deputy Director-General: International Cooperation and Resources* provides management and administrative support to the programme and the office of the deputy director-general.

Expenditure trends and estimates

Table 35.8 International Cooperation and Resources 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Multilateral Cooperation and Africa	30.4	31.4	36.1	32.7	2.5%	23.5%	34.7	35.8	37.2	4.3%	22.0%
International Resources	54.2	61.5	61.9	66.9	7.3%	43.9%	70.0	73.1	75.8	4.3%	44.8%
Overseas Bilateral Cooperation	33.9	37.8	41.9	43.8	9.0%	28.3%	46.1	48.6	50.4	4.8%	29.6%
Office of the Deputy Director-General: International Cooperation and Resources	7.4	6.1	5.3	5.6	-8.7%	4.4%	5.7	5.7	5.9	1.9%	3.6%
Total	125.8	136.7	145.2	149.0	5.8%	100.0%	156.4	163.3	169.3	4.4%	100.0%
Change to 2019				–			(1.7)	(1.8)	(1.8)		
Budget estimate											
Economic classification											
Current payments	64.9	72.5	77.0	77.0	5.9%	52.3%	81.8	85.5	88.7	4.8%	52.2%
Compensation of employees	48.9	51.0	51.8	58.5	6.1%	37.8%	62.7	65.8	68.3	5.3%	40.0%
Goods and services ¹	16.1	21.4	25.2	18.6	5.0%	14.6%	19.1	19.7	20.4	3.2%	12.2%
of which:											
Communication	1.4	1.1	1.3	1.6	6.3%	1.0%	1.7	1.8	1.8	4.0%	1.1%
Agency and support/outsourced services	0.1	0.5	–	0.7	72.7%	0.3%	0.8	0.8	0.8	4.2%	0.5%
Entertainment	0.2	0.7	0.2	0.9	58.9%	0.3%	0.9	1.0	1.0	4.1%	0.6%
Travel and subsistence	10.4	14.4	10.7	7.5	-10.5%	7.7%	7.4	7.6	7.9	1.7%	4.7%
Operating payments	0.4	0.8	0.5	1.3	48.8%	0.5%	1.4	1.4	1.5	4.0%	0.9%
Venues and facilities	1.3	1.4	7.9	3.9	44.6%	2.6%	4.1	4.2	4.4	4.2%	2.6%
Transfers and subsidies¹	60.9	64.2	68.2	72.0	5.7%	47.6%	74.6	77.8	80.6	3.9%	47.8%
Departmental agencies and accounts	44.6	45.1	29.5	16.0	-29.0%	24.3%	16.7	17.5	18.2	4.5%	10.7%
Higher education institutions	8.5	–	–	–	-100.0%	1.5%	–	–	–	–	–
Public corporations and private enterprises	4.3	4.8	8.8	–	-100.0%	3.2%	–	–	–	–	–
Non-profit institutions	3.4	14.3	29.0	56.0	155.1%	18.4%	57.9	60.2	62.5	3.7%	37.1%
Households	0.1	0.0	0.9	–	-100.0%	0.2%	–	–	–	–	–
Payments for capital assets	–	–	0.0	–	–	–	–	–	–	–	–
Machinery and equipment	–	–	0.0	–	–	–	–	–	–	–	–
Payments for financial assets	–	0.0	–	–	–	–	–	–	–	–	–
Total	125.8	136.7	145.2	149.0	5.8%	100.0%	156.4	163.3	169.3	4.4%	100.0%
Proportion of total programme expenditure to vote expenditure	1.7%	1.8%	1.8%	1.8%	–	–	1.8%	1.7%	1.7%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	44.6	45.1	29.5	16.0	-29.0%	24.3%	16.7	17.5	18.2	4.5%	10.7%
National Research Foundation: Bilateral cooperation for global science development	13.6	14.0	14.8	16.0	5.5%	10.5%	16.7	17.5	18.2	4.5%	10.7%
Various institutions: Global science:	28.1	27.9	9.5	–	-100.0%	11.8%	–	–	–	–	–
International multilateral agreements	–	–	–	–	–	–	–	–	–	–	–
Various institutions: Global science: African multilateral agreements	2.9	3.3	5.2	–	-100.0%	2.0%	–	–	–	–	–

Table 35.8 International Cooperation and Resources expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	4.3	4.8	8.4	–	-100.0%	3.1%	–	–	–	–	–
Various institutions: Global science: International multilateral agreements	2.1	1.7	4.4	–	-100.0%	1.5%	–	–	–	–	–
Various institutions: Global science: African multilateral agreements	2.2	3.1	4.0	–	-100.0%	1.7%	–	–	–	–	–
Non-profit institutions											
Current	3.4	14.3	29.0	56.0	155.1%	18.4%	57.9	60.2	62.5	3.7%	37.1%
Various institutions: Global science: International multilateral agreements	0.4	13.6	28.8	46.0	377.0%	16.0%	47.6	49.3	51.1	3.6%	30.4%
Various institutions: Global science: African multilateral agreements	3.0	0.6	0.2	10.0	50.3%	2.5%	10.4	10.9	11.3	4.2%	6.7%
Higher education institutions											
Current	8.3	–	–	–	-100.0%	1.5%	–	–	–	–	–
Various institutions: Global science: International multilateral agreements	8.3	–	–	–	-100.0%	1.5%	–	–	–	–	–

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

Programme 4: Research, Development and Support

Programme purpose

Provide an enabling environment for research and knowledge production that promotes the strategic development of basic sciences and priority science areas through the promotion of science human capital development, and the provision of research infrastructure and relevant research support, in pursuit of South Africa's transition to a knowledge economy.

Objectives

- Contribute to the development of representative, high-level human capital able to pursue locally relevant, globally competitive research and innovation activities over the medium term by:
 - awarding 7 400 bursaries to doctoral students
 - awarding 20 600 bursaries to pipeline postgraduate (bachelor of technology, honours and masters) students
 - placing 2 250 graduates and students in work preparation programmes funded by the department in science, engineering and technology institutions.
- Ensure the availability of and access to internationally comparable research and innovation infrastructure in order to generate new knowledge and train new researchers by:
 - increasing the number of research infrastructure grants awarded from 25 in 2020/21 to 30 in 2022/23
 - increasing the total available broadband capacity provided by the South African National Research Network from 5 800 Gbps in 2020/21 to 7 000 Gbps in 2022/23.
- Support and promote research that develops basic sciences through the production of new knowledge and relevant training opportunities over the medium term by:
 - maintaining the number of researchers awarded research grants through programmes managed by the National Research Foundation at no fewer than 13 500
 - maintaining the number of research articles published by researchers funded by the National Research Foundation and cited in the Web of Science database at 21 000.
- Develop strategic priority science areas in which South Africa enjoys a competitive advantage by promoting internationally competitive research and training activities and outputs by:
 - installing 64 S-band science mode receivers on the MeerKAT telescope in 2020/21, approving the production plan for L-band receivers for 20 additional MeerKAT antennas by 2021/22, and completing the

production of L-band receivers for the additional 20 MeerKAT antennas by 2022/23

- obtaining approval from the minister for regulations pertaining to the Indigenous Knowledge Act (2019) by 2020/21; launching the registration of indigenous knowledge through the national recordal system, to store indigenous knowledge for the benefit of South African communities, by 2021/22; and supporting and protecting the intellectual property of indigenous communities by 2022/23
- promoting citizen engagement with science over the medium term through 15 initiatives or projects, including the South African Public Relationship with Science survey, that promote the development of a scientifically literate society able to form independent opinions about science.

Subprogrammes

- *Human Capital and Science Promotions* formulates and implements policies and strategies that address the availability of human capital for science, technology and innovation; provide fundamental support for research activities; and contribute to the development of a society that is knowledgeable about science, critically engaged and scientifically literate.
- *Science Missions* promotes the development of research, the production of scientific knowledge, and the development of human capital in fields of science in which South Africa enjoys a geographic advantage.
- *Basic Science and Infrastructure* facilitates the strategic implementation of research and innovation equipment and facilities to promote knowledge production in areas of national priority, and sustain innovation led by research and development.
- *Astronomy* supports the development of astronomical sciences around a new multiwavelength astronomy strategy, and provides strategic guidance and support to relevant astronomy institutions in the implementation of strategic astronomy programmes.
- *Office of the Deputy Director-General: Research, Development and Support* provides management and administrative support to the programme and the office of the deputy director-general.

Expenditure trends and estimates

Table 35.9 Research, Development and Support expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/ Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/ Total (%)
R million											
Human Capital and Science Promotions	2 354.6	2 379.6	2 447.2	2 608.7	3.5%	55.8%	2 707.9	2 837.0	2 942.2	4.1%	55.8%
Science Missions	213.1	201.7	223.3	235.5	3.4%	5.0%	247.4	262.7	272.4	5.0%	5.1%
Basic Science and Infrastructure	895.5	977.5	1 095.3	993.5	3.5%	22.6%	1 094.9	1 154.3	1 198.7	6.5%	22.3%
Astronomy	689.5	733.2	750.8	731.9	2.0%	16.6%	827.7	866.8	898.4	7.1%	16.7%
Office of the Deputy Director-General: Research, Development and Support	4.9	4.5	3.8	3.4	-11.9%	0.1%	4.5	4.7	4.8	12.9%	0.1%
Total	4 157.5	4 296.5	4 520.4	4 572.9	3.2%	100.0%	4 882.5	5 125.3	5 316.5	5.2%	100.0%
Change to 2019				–			(18.4)	(30.1)	(30.5)		
Budget estimate											
Economic classification											
Current payments	53.2	52.0	53.2	58.6	3.2%	1.2%	62.2	66.1	68.6	5.4%	1.3%
Compensation of employees	38.3	38.8	37.9	42.6	3.6%	0.9%	45.8	49.0	50.8	6.0%	0.9%
Goods and services ¹	14.9	13.3	15.3	15.9	2.2%	0.3%	16.4	17.1	17.7	3.6%	0.3%
of which:											
Administrative fees	0.3	0.3	0.5	0.7	27.4%	–	0.7	0.8	0.8	7.3%	–
Communication	0.7	0.5	0.6	0.8	3.2%	–	0.8	0.8	0.9	4.0%	–
Consultants: Business and advisory services	2.3	1.1	1.3	1.3	-17.9%	–	1.3	1.4	1.4	4.2%	–
Agency and support/outourced services	0.8	0.2	0.7	1.0	5.5%	–	1.0	1.1	1.1	5.3%	–
Travel and subsistence	8.4	8.0	8.5	8.2	-0.8%	0.2%	8.3	8.6	8.9	2.7%	0.2%
Venues and facilities	1.0	0.7	1.8	2.3	29.6%	–	2.4	2.5	2.5	4.1%	–

Table 35.9 Research, Development and Support expenditure trends and estimates by subprogramme and economic classification

Economic classification					Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Adjusted appropriation			Medium-term expenditure estimate				
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Transfers and subsidies ¹	4 104.3	4 244.4	4 467.3	4 514.4	3.2%	98.8%	4 820.2	5 059.2	5 247.9	5.1%	98.7%
Departmental agencies and accounts	3 588.4	3 678.3	3 900.1	4 262.7	5.9%	87.9%	4 560.0	4 784.0	4 962.5	5.2%	93.3%
Higher education institutions	37.5	—	—	—	-100.0%	0.2%	—	—	—	—	—
Public corporations and private enterprises	429.0	418.5	425.7	251.7	-16.3%	8.7%	260.2	275.2	285.4	4.3%	5.4%
Non-profit institutions	48.8	146.7	141.4	—	-100.0%	1.9%	—	—	—	—	—
Households	0.5	0.8	0.0	—	-100.0%	—	—	—	—	—	—
Payments for capital assets	—	—	0.0	—	—	—	—	—	—	—	—
Machinery and equipment	—	—	0.0	—	—	—	—	—	—	—	—
Payments for financial assets	0.0	0.1	0.0	—	-100.0%	—	—	—	—	—	—
Total	4 157.5	4 296.5	4 520.4	4 572.9	3.2%	100.0%	4 882.5	5 125.3	5 316.5	5.2%	100.0%
Proportion of total programme expenditure to vote expenditure	56.0%	57.1%	56.9%	56.0%	—	—	55.5%	54.7%	54.9%	—	—
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	2 470.1	2 501.7	2 615.9	2 850.7	4.9%	59.5%	2 962.4	3 124.4	3 240.2	4.4%	61.2%
Academy of Science of South Africa	—	25.3	25.7	27.0	—	0.4%	27.9	36.4	37.8	11.9%	0.6%
Various institutions: Astronomy research and development	14.1	29.3	30.6	32.8	32.6%	0.6%	34.4	42.3	43.9	10.2%	0.8%
Various institutions: Policy development on basic science development and support	10.3	26.0	25.6	28.9	41.1%	0.5%	30.3	38.5	39.9	11.4%	0.7%
National Research Foundation: Human resources development for science and engineering	832.7	744.6	851.9	950.6	4.5%	19.3%	994.0	1 034.4	1 072.7	4.1%	20.4%
National Research Foundation	882.8	926.0	904.8	943.4	2.2%	20.8%	966.1	1 013.1	1 050.7	3.7%	20.0%
Various institutions: Science awareness, research and initiatives to encourage youth participation in science	66.2	73.0	58.1	81.6	7.2%	1.6%	85.5	95.4	99.0	6.7%	1.8%
National Research Foundation: South African research chairs initiative to develop human resources in science	482.2	496.9	530.3	566.3	5.5%	11.8%	593.5	619.4	642.3	4.3%	12.2%
Various institutions: Strategic science platforms for research and development	181.8	180.6	188.9	220.2	6.6%	4.4%	230.8	244.9	253.9	4.9%	4.8%
Capital	1 079.9	1 137.6	1 243.2	1 390.0	8.8%	27.6%	1 574.6	1 640.3	1 702.2	7.0%	31.7%
Various institutions: Infrastructure projects for research and development	413.3	443.7	534.0	703.0	19.4%	11.9%	793.8	829.2	861.6	7.0%	16.0%
National Research Foundation: Square Kilometre Array: Capital contribution to research	666.6	693.9	709.2	687.0	1.0%	15.7%	780.8	811.0	840.6	7.0%	15.7%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	43.0	44.3	49.8	22.0	-20.0%	0.9%	23.1	19.4	20.1	-3.0%	0.4%
National Research Foundation: Human resources development for science and engineering: Economic competitiveness and support package	38.4	39.1	41.0	22.0	-16.9%	0.8%	23.1	19.4	20.1	-3.0%	0.4%
Various institutions: Science awareness	—	—	2.4	—	—	—	—	—	—	—	—
Various institutions: Strategic science platforms for research and development	4.6	5.2	6.4	—	-100.0%	0.1%	—	—	—	—	—
Capital	424.4	413.3	417.0	251.7	-16.0%	8.6%	260.2	275.2	285.4	4.3%	5.4%
Council for Scientific and Industrial Research: Cyberinfrastructure research and development	214.5	413.3	236.3	251.7	5.5%	6.4%	260.2	275.2	285.4	4.3%	5.4%
Various institutions: Infrastructure projects for research and development	209.8	—	180.7	—	-100.0%	2.2%	—	—	—	—	—
Non-profit institutions											
Current	37.5	62.1	34.2	—	-100.0%	0.8%	—	—	—	—	—
Academy of Science of South Africa	25.1	12.5	—	—	-100.0%	0.2%	—	—	—	—	—
Various institutions: Policy development on basic science development and support	—	—	1.8	—	—	—	—	—	—	—	—
National Research Foundation: Human resources development for science and engineering	6.0	49.6	4.6	—	-100.0%	0.3%	—	—	—	—	—
Various institutions: Science awareness	3.1	—	16.8	—	-100.0%	0.1%	—	—	—	—	—
Various institutions: Strategic science platforms for research and development	3.3	—	11.1	—	-100.0%	0.1%	—	—	—	—	—
Capital	11.3	84.6	107.1	—	-100.0%	1.2%	—	—	—	—	—
Various institutions: Infrastructure projects for research and development	11.3	84.6	107.1	—	-100.0%	1.2%	—	—	—	—	—

Table 35.9 Research, Development and Support expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Higher education institutions											
Current	10.3	–	–	–	-100.0%	0.1%	–	–	–	–	–
National Research Foundation: Human resources development for science and engineering	3.0	–	–	–	-100.0%	–	–	–	–	–	–
Various institutions: Strategic science platforms for research and development	7.2	–	–	–	-100.0%	–	–	–	–	–	–
Capital	27.1	–	–	–	-100.0%	0.2%	–	–	–	–	–
Various institutions: Infrastructure projects for research and development	27.1	–	–	–	-100.0%	0.2%	–	–	–	–	–

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

Programme 5: Socioeconomic Innovation Partnerships

Programme purpose

Enhance government's growth and development priority areas through targeted science and technology-based innovation interventions, and the development of strategic partnerships with other government departments, industry, research institutions and communities.

Objectives

- Inform and influence how science and technology can be used to achieve inclusive development through knowledge, evidence and learning over the medium term by:
 - publishing 26 knowledge products on innovation for inclusive development
 - maintaining and improving 10 decision support systems
 - generating 45 learning interventions.
- Identify, grow and sustain niche, high-potential science, technology and innovation capabilities for sustainable development and the greening of society and the economy by fully funding and co-funding 375 honours, masters and doctoral students, and adding 22 knowledge and innovation products to the intellectual property portfolio over the medium term.
- Identify, grow and sustain niche, high-potential science, technology and innovation capabilities that improve the competitiveness of existing industries with growth potential in aerospace, advanced manufacturing, chemicals, advanced metals, mining, ICT and sector innovation funds; and facilitate the development of new targeted industries over the medium term by:
 - fully funding or co-funding 1 454 masters and doctoral students, and 590 interns
 - adding 137 new knowledge and innovation products to the intellectual property portfolio
 - funding 9 instruments in support of increased localisation and competitiveness.
- Strengthen provincial and rural innovation and production systems through analysis and catalytic interventions over the medium term by funding or co-funding 12 interventions that strengthen provincial or rural innovation systems.
- Enhance understanding and analysis that support improvements in the functioning and performance of the national system of innovation through executive committee approval by publishing 29 reports and policy briefings on the national system of innovation and innovation policy over the medium term.
- Introduce and manage interventions and incentive programmes that increase the level of private sector investment in scientific or technological research and development by providing pre-approval decisions for the research and development tax incentive within 90 days of the date of receipt of applications over the medium term.

Subprogrammes

- *Sector Innovation and Green Economy* provides policy, strategy and direction for research and the development-led growth of strategic sectors of the economy; and supports the transition to a green economy.
- *Innovation for Inclusive Development* supports the development of science and technology-based innovations for tackling poverty, including the creation of sustainable jobs and human settlements, and the enhanced delivery of basic services.
- *Science and Technology Investment* leads and supports the development of indicators and instruments for monitoring investments in science and technology, the performance of the national system of innovation, and ways of strengthening policy in relation to the national system of innovation.
- *Technology Localisation, Beneficiation and Advanced Manufacturing* funds technology and innovation development programmes to advance strategic, sustainable economic growth for the medium and long term; sector development priorities; and service delivery.
- *Office of the Deputy Director-General: Socioeconomic Innovation Partnerships* provides management and administrative support to the programme and the office of the deputy director-general.

Expenditure trends and estimates

Table 35.10 Socioeconomic Innovation Partnerships expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/Total (%)
R million											
Sector Innovation and Green Economy	1 016.8	985.3	1 102.9	1 046.0	0.9%	59.5%	1 081.2	1 122.6	1 164.1	3.6%	59.2%
Innovation for Inclusive Development	344.4	356.7	340.0	378.1	3.2%	20.3%	383.8	401.3	416.2	3.3%	21.2%
Science and Technology Investment	22.2	22.2	29.9	34.9	16.4%	1.6%	37.0	44.0	45.6	9.3%	2.2%
Technology Localisation, Beneficiation and Advanced Manufacturing	380.6	248.4	278.5	372.3	-0.7%	18.3%	388.1	261.4	271.1	-10.0%	17.3%
Office of the DDG: Socio-Economic Innovation Partnership	4.6	4.4	4.0	3.5	-9.1%	0.2%	3.5	3.6	3.8	3.0%	0.2%
Total	1 768.6	1 617.0	1 755.2	1 834.7	1.2%	100.0%	1 893.7	1 832.9	1 900.8	1.2%	100.0%
Change to 2019 Budget estimate				10.3			(34.5)	(35.0)	(36.5)		
Economic classification											
Current payments	51.3	49.7	51.7	58.3	4.4%	3.0%	62.3	66.2	68.7	5.6%	3.4%
Compensation of employees	41.0	42.9	44.0	48.6	5.9%	2.5%	52.2	55.9	57.9	6.0%	2.9%
Goods and services ¹	10.3	6.9	7.7	9.7	-2.1%	0.5%	10.0	10.4	10.8	3.4%	0.5%
of which:											
Advertising	0.0	0.0	—	0.2	259.3%	—	0.2	0.3	0.3	4.1%	—
Catering: Departmental activities	0.1	0.0	0.0	0.3	66.3%	—	0.3	0.4	0.4	4.0%	—
Communication	0.8	0.6	0.7	1.2	13.3%	—	1.2	1.3	1.3	4.1%	0.1%
Consultants: Business and advisory services	0.4	0.4	0.7	2.8	92.5%	0.1%	2.8	2.9	3.0	2.4%	0.2%
Travel and subsistence	3.1	3.4	2.3	3.7	5.9%	0.2%	3.8	3.9	4.1	3.7%	0.2%
Venues and facilities	0.0	0.1	0.0	0.9	206.2%	—	0.9	1.0	1.0	4.1%	0.1%
Transfers and subsidies¹	1 717.3	1 567.3	1 703.5	1 776.4	1.1%	97.0%	1 831.4	1 766.6	1 832.1	1.0%	96.6%
Departmental agencies and accounts	444.2	384.4	398.9	598.8	10.5%	26.2%	614.9	499.8	518.4	-4.7%	29.9%
Higher education institutions	14.6	—	—	—	-100.0%	0.2%	—	—	—	—	—
Public corporations and private enterprises	1 207.4	1 157.1	1 245.7	1 177.6	-0.8%	68.6%	1 216.6	1 266.8	1 313.7	3.7%	66.7%
Non-profit institutions	51.0	25.8	58.8	—	-100.0%	1.9%	—	—	—	—	—
Households	0.1	0.0	0.1	—	-100.0%	—	—	—	—	—	—
Payments for financial assets	—	0.0	0.0	—	—	—	—	—	—	—	—
Total	1 768.6	1 617.0	1 755.2	1 834.7	1.2%	100.0%	1 893.7	1 832.9	1 900.8	1.2%	100.0%
Proportion of total programme expenditure to vote expenditure	23.8%	21.5%	22.1%	22.5%	—	—	21.5%	19.5%	19.6%	—	—

Table 35.10 Socioeconomic Innovation Partnerships expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	443.2	384.4	398.6	598.8	10.6%	26.2%	614.9	499.8	518.4	-4.7%	29.9%
Various institutions: Economic competitiveness and support package: Local manufacturing capacity research and technical support	—	—	—	80.0	—	1.1%	83.8	—	—	-100.0%	2.2%
Various institutions: Economic competitiveness and support package: Local systems of innovation for the cold chain technologies project	—	—	—	62.0	—	0.9%	65.0	—	—	-100.0%	1.7%
Various institutions: Innovative research and development	6.9	36.3	19.1	42.0	82.8%	1.5%	46.4	50.3	52.2	7.5%	2.6%
Human Sciences Research Council	290.1	304.7	303.7	324.2	3.8%	17.5%	324.6	337.3	349.8	2.6%	17.9%
Various institutions: Local manufacturing capacity research and technical support	70.7	21.2	57.5	28.7	-26.0%	2.6%	30.1	33.9	35.2	7.1%	1.7%
Various instituitions: Local systems of innovation for the cold chain technologies project	64.0	11.6	—	11.8	-43.1%	1.3%	12.4	15.7	16.3	11.3%	0.8%
National Research Foundation: Research information management system	7.2	3.8	4.0	8.4	5.5%	0.3%	8.9	11.6	12.1	12.6%	0.5%
Human Science Research Council: Develop and monitor science and technology indicators	—	3.2	10.0	12.4	—	0.4%	13.0	16.3	16.9	11.0%	0.8%
Various institutions: Environmental innovation	4.2	3.8	4.3	29.4	91.2%	0.6%	30.8	34.7	36.0	7.0%	1.8%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	335.4	224.2	271.3	211.7	-14.2%	14.9%	218.9	236.5	245.3	5.0%	12.2%
Various institutions: Advanced manufacturing technology strategy implementation	43.1	48.2	41.2	59.5	11.3%	2.8%	61.6	66.0	68.4	4.7%	3.4%
Various institutions: Innovative research and development	19.2	5.3	—	—	-100.0%	0.4%	—	—	—	—	—
Various institutions: Local manufacturing capacity research and technical support	141.9	65.2	48.3	—	-100.0%	3.7%	—	—	—	—	—
Council for Scientific and Industrial Research: Mining research and development	—	—	—	60.0	—	0.9%	62.0	66.9	69.4	5.0%	3.5%
Various institutions: Local systems of innovation for the cold chain technologies project	54.5	4.3	31.6	—	-100.0%	1.3%	—	—	—	—	—
Various institutions: Resource-based industries research and development	41.1	62.6	107.4	53.7	9.3%	3.8%	55.5	60.1	62.3	5.1%	3.1%
Various institutions: Environmental innovation	13.7	11.7	16.5	—	-100.0%	0.6%	—	—	—	—	—
Various institutions: Information and communications technology	21.8	26.9	26.2	38.5	20.9%	1.6%	39.8	43.5	45.2	5.4%	2.2%
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											
Current	—	17.3	10.7	—	—	0.4%	—	—	—	—	—
Various institutions: Advanced manufacturing technology strategy implementation	—	1.5	10.7	—	—	0.2%	—	—	—	—	—
Various institutions: Local manufacturing capacity research and technical support	—	7.8	—	—	—	0.1%	—	—	—	—	—
Various institutions: Resource-based industries research and development	—	8.0	—	—	—	0.1%	—	—	—	—	—
Public corporations and private enterprises											
Public corporations											
Public corporations (subsidies on products and production)											
Current	872.0	915.6	963.2	965.8	3.5%	53.3%	997.7	1 030.3	1 068.4	3.4%	54.4%
Council for Scientific and Industrial Research	872.0	915.6	963.2	965.8	3.5%	53.3%	997.7	1 030.3	1 068.4	3.4%	54.4%

Table 35.10 Socioeconomic Innovation Partnerships expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20	2022/23
Non-profit institutions											
Current	51.0	25.8	58.8	–	-100.0%	1.9%	–	–	–	–	–
Various institutions: Advanced manufacturing technology strategy implementation	0.1	3.5	0.4	–	-100.0%	0.1%	–	–	–	–	–
Various institutions: Innovative research and development	8.9	1.5	6.7	–	-100.0%	0.2%	–	–	–	–	–
Various institutions: Local manufacturing capacity research and technical support	–	5.2	–	–	–	0.1%	–	–	–	–	–
Various instituions: Local systems of innovation for the cold chain technologies project	30.3	6.7	40.0	–	-100.0%	1.1%	–	–	–	–	–
Various institutions: Resource-based industries research and development	1.7	2.4	0.8	–	-100.0%	0.1%	–	–	–	–	–
Various institutions: Environmental innovation	5.5	6.4	10.9	–	-100.0%	0.3%	–	–	–	–	–
Various institutions: Information and communications technology	4.5	–	–	–	-100.0%	0.1%	–	–	–	–	–
Higher education institutions											
Current	14.3	–	–	–	-100.0%	0.2%	–	–	–	–	–
Various institutions: Innovative research and development	8.0	–	–	–	-100.0%	0.1%	–	–	–	–	–
Various institutions: Local manufacturing capacity research and technical support	2.0	–	–	–	-100.0%	–	–	–	–	–	–
Various instituions: Local systems of innovation for the cold chain technologies project	4.3	–	–	–	-100.0%	0.1%	–	–	–	–	–

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

Entities

Council for Scientific and Industrial Research

Selected performance indicators

Table 35.11 Council for Scientific and Industrial Research performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of journal articles published per year	Council for Scientific and Industrial Research science, engineering and technology operating units and centres	Priority 2: Education, skills and health	300	317	319	300	310	310	315
Number of conference papers delivered per year	Council for Scientific and Industrial Research science, engineering and technology operating units and centres		290	325	335	330	335	336	338
Number of new technology demonstrators per year	Council for Scientific and Industrial Research science, engineering and technology operating units and centres	Priority 1: Economic transformation and job creation	40	60	50	66	67	69	70
Amount of contract research and development income per year	Council for Scientific and Industrial Research science, engineering and technology operating units and centres		R1.9bn	R1.8bn	R1.7bn	R2.2bn	R2.3bn	R2.4bn	R2.5bn
Number of science, engineering and technology staff per year	Council for Scientific and Industrial Research science, engineering and technology operating units and centres	Priority 2: Education, skills and health	1 966	1 850	1 860	1 619	1 651	1 684	1 690

Table 35.11 Council for Scientific and Industrial Research performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage of black science, engineering and technology staff per year	Council for Scientific and Industrial Research science, engineering and technology operating units and centres	Priority 2: Education, skills and health	66% (1 808/ 2 740)	68% (1 780/ 2 618)	62% (1 452/ 2 342)	62%	63%	64%	66%
Number of science, engineering and technology staff with doctorates per year	Council for Scientific and Industrial Research science, engineering and technology operating units and centres		351	339	313	356	357	360	364
Number of new patents granted per year	Council for Scientific and Industrial Research science, engineering and technology operating units and centres		15	13	22	13	14	15	17

Entity overview

The Council for Scientific and Industrial Research was established in 1945 and is governed in terms of the Scientific Research Council Act (1988). The council fosters industrial and scientific development in the national interest through multidisciplinary research and technological innovation to improve the ability of the state to efficiently deliver basic services, in fields such as health, education, social security, energy and shelter, to all South Africans, and in so doing, reduce inequality. Over the medium term, the council will focus on conducting high-quality and relevant research, pursuing technological innovation to foster industrial and scientific development, and building on industrial development opportunities in fields such as pharmaceutical innovation and agro-processing.

The council's ability to generate revenue directly relates to its ability to attract and retain the requisite expertise to deliver favourable research outcomes. Competitive remuneration is a vital enabling factor for the retention of critical skills. As such, spending on compensation of employees accounts for an estimated 56.6 per cent of the council's total expenditure over the medium term, increasing at an average annual rate of 6.8 per cent, from R1.7 billion in 2019/20 to R2.1 billion in 2022/23. To retain a high calibre of staff, the council also offers non-monetary employee benefits, such as training and exchange programmes, to strengthen its value proposition.

Transfers from the department of R2.4 billion over the medium term account for an estimated 23.7 per cent of the council's total revenue over the period. Included in this amount is an allocation of R185 million for investment in infrastructure to improve the efficiency and competitiveness of scientific research. The council generates the remainder of its revenue through services rendered, such as contract research and development, income from intellectual property, proceeds from technology transfer, and royalties. Total revenue over the MTEF period is expected to be R10.4 billion.

Programmes/Objectives/Activities**Table 35.12 Council for Scientific and Industrial Research 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	391.1	374.0	566.0	541.2	11.4%	17.4%	571.6	614.2	652.3	6.4%	17.9%
Council for Scientific and Industrial Research science, engineering and technology operating units and centres	2 277.4	2 182.4	1 980.9	2 476.9	2.8%	82.6%	2 616.2	2 811.0	2 985.2	6.4%	82.1%
Total	2 668.5	2 556.5	2 546.9	3 018.1	4.2%	100.0%	3 187.9	3 425.3	3 637.5	6.4%	100.0%

Statements of historical financial performance, cash flow and financial position**Table 35.13 Council for Scientific and Industrial Research statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Revenue									
Non-tax revenue	2 039.6	2 031.7	2 185.4	1 820.7	2 134.8	1 592.3	1 830.4	2 266.7	94.2%
Sale of goods and services other than capital assets	1 998.6	1 937.1	2 143.9	1 776.1	1 973.5	1 541.0	1 654.5	2 101.3	94.7%
<i>of which:</i>									
<i>Sales by market establishment</i>	<i>1 998.6</i>	<i>1 937.1</i>	<i>2 143.9</i>	<i>1 776.1</i>	<i>1 973.5</i>	<i>1 541.0</i>	<i>1 654.5</i>	<i>2 101.3</i>	<i>94.7%</i>
Other non-tax revenue	41.0	94.7	41.5	44.6	161.2	51.3	175.9	165.4	84.8%
Transfers received	815.6	714.1	835.7	722.4	1 262.5	962.7	1 277.5	758.1	75.3%
Total revenue	2 855.2	2 745.8	3 021.1	2 543.1	3 397.3	2 555.1	3 107.9	3 024.7	87.8%
Expenses									
Current expenses	2 793.1	2 668.5	2 958.9	2 556.5	2 903.5	2 546.9	3 026.1	3 018.1	92.4%
Compensation of employees	1 541.2	1 487.9	1 671.3	1 538.9	1 624.3	1 585.9	1 677.3	1 703.9	97.0%
Goods and services	1 194.2	1 109.9	1 222.2	951.6	1 195.9	895.9	1 261.2	1 184.4	85.0%
Depreciation	57.8	61.7	65.5	65.9	83.3	65.1	87.7	129.8	109.6%
Interest, dividends and rent on land	—	9.0	—	—	—	—	—	—	—
Total expenses	2 793.1	2 668.5	2 958.9	2 556.5	2 903.5	2 546.9	3 026.1	3 018.1	92.4%
Surplus/(Deficit)	62.1	77.3	62.2	(13.3)	493.7	8.2	81.8	6.6	
Cash flow statement									
Cash flow from operating activities	(91.2)	112.5	(164.7)	81.8	211.1	181.3	(433.8)	(241.8)	-27.9%
Receipts									
Non-tax receipts	2 039.6	2 044.1	2 185.4	1 881.5	2 005.1	1 812.4	1 695.0	1 618.1	92.8%
Sales of goods and services other than capital assets	1 998.6	1 979.3	2 143.9	1 837.2	1 969.5	1 761.7	1 651.5	1 578.7	92.2%
<i>Sales by market establishment</i>	<i>1 998.6</i>	<i>1 979.3</i>	<i>2 143.9</i>	<i>1 837.2</i>	<i>1 969.5</i>	<i>1 761.7</i>	<i>1 651.5</i>	<i>1 578.7</i>	<i>92.2%</i>
Other tax receipts	41.0	64.8	41.5	44.3	35.6	50.7	43.5	39.4	123.3%
Transfers received	792.1	694.8	1 170.9	729.4	1 262.5	760.1	1 277.5	1 277.5	76.9%
Total receipts	2 831.7	2 738.9	3 356.3	2 610.9	3 267.6	2 572.5	2 972.5	2 895.6	87.0%
Payment									
Current payments	2 922.9	2 626.4	3 521.0	2 529.1	3 056.5	2 391.3	3 406.4	3 137.5	82.8%
Compensation of employees	1 541.2	1 482.0	1 671.3	1 538.9	1 624.3	1 586.8	1 677.3	1 703.9	96.9%
Goods and services	1 381.7	1 135.5	1 849.7	990.2	1 432.3	804.4	1 729.1	1 433.6	68.3%
Interest and rent on land	—	9.0	—	0.0	—	—	—	—	—
Total payments	2 922.9	2 626.5	3 521.0	2 529.1	3 056.5	2 391.3	3 406.4	3 137.5	82.8%
Net cash flow from investing activities	(128.0)	(18.9)	(143.8)	(87.6)	(106.1)	(40.4)	(74.0)	(95.0)	53.5%
Acquisition of property, plant, equipment and intangible assets	(117.5)	(72.0)	(143.8)	(87.4)	(106.1)	(40.2)	(74.0)	(95.0)	66.7%
Proceeds from the sale of property, plant, equipment and intangible assets	—	67.0	—	3.3	—	1.8	—	—	—
Other flows from investing activities	(10.5)	(13.9)	—	(3.6)	—	(2.1)	—	—	186.4%
Net increase/(decrease) in cash and cash equivalents	(219.2)	93.6	(308.5)	(5.9)	105.0	140.9	(507.9)	(336.8)	
Statement of financial position									
Carrying value of assets	813.4	762.9	841.3	784.4	791.9	758.7	819.6	733.1	93.0%
<i>Acquisition of assets</i>	<i>(117.5)</i>	<i>(72.0)</i>	<i>(143.8)</i>	<i>(87.4)</i>	<i>(106.1)</i>	<i>(40.2)</i>	<i>(74.0)</i>	<i>(95.0)</i>	<i>66.7%</i>
Investments	18.1	20.2	20.7	9.1	19.0	5.1	19.0	9.1	56.6%
Inventory	106.9	85.4	107.9	113.7	113.6	124.8	120.8	120.8	99.0%
Receivables and prepayments	264.4	281.9	280.2	224.7	294.9	196.0	313.6	257.3	83.3%
Cash and cash equivalents	793.7	1 106.5	798.0	1 100.6	815.6	1 241.5	839.6	1 103.4	140.2%
Total assets	1 996.5	2 256.9	2 048.0	2 232.4	2 035.0	2 326.0	2 112.5	2 223.7	110.3%
Accumulated surplus/(deficit)	992.6	1 007.8	1 088.3	994.5	985.8	1 002.5	985.8	951.9	97.6%
Deferred income	—	4.2	—	—	—	—	—	—	—
Trade and other payables	991.3	1 234.1	945.9	1 227.0	1 038.4	1 301.4	1 115.7	1 260.7	122.8%
Provisions	12.7	10.8	13.8	11.0	10.9	22.1	11.0	11.2	113.9%
Total equity and liabilities	1 996.5	2 256.9	2 048.0	2 232.4	2 035.0	2 326.0	2 112.5	2 223.7	110.3%

Statements of estimates of financial performance, cash flow and financial position**Table 35.14 Council for Scientific and Industrial Research statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	Revised estimate	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Revenue								
Non-tax revenue	2 266.7	3.7%	70.7%	2 445.4	2 672.6	2 904.9	8.6%	76.3%
Sale of goods and services other than capital assets	2 101.3	2.7%	67.5%	2 275.0	2 497.2	2 724.1	9.0%	71.2%
<i>Sales by market establishment</i>	<i>2 101.3</i>	<i>2.7%</i>	<i>67.5%</i>	<i>2 275.0</i>	<i>2 497.2</i>	<i>2 724.1</i>	<i>9.0%</i>	<i>71.2%</i>
Other non-tax revenue	165.4	20.5%	3.2%	170.3	175.4	180.8	3.0%	5.2%
Transfers received	758.1	2.0%	29.3%	781.2	805.0	834.7	3.3%	23.7%
Total revenue	3 024.7	3.3%	100.0%	3 226.6	3 477.7	3 739.7	7.3%	100.0%
Current expenses	3 018.1	4.2%	100.0%	3 187.8	3 425.1	3 652.9	6.6%	100.0%
Compensation of employees	1 703.9	4.6%	58.7%	1 799.3	1 940.3	2 076.1	6.8%	56.6%
Goods and services	1 184.4	2.2%	38.3%	1 252.2	1 334.9	1 411.9	6.0%	39.0%
Depreciation	129.8	28.1%	2.9%	136.3	149.9	164.9	8.3%	4.4%
Total expenses	3 018.1	4.2%	100.0%	3 187.8	3 425.1	3 652.9	6.6%	100.0%
Surplus/(Deficit)	6.6			38.8	52.5	86.8		
Cash flow statement								
Cash flow from operating activities	(241.8)	-229.1%	201.1%	(212.3)	(204.2)	(176.2)	31.1%	171.8%
Receipts								
Non-tax receipts	1 618.1	-7.5%	68.3%	1 771.9	1 963.9	2 166.7	10.2%	58.1%
Sales of goods and services other than capital assets	1 578.7	-7.3%	66.4%	1 731.7	1 922.9	2 125.2	10.4%	56.8%
<i>Sales by market establishment</i>	<i>1 578.7</i>	<i>-7.3%</i>	<i>66.4%</i>	<i>1 731.7</i>	<i>1 922.9</i>	<i>2 125.2</i>	<i>10.4%</i>	<i>56.8%</i>
Other tax receipts	39.4	-15.3%	1.8%	40.2	41.0	41.5	1.7%	1.3%
Transfers received	1 277.5	22.5%	31.7%	1 319.9	1 372.4	1 423.2	3.7%	41.9%
Total receipts	2 895.6	1.9%	100.0%	3 091.8	3 336.3	3 589.9	7.4%	100.0%
Current payments	3 137.5	6.1%	98.8%	3 304.2	3 540.5	3 766.1	6.3%	100.0%
Compensation of employees	1 703.9	4.8%	58.6%	1 799.3	1 940.3	2 076.1	6.8%	54.7%
Goods and services	1 433.6	8.1%	40.1%	1 504.9	1 600.2	1 689.9	5.6%	45.3%
Total payment	3 137.5	6.1%	100.0%	3 304.2	3 540.5	3 766.1	6.3%	100.0%
Net cash flow from investing activities	(95.0)	71.3%	100.0%	(120.0)	(150.0)	(150.0)	16.4%	100.0%
Acquisition of property, plant, equipment and intangible assets	(95.0)	9.7%	100.0%	(120.0)	(150.0)	(150.0)	16.4%	100.0%
Net increase/(decrease) in cash and cash equivalents	(336.8)	-253.2%	100.0%	(332.3)	(354.2)	(326.2)	-1.1%	100.0%
Statement of financial position								
Carrying value of assets	733.1	-1.3%	33.6%	716.9	717.0	702.1	-1.4%	29.7%
<i>Acquisition of assets</i>	<i>(95.0)</i>	<i>9.7%</i>	<i>-3.3%</i>	<i>(120.0)</i>	<i>(150.0)</i>	<i>(150.0)</i>	<i>16.4%</i>	<i>-5.3%</i>
Investments	9.1	-23.5%	0.5%	9.1	9.1	9.1	-	0.4%
Inventory	120.8	12.3%	4.9%	128.3	137.9	148.9	7.2%	5.5%
Receivables and prepayments	257.3	-3.0%	10.6%	246.0	232.5	249.1	-1.1%	10.2%
Cash and cash equivalents	1 103.4	-0.1%	50.3%	1 237.7	1 381.1	1 551.2	12.0%	54.2%
Total assets	2 223.7	-0.5%	100.0%	2 337.9	2 477.5	2 660.4	6.2%	100.0%
Accumulated surplus/(deficit)	951.9	-1.9%	43.8%	1 009.2	1 080.8	1 167.6	7.0%	43.4%
Trade and other payables	1 260.7	0.7%	55.6%	1 317.5	1 385.3	1 481.3	5.5%	56.2%
Provisions	11.2	1.3%	0.6%	11.3	11.4	11.5	1.0%	0.5%
Total equity and liabilities	2 223.7	-0.5%	100.0%	2 337.9	2 477.5	2 660.4	6.2%	100.0%

Personnel information**Table 35.15 Council for Scientific and Industrial Research personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number		
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Council for Scientific and Industrial Research			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	2 844	2 844	2 882	1 585.9	0.6	2 844	1 703.9	0.6	2 900	1 799.3	0.6	2 958	1 940.3	0.7	3 077	2 076.1	0.7	6.8%	100.0%
1 – 6	412	412	597	73.3	0.1	412	70.7	0.2	420	74.6	0.2	428	80.5	0.2	446	86.1	0.2	6.8%	14.5%
7 – 10	1 486	1 486	1 395	584.2	0.4	1 486	631.8	0.4	1 516	667.2	0.4	1 546	719.5	0.5	1 608	769.8	0.5	6.8%	52.3%
11 – 12	497	497	462	367.2	0.8	497	394.7	0.8	507	416.8	0.8	517	449.4	0.9	537	480.9	0.9	6.8%	17.5%
13 – 16	425	425	410	510.9	1.2	425	538.6	1.3	434	568.8	1.3	442	613.3	1.4	460	656.2	1.4	6.8%	15.0%
17 – 22	23	23	18	50.2	2.8	23	68.2	2.9	24	72.0	3.0	24	77.7	3.2	25	83.1	3.3	6.8%	0.8%

1. Rand million.

National Research Foundation

Selected performance indicators

Table 35.16 National Research Foundation performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of members of the public reached through interactions focusing on science awareness activities per year	Science engagement	Priority 2: Education, skills and health	1 084 760	1 191 892	1 090 000	680 300	682 150	683 300	683 300
Number of black researchers funded per year	Research and innovation support and advancement		1 563	1 698	2 182	2 154	2 295	2 368	2 368
Number of female researchers funded per year	Research and innovation support and advancement		1 699	1 698	1 520	1 579	2 020	2 100	2 100
Number of black postgraduate students funded per year	Research and innovation support and advancement		10 747	11 328	10 980	9 157	9 675	5 885	5 885
Number of female postgraduate students funded per year	Research and innovation support and advancement		8 017	8 266	7 692	6 300	6 786	4 046	4 046
Number of masters students supported per year	Research and innovation support and advancement		4 995	5 435	4 990	3 586	3 770	2 289	2 289
Number of doctoral students supported per year	Research and innovation support and advancement		3 363	3 519	3 265	2 855	2 987	1 813	1 813
Number of researchers rated through the National Research Foundation system per year	Research and innovation support and advancement		970	1 069	1 026	1 120	1 337	1 512	1 512
Number of black female researchers rated by the National Research Foundation per year	Research and innovation support and advancement		1 176	1 285	1 292	1 365	1 499	1 638	1 638
Total number of researchers rated by the National Research Foundation	Research and innovation support and advancement		3 663	3 885	3 750	3 900	4 050	4 200	4 200
Number of active grants emanating from binational, multinational and agency-to-agency agreements per year	Research and innovation support and advancement		1 008	996	990	945	950	955	955
Number of users of equipment funded by the national equipment programme and national nanotechnology programme per year	Research and innovation support and advancement		2 937	2 881	2 641	2 252	2 014	1 976	1 976
Number of publications emanating from the use of equipment funded by the national equipment programme and the national nanotechnology equipment programme per year	Research and innovation support and advancement		779	908	695	682	530	520	520
Number of Web of Science publications in nuclear, biodiversity, conservation and environment at the National Research Foundation's facilities per year	National research infrastructure platforms	Priority 1: Economic transformation and job creation	321	574	397	551	575	615	615

Entity overview

In terms of the National Research Foundation Amendment Bill (2016), the National Research Foundation is mandated to support research through funding, the development of human resources, and the provision of research facilities to enable knowledge creation, innovation and development in all fields of science and technology. It is also mandated to promote indigenous knowledge.

Over the medium term, the foundation will focus on the implementation of its 10-year strategy: Vision 2030. This will entail interventions to catalyse transformation in the science and technology system through measures such as creating grant-funding instruments that focus on women and black researchers, and fast-tracking black women doctoral graduates towards obtaining their foundation rating. The foundation aims to invest 19.1 per cent (R2.5 billion) of its estimated total expenditure over the MTEF period to develop the next generation of researchers by providing free-standing scholarships, grant holder-linked bursaries and academic development programmes to honours, masters, doctoral and postdoctoral students. This investment is expected

to support 3 770 masters and 2 987 doctoral students in 2020/21, although these numbers are likely to decrease in 2021/22 in line with the increase in fees for the 2021 academic year.

Total expenditure over the MTEF period is expected to be R13.8 billion, with spending on transfers and subsidies accounting for 60 per cent of this amount for allocations to the Square Kilometre Array. Estimated capital expenditure of R644 million over the medium term is earmarked primarily for the Square Kilometre Array, specialised equipment at iThemba LABS for the isotope facility project, and the South African Radio Astronomy Observatory for the MeerKAT extension, comprising 20 antennae.

The foundation receives funding through the parliamentary grant, transfers from the department, contract funding for specific projects and programmes from other government departments and entities, and income generated through sales and interest earned. The parliamentary grant, which accounts for an estimated 91.7 per cent (R12.5 billion) of projected revenue over the MTEF period, is used primarily to fund the foundation's programmes and operational activities. Due to Cabinet's decision to reduce expenditure across government, transfers from the department are projected to increase from R4 billion in 2019/20 to R4.2 billion in 2022/23, due to the completion of phase 1 of the Square Kilometre Array.

Programmes/Objectives/Activities

Table 35.17 National Research Foundation 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	85.0	89.7	101.3	126.7	14.2%	2.4%	143.0	132.7	136.2	2.4%	2.9%
Science engagement	169.5	169.9	119.7	119.3	-11.1%	3.5%	127.4	124.6	123.9	1.3%	2.7%
Research and innovation support and advancement	2 690.5	2 793.8	2 638.3	2 846.0	1.9%	65.2%	2 585.7	2 863.1	2 780.4	-0.8%	60.5%
National research infrastructure platforms	430.0	1 175.4	1 251.4	1 391.8	47.9%	25.0%	1 534.8	1 552.5	1 722.9	7.4%	33.8%
National research facilities: Astronomy	637.9	–	–	–	-100.0%	4.0%	–	–	–	–	–
Total	4 013.0	4 228.8	4 110.7	4 483.8	3.8%	100.0%	4 390.9	4 673.0	4 763.4	2.0%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 35.18 National Research Foundation statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	Budget 2016/17		Budget 2017/18		Budget 2018/19		2019/20		2016/17 - 2019/20
Revenue									
Non-tax revenue	1 241.6	1 383.0	1 237.5	1 419.6	1 011.5	608.7	1 010.7	445.6	85.7%
Sale of goods and services other than capital assets	130.5	106.7	129.7	115.3	65.8	60.4	67.9	67.9	88.9%
of which:									
Sales by market establishment	76.6	68.0	81.7	80.6	63.6	57.1	66.2	66.2	94.3%
Other sales	53.9	38.7	48.0	34.7	2.1	3.4	1.7	1.7	74.2%
Other non-tax revenue	1 111.1	1 276.3	1 107.8	1 304.2	945.7	548.3	942.8	377.7	85.4%
Transfers received	3 197.8	3 118.2	3 378.1	3 309.8	3 478.2	3 504.8	3 605.5	4 042.8	102.3%
Total revenue	4 439.4	4 501.1	4 615.6	4 729.3	4 489.6	4 113.5	4 616.2	4 488.4	98.2%
Expenses									
Current expenses	1 362.2	1 415.0	1 459.6	1 508.7	1 577.8	1 537.8	1 727.4	1 715.9	100.8%
Compensation of employees	678.8	627.1	750.0	717.8	792.0	729.4	870.6	815.4	93.5%
Goods and services	585.5	663.1	596.9	617.7	636.0	544.9	675.5	719.0	102.0%
Depreciation	97.9	124.7	112.7	173.2	149.8	263.5	181.4	181.4	137.1%
Interest, dividends and rent on land	0.0	0.0	0.0	0.0	–	0.0	–	–	181.3%
Transfers and subsidies	2 460.5	2 598.0	2 504.6	2 720.1	2 450.6	2 572.9	2 730.2	2 767.9	105.1%
Total expenses	3 822.6	4 013.0	3 964.2	4 228.8	4 028.4	4 110.7	4 457.6	4 483.8	103.5%
Surplus/(Deficit)	616.8	488.1	651.4	500.6	461.2	2.8	158.6	4.6	

Table 35.18 National Research Foundation statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Audited		Audited		Audited		Budget	Revised	Average:
	Budget	outcome	Budget	outcome	Budget	outcome	estimate	estimate	Outcome/ Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Cash flow statement									
Cash flow from operating activities	659.4	453.1	795.8	662.0	688.8	467.0	241.1	84.2	69.9%
Receipts									
Non-tax receipts	1 087.3	1 357.2	1 089.1	1 400.3	1 145.4	935.3	1 145.7	330.2	90.1%
Sales of goods and services other than capital assets	135.3	54.4	134.3	121.4	70.3	85.1	71.2	81.0	83.2%
<i>Sales by market establishment</i>	76.6	–	81.7	80.6	63.6	57.1	66.2	66.2	70.7%
<i>Other sales</i>	58.7	54.4	52.5	40.8	6.7	28.0	5.0	14.8	112.3%
Other tax receipts	952.0	1 302.8	954.8	1 278.9	1 075.0	850.2	1 074.5	249.1	90.7%
Transfers received	2 800.6	2 942.4	3 028.2	2 906.4	3 240.3	3 504.8	3 328.7	3 198.8	101.2%
Total receipts	3 887.8	4 299.6	4 117.3	4 306.7	4 385.7	4 440.0	4 474.4	3 529.0	98.3%
Payment									
Current payments	1 267.0	1 241.6	1 367.9	1 356.7	1 436.9	1 283.8	1 535.1	1 539.5	96.7%
Compensation of employees	687.4	628.1	750.3	691.0	792.0	754.2	870.6	817.1	93.2%
Goods and services	579.6	613.4	617.5	665.7	644.9	529.5	664.5	722.4	101.0%
Interest and rent on land	0.0	0.0	0.0	0.0	–	0.0	–	–	181.3%
Transfers and subsidies	1 961.4	2 605.0	1 953.6	2 288.0	2 260.0	2 689.2	2 698.2	1 905.2	106.9%
Total payments	3 228.5	3 846.6	3 321.4	3 644.7	3 696.9	3 973.0	4 233.3	3 444.7	103.0%
Net cash flow from investing activities	(741.7)	(629.6)	(776.0)	(693.3)	(620.5)	(252.9)	(330.3)	(192.1)	71.6%
Acquisition of property, plant, equipment and intangible assets	(741.7)	(629.0)	(776.0)	(690.3)	(620.4)	(250.7)	(326.8)	(188.6)	71.3%
Acquisition of software and other intangible assets	–	(1.1)	–	(3.8)	(0.1)	(2.6)	(3.5)	(3.5)	304.3%
Proceeds from the sale of property, plant, equipment and intangible assets	–	0.5	–	0.8	–	0.4	–	–	–
Net cash flow from financing activities	(0.0)	(0.2)	(0.0)	(0.1)	(0.0)	(19.8)	(0.0)	0.0	–
Repayment of finance leases	(0.0)	(0.2)	(0.0)	(0.1)	(0.0)	(0.1)	(0.0)	0.0	634.8%
Other flows from financing activities	–	–	–	–	–	(19.7)	–	–	–
Net increase/(decrease) in cash and cash equivalents	(82.4)	(176.7)	19.8	(31.4)	68.3	194.4	(89.2)	(107.8)	–
Statement of financial position									
Carrying value of assets	2 353.6	2 209.7	2 873.0	2 669.0	3 216.1	2 630.8	3 365.1	2 641.4	86.0%
<i>Acquisition of assets</i>	<i>(741.7)</i>	<i>(629.0)</i>	<i>(776.0)</i>	<i>(690.3)</i>	<i>(620.4)</i>	<i>(250.7)</i>	<i>(326.8)</i>	<i>(188.6)</i>	<i>71.3%</i>
Investments	20.0	18.4	17.0	16.1	15.0	13.8	14.0	12.0	91.5%
Inventory	6.5	7.1	6.3	6.1	3.4	4.5	3.3	4.3	113.1%
Receivables and prepayments	986.4	1 513.0	945.7	1 080.8	890.1	1 195.2	842.1	855.1	126.7%
Cash and cash equivalents	589.1	494.8	510.0	463.4	505.0	657.8	406.0	550.0	107.8%
Defined benefit plan assets	1.3	3.7	1.2	4.0	4.2	2.0	4.3	2.1	108.1%
Total assets	3 956.9	4 246.7	4 353.2	4 239.4	4 633.7	4 504.1	4 634.7	4 064.9	97.0%
Accumulated surplus/(deficit)	–	0.4	–	2.6	–	2.4	–	–	–
Capital and reserves	78.3	94.5	83.1	89.0	82.1	86.7	80.8	83.0	108.9%
Capital reserve fund	2 353.6	2 209.7	2 873.0	2 669.0	3 216.1	2 630.8	3 365.1	2 641.4	86.0%
Finance lease	0.2	0.2	0.2	0.1	0.1	0.0	0.1	0.1	68.1%
Deferred income	1 420.4	1 798.7	1 294.4	1 335.9	1 232.0	1 662.4	1 090.1	1 226.7	119.6%
Trade and other payables	94.9	134.8	94.5	107.7	95.0	111.5	90.0	105.0	122.6%
Provisions	9.4	8.4	8.0	35.2	8.5	10.4	8.7	8.7	180.9%
Total equity and liabilities	3 956.9	4 246.7	4 353.2	4 239.4	4 633.7	4 504.1	4 634.7	4 064.9	97.0%

Statements of estimates of financial performance, cash flow and financial position**Table 35.19 National Research Foundation statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance									
	Revised	Average	Average:	Medium-term estimate			Average	Average:	
	estimate	growth	Expenditure/ Total				growth	Expenditure/ Total	
R million	2019/20	rate (%)	(%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	(%)	(%)
Revenue									
Non-tax revenue	445.6	-31.4%	21.4%	389.4	330.2	317.1	-10.7%	8.3%	
Sale of goods and services other than capital assets	67.9	-14.0%	1.9%	70.7	75.3	79.8	5.5%	1.6%	
<i>Sales by market establishment</i>	66.2	-0.9%	1.5%	69.1	73.7	78.2	5.7%	1.6%	
<i>Other sales</i>	1.7	-64.7%	0.4%	1.5	1.5	1.6	-1.5%	0.0%	
Other non-tax revenue	377.7	-33.4%	19.4%	318.7	254.9	237.3	-14.4%	6.6%	
Transfers received	4 042.8	9.0%	78.6%	3 974.2	4 282.8	4 215.0	1.4%	91.7%	
Total revenue	4 488.4	-0.1%	100.0%	4 363.5	4 613.0	4 532.1	0.3%	100.0%	
Current expenses	1 715.9	6.6%	36.7%	1 881.4	1 890.0	2 078.1	6.6%	41.3%	
Compensation of employees	815.4	9.1%	17.1%	861.4	898.6	945.0	5.0%	19.2%	
Goods and services	719.0	2.7%	15.1%	725.4	677.4	798.9	3.6%	16.0%	
Depreciation	181.4	13.3%	4.4%	294.5	314.0	334.2	22.6%	6.1%	
Transfers and subsidies	2 767.9	2.1%	63.3%	2 509.5	2 783.0	2 685.3	-1.0%	58.7%	
Total expenses	4 483.8	3.8%	100.0%	4 390.9	4 673.0	4 763.4	2.0%	100.0%	
Surplus/(Deficit)	4.6			(27.4)	(60.0)	(231.3)			

Table 35.19 National Research Foundation statements of estimates of financial performance, cash flow and financial position

Statement of financial performance				Average: Expenditure/ Total (%)			Average: Expenditure/ Total (%)	
	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Cash flow statement								
Cash flow from operating activities	84.2	-42.9%	27.8%	177.0	204.1	62.9	-12.4%	15.2%
Receipts								
Non-tax receipts	330.2	-37.6%	23.6%	475.2	503.2	424.2	8.7%	11.1%
Sales of goods and services other than capital assets	81.0	14.2%	2.1%	74.7	79.3	83.7	1.1%	2.1%
Sales by market establishment	66.2	—	1.3%	69.1	73.7	78.2	5.7%	1.9%
Other sales	14.8	-35.2%	0.8%	5.6	5.6	5.6	-27.9%	0.2%
Other tax receipts	249.1	-42.4%	21.6%	400.4	423.9	340.5	11.0%	9.1%
Transfers received	3 198.8	2.8%	76.4%	3 388.4	3 533.4	3 663.8	4.6%	88.9%
Total receipts	3 529.0	-6.4%	100.0%	3 863.5	4 036.6	4 088.0	5.0%	100.0%
Current payments								
Compensation of employees	1 539.5	7.4%	32.1%	1 593.1	1 574.3	1 743.7	4.2%	43.1%
Goods and services	817.1	9.2%	17.1%	861.1	898.4	944.8	5.0%	23.5%
Transfers and subsidies	722.4	5.6%	15.0%	732.0	675.9	798.9	3.4%	19.6%
Total payment	1 905.2	-9.9%	56.7%	2 093.5	2 258.3	2 281.4	6.2%	56.9%
Net cash flow from investing activities	3 444.7	-3.6%	100.0%	3 686.6	3 832.6	4 025.1	5.3%	100.0%
Acquisition of property, plant, equipment and intangible assets	(192.1)	-32.7%	100.0%	(287.0)	(254.1)	(102.9)	-18.8%	100.0%
Acquisition of software and other intangible assets	(188.6)	-33.1%	99.2%	(286.0)	(253.3)	(102.1)	-18.5%	99.2%
Net cash flow from financing activities	(3.5)	48.9%	0.9%	(0.9)	(0.8)	(0.8)	-38.3%	0.8%
Repayment of finance leases	0.0	-159.4%	100.0%	—	(0.0)	(0.0)	-150.4%	—
Net increase/(decrease) in cash and cash equivalents	0.0	-159.4%	75.1%	—	(0.0)	(0.0)	-150.4%	—
	(107.8)	-15.2%	100.0%	(110.0)	(50.0)	(40.0)	-28.1%	100.0%
Statement of financial position								
Carrying value of assets	2 641.4	6.1%	59.6%	2 633.9	2 573.9	2 342.6	-3.9%	66.5%
Acquisition of assets	(188.6)	-33.1%	-10.3%	(286.0)	(253.3)	(102.1)	-18.5%	-5.4%
Investments	12.0	-13.4%	0.4%	10.5	9.0	8.0	-12.6%	0.3%
Inventory	4.3	-15.3%	0.1%	4.3	4.2	4.1	-1.6%	0.1%
Receivables and prepayments	855.1	-17.3%	27.2%	838.8	829.0	812.0	-1.7%	21.8%
Cash and cash equivalents	550.0	3.6%	12.7%	440.0	390.0	350.0	-14.0%	11.2%
Defined benefit plan assets	2.1	-17.2%	0.1%	2.2	2.3	2.3	3.1%	0.1%
Total assets	4 064.9	-1.4%	100.0%	3 929.6	3 808.4	3 519.0	-4.7%	100.0%
Capital and reserves	83.0	-4.2%	2.1%	63.2	63.2	63.2	-8.7%	1.8%
Capital reserve fund	2 641.4	6.1%	59.6%	2 633.9	2 573.9	2 342.6	-3.9%	66.5%
Finance lease	0.1	-24.6%	0.0%	0.1	0.1	0.1	-7.2%	0.0%
Deferred income	1 226.7	-12.0%	35.2%	1 128.4	1 069.0	1 013.7	-6.2%	28.9%
Trade and other payables	105.0	-8.0%	2.7%	95.0	93.0	90.0	-5.0%	2.5%
Provisions	8.7	1.3%	0.4%	9.0	9.2	9.4	2.6%	0.2%
Total equity and liabilities	4 064.9	-1.4%	100.0%	3 929.6	3 808.4	3 519.0	-4.7%	100.0%

Personnel information**Table 35.20 National Research Foundation personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost	2021/22		Unit cost			2022/23		Unit cost
			Number	Cost		Number	Cost		Number	Cost		Number	Cost				Number	Cost	
National Research Foundation			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2019/20 - 2022/23				
Salary level	1 386	1 386	1 210	729.4	0.6	1 386	815.4	0.6	1 386	861.4	0.6	1 386	898.6	0.6	1 386	945.0	0.7	5.0%	100.0%
1 – 6	210	210	187	33.9	0.2	210	43.1	0.2	210	46.2	0.2	210	48.2	0.2	210	50.7	0.2	5.6%	15.2%
7 – 10	851	851	725	358.2	0.5	851	358.4	0.4	851	384.4	0.5	851	401.0	0.5	851	421.7	0.5	5.6%	61.4%
11 – 12	213	213	191	176.0	0.9	213	213.8	1.0	213	229.4	1.1	213	239.3	1.1	213	251.6	1.2	5.6%	15.4%
13 – 16	107	107	102	145.9	1.4	107	179.9	1.7	107	179.7	1.7	107	187.5	1.8	107	197.2	1.8	3.1%	7.7%
17 – 22	5	5	5	15.5	3.1	5	20.2	4.0	5	21.7	4.3	5	22.6	4.5	5	23.8	4.8	5.6%	0.4%

1. Rand million.

Other entities

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

- The **Academy of Science of South Africa** links South Africa with scientific communities at the highest levels in the SADC region, the rest of Africa and internationally; promotes common ground in scientific thinking across all disciplines; encourages and promotes innovative and independent scientific thinking; promotes the

development of intellectual capacity in all people; provides effective scientific, evidence-based advice; and facilitates appropriate action in the public interest. The academy's total budget for 2020/21 is R39.5 million.

- The **Human Sciences Research Council** undertakes, promotes and coordinates research in the human and social sciences. The council's total budget for 2020/21 is R579.8 million.
- The **South African National Space Agency** was established in terms of the South African National Space Agency Act (2008) and came into existence in December 2010. The agency aims to be a key contributor to the South African earth observation strategy by providing space-based data platforms in collaboration with other entities that focus on observation measurements such as the South African earth observation network. The agency's total budget for 2020/21 is R292.2 million.
- The **Technology Innovation Agency** draws its mandate from the Technology Innovation Agency Act (2008) and came into operation in April 2010. The agency was established as an intervention to improve research and development from higher education institutions, scientific councils, public entities and private companies, as well as commercialisation, thereby increasing technological innovation in the economy. The agency's total budget for 2020/21 is R620.9 million.

Vote 36

Small Business Development

Budget summary

	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
R million						
MTEF allocation						
Administration	129.1	125.5	–	3.5	136.8	143.5
Sector Policy and Research	28.0	27.9	–	0.1	28.7	31.8
Integrated Cooperative Development	140.0	52.4	87.3	0.3	147.1	152.9
Enterprise Development and Entrepreneurship	2 109.7	45.5	2 063.8	0.3	2 383.6	2 432.5
Total expenditure estimates	2 406.8	251.4	2 151.1	4.3	2 696.1	2 760.7
Executive authority	Minister of Small Business Development					
Accounting officer	Director-General of Small Business Development					
Website	www.dsbd.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Promote the development of small businesses and cooperatives that contribute to inclusive economic growth and job creation.

Mandate

The Department of Small Business Development is tasked with the responsibility of leading an integrated approach to the promotion and development of small businesses and cooperatives by focusing on economic and legislative drivers that stimulate entrepreneurship to contribute to radical economic transformation. The realisation of this mandate will lead to increased employment, poverty reduction and reduced inequality.

The department's mandate is guided by a legislative framework that includes:

- the National Small Business Act (1996)
- the National Small Business Amendment Act (2004)
- the Small Business Development Act (1981)
- the Cooperatives Act (2005)
- the Cooperatives Amendment Act (2013).

Selected performance indicators

Table 36.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of cooperatives supported financially through the cooperatives incentive scheme per year	Integrated Cooperative Development	Priority 1: Economic transformation	370	270	121	– ¹	– ¹	– ¹	– ¹
Number of cluster cooperatives supported through training per year	Integrated Cooperative Development	and job creation	370	303	170	77	– ¹	– ¹	– ¹

Table 36.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of black-owned SMMEs assisted through the black business supplier development programme per year	Enterprise Development and Entrepreneurship	Priority 1: Economic transformation and job creation	600	508	505	715	— ¹	— ¹	— ¹
Number of informal business infrastructure funded through the shared economic infrastructure facility per year	Enterprise Development and Entrepreneurship		— ²	6	7	10	— ¹	— ¹	— ¹
Number of informal enterprises financially assisted through the national informal business upliftment scheme per year	Enterprise Development and Entrepreneurship		1 666	570	1 922	1 500	— ¹	— ¹	— ¹
Number of competitive SMMEs and cooperatives supported through the blended finance model per year	Enterprise Development and Entrepreneurship, and Integrated Cooperative Development		— ²	— ²	— ²	— ²	130	150	170
Number of incubation centres/digital hubs in townships and rural areas established per year	Enterprise Development and Entrepreneurship		— ²	— ²	— ²	4	5	7	9

1. Indicator discontinued.

2. No historical data available.

Expenditure analysis

Key elements of the National Development Plan emphasise the importance of the contribution of small, medium and micro enterprises (SMMEs) and cooperatives to inclusive economic growth and employment. This is given expression by priority 1 (economic transformation and job creation) of government's 2019-2024 medium-term strategic framework, with which the work of the Department of Small Business Development is directly aligned. Accordingly, over the medium term the department plans to focus on increasing support for small enterprises and developing cooperatives.

Expenditure is expected to increase at an average annual rate of 6.8 per cent, from R2.3 billion in 2019/20 to R2.8 billion by 2022/23. The bulk of the department's spending over the medium term is on transfers to the Small Enterprise Development Agency, amounting to R2.8 billion, and to Small Enterprise Finance Agency for impementation of the Township Entrepreneurship Fund, amounting to R2.8 billion, as well as for internally administered incentives amounting to R1.5 billion.

Increasing support for small businesses and developing cooperatives

The department provides direct and indirect support to small businesses through the Small Enterprise Development Agency, and support programmes such as the black business supplier development programme and the national informal business upliftment scheme. Accordingly, over the medium term, the department will focus on establishing a one-stop SMME platform for businesses to access financial and non-financial support; and improving access to finance by implementing the blended finance model in the Township Entrepreneurship Fund, and extending blended finance to SMMEs and cooperatives. Applying the model entails the mixture of grants and loans that ultimately lower the cost of capital for borrowers, and ensuring access to finance for SMMEs and cooperatives. In terms of developing cooperatives, over the medium term the department will oversee the implementation and monitoring of the integrated cooperatives strategy, which is intended to ensure the successful establishment of sustainable cooperatives through funding, training and providing access to markets. These activities are carried out in the *Enterprise Development and Entrepreneurship* programme, which receives allocations amounting to R6.9 billion over the MTEF period.

Developing the Small Enterprise Development Masterplan

To ensure the development of an enabling policy, legal and regulatory environment for small enterprises the department will develop the Small Enterprise Development Masterplan which will enable small enterprises to realise their full potential. The Masterplan will ensure the delivery of an integrated, targeted and effected support interventions aimed at promoting entrepreneurship as well as providing financial and non-financial support to qualifying small enterprises, using the life cycle approach.

Expenditure trends and estimates

Table 36.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Sector Policy and Research											
3. Integrated Cooperative Development											
4. Enterprise Development and Entrepreneurship											
Programme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	98.9	117.0	125.5	124.4	7.9%	7.3%	129.1	136.8	143.5	4.9%	5.3%
Programme 2	13.8	16.7	17.0	32.3	32.6%	1.3%	28.0	28.7	31.8	-0.5%	1.2%
Programme 3	78.6	99.2	75.3	129.0	18.0%	6.0%	140.0	147.1	152.9	5.8%	5.6%
Programme 4	1 005.7	1 226.5	1 201.8	1 982.8	25.4%	85.4%	2 109.7	2 383.6	2 432.5	7.1%	87.9%
Total	1 197.0	1 459.5	1 419.5	2 268.6	23.8%	100.0%	2 406.8	2 696.1	2 760.7	6.8%	100.0%
Change to 2019				(300.0)			(306.5)	(167.2)	(209.3)		
Budget estimate											
Economic classification											
Current payments	178.7	207.1	206.6	237.4	9.9%	13.1%	251.4	266.9	278.0	5.4%	10.2%
Compensation of employees	114.0	129.0	133.0	151.5	9.9%	8.3%	162.3	172.9	180.4	6.0%	6.6%
Goods and services ¹	64.6	78.1	73.6	85.8	9.9%	4.8%	89.1	94.1	97.6	4.4%	3.6%
of which:											
Audit costs: External	3.2	3.3	5.3	5.7	21.1%	0.3%	5.1	5.3	5.5	-1.1%	0.2%
Computer services	2.9	5.0	7.0	9.4	47.3%	0.4%	9.3	9.2	8.8	-2.4%	0.4%
Consultants: Business and advisory services	5.1	13.5	5.5	9.3	22.3%	0.5%	9.1	9.9	10.5	4.2%	0.4%
Operating leases	16.0	18.9	20.4	21.7	10.7%	1.2%	24.3	26.3	27.4	8.0%	1.0%
Travel and subsistence	18.2	20.7	20.8	20.8	4.5%	1.3%	21.3	21.9	23.3	3.9%	0.9%
Venues and facilities	4.9	0.4	1.4	4.6	-2.2%	0.2%	6.1	6.6	6.5	12.1%	0.2%
Transfers and subsidies ¹	1 015.4	1 245.9	1 206.4	2 026.6	25.9%	86.6%	2 151.1	2 424.7	2 478.0	6.9%	89.6%
Departmental agencies and accounts	652.9	811.3	840.1	882.8	10.6%	50.2%	889.1	937.4	972.5	3.3%	36.3%
Public corporations and private enterprises	362.3	434.5	365.7	1 143.6	46.7%	36.3%	1 262.0	1 487.4	1 505.5	9.6%	53.3%
Non-profit institutions	0.1	—	—	—	-100.0%	0.0%	—	—	—	0.0%	0.0%
Households	0.1	0.2	0.7	0.3	45.7%	0.0%	—	—	—	-100.0%	0.0%
Payments for capital assets	3.0	6.5	6.5	4.6	15.5%	0.3%	4.3	4.5	4.7	1.3%	0.2%
Machinery and equipment	3.0	5.0	5.0	4.6	15.5%	0.3%	4.3	4.5	4.7	1.3%	0.2%
Software and other intangible assets	—	1.5	1.5	—	0.0%	0.0%	—	—	—	0.0%	0.0%
Payments for financial assets	0.0	—	—	—	-100.0%	0.0%	—	—	—	0.0%	0.0%
Total	1 197.0	1 459.5	1 419.5	2 268.6	23.8%	100.0%	2 406.8	2 696.1	2 760.7	6.8%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 36.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
R thousand											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	652 914	811 301	840 089	882 763	10.6%	58.0%	889 140	937 368	972 475	3.3%	40.5%
Small Enterprise Development Agency	496 495	619 766	580 241	680 076	11.1%	43.3%	682 626	719 496	746 502	3.2%	31.2%
Small Enterprise Development Agency: Technology programme	139 187	146 146	199 359	152 281	3.0%	11.6%	160 261	169 075	175 361	4.8%	7.2%
Small Enterprise Development Agency: Capacity-building programme	17 232	30 389	30 489	15 406	-3.7%	1.7%	16 253	17 147	17 785	4.9%	0.7%
Small Enterprise Development Agency: National gazelles programme	—	15 000	30 000	35 000	—	1.5%	30 000	31 650	32 827	-2.1%	1.4%
Households											
Social benefits											
Current	94	158	454	291	45.7%	—	—	—	—	-100.0%	—
Households	25	50	243	277	122.9%	—	—	—	—	-100.0%	—
Employee social benefits	69	108	211	14	-41.2%	—	—	—	—	-100.0%	—
Households											
Other transfers to households											
Current	—	—	200	—	—	—	—	—	—	—	—
Employee social benefits	—	—	100	—	—	—	—	—	—	—	—
Social Benefits	—	—	100	—	—	—	—	—	—	—	—
Public corporations and private enterprises											
Other transfers to public corporations											
Current	—	—	—	700 000	—	12.7%	800 000	1 000 000	1 000 000	12.6%	38.5%
Small Enterprise Finance Agency: Township Entrepreneurship Fund	—	—	—	700 000	—	12.7%	800 000	1 000 000	1 000 000	12.6%	38.5%
Non-profit institutions											
Current	100	—	—	—	-100.0%	—	—	—	—	—	—
Primesters Marketing	100	—	—	—	-100.0%	—	—	—	—	—	—
Public corporations and private enterprises											
Other transfers to private enterprises											
Current	362 288	434 460	365 703	443 584	7.0%	29.2%	461 956	487 363	505 480	4.5%	20.9%
Various institutions: Cooperatives incentive scheme	63 879	70 695	41 222	87 984	11.3%	4.8%	87 254	92 052	95 473	2.8%	4.0%
Various institutions: Black business supplier development programme	268 009	256 743	257 739	286 126	2.2%	19.4%	283 751	299 357	310 486	2.8%	13.0%
Various institutions: Craft customised sector programme	10 000	10 000	10 000	10 560	1.8%	0.7%	11 141	11 754	12 191	4.9%	0.5%
Various institutions: National informal business upliftment scheme	—	26 422	56 742	58 914	—	2.6%	79 810	84 200	87 330	14.0%	3.4%
Various institutions: Enterprise incubation programme	20 400	70 600	—	—	-100.0%	1.7%	—	—	—	—	—
Total	1 015 396	1 245 919	1 206 446	2 026 638	25.9%	100.0%	2 151 096	2 424 731	2 477 955	6.9%	100.0%

Personnel information

Table 36.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																					
1. Administration																					
2. Sector Policy and Research																					
3. Integrated Cooperative Development																					
4. Enterprise Development and Entrepreneurship																					
Number of posts estimated for 31 March 2020			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 (%)					
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23				
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost							
Small Business Development			241	27	200	133.0	0.7	237	151.5	0.6	239	162.3	0.7	234	172.9	0.7	214	180.4	0.8	-3.3%	100.0%
Salary level	241	27	200	133.0	0.7	237	151.5	0.6	239	162.3	0.7	234	172.9	0.7	214	180.4	0.8	-3.3%	100.0%		
1 – 6	45	12	36	9.7	0.3	51	13.8	0.3	40	10.6	0.3	45	13.1	0.3	41	12.1	0.3	-7.0%	19.2%		
7 – 10	85	–	77	35.9	0.5	73	39.0	0.5	78	44.5	0.6	77	46.5	0.6	75	48.4	0.6	0.9%	32.8%		
11 – 12	47	–	46	37.0	0.8	49	43.1	0.9	50	46.9	0.9	48	47.7	1.0	48	50.6	1.1	-0.7%	21.1%		
13 – 16	43	1	39	50.4	1.3	43	53.5	1.2	43	57.2	1.3	45	63.4	1.4	46	69.0	1.5	2.3%	19.2%		
Other	21	14	2	–	–	21	2.1	0.1	28	3.1	0.1	19	2.1	0.1	4	0.3	0.1	-42.5%	7.8%		
Programme	241	27	200	133.0	0.7	237	151.5	0.6	239	162.3	0.7	234	172.9	0.7	214	180.4	0.8	-3.3%	100.0%		
Programme 1	114	14	95	65.4	0.7	108	63.9	0.6	102	65.5	0.6	96	69.0	0.7	94	72.5	0.8	-4.5%	43.3%		
Programme 2	28	–	16	10.9	0.7	28	19.8	0.7	26	18.3	0.7	23	18.0	0.8	21	20.3	1.0	-9.1%	10.6%		
Programme 3	43	3	43	28.4	0.7	45	33.2	0.7	57	42.1	0.7	57	44.3	0.8	49	45.8	0.9	2.9%	22.5%		
Programme 4	56	10	46	28.4	0.6	56	34.5	0.6	54	36.4	0.7	58	41.6	0.7	50	41.8	0.8	-3.7%	23.6%		

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

2. Rand million.

Departmental receipts

Table 36.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
R thousand	2016/17	2017/18	2018/19	2019/20	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Departmental receipts	88	551	1 329	23 234	23 234	541.5%	100.0%	80	90	100	-83.7%	100.0%
Sales of goods and services produced by department	88	52	57	56	56	-14.0%	1.0%	80	90	100	21.3%	1.4%
Sales by market establishments of which:	88	52	57	24	24	-35.2%	0.9%	80	90	100	60.9%	1.3%
Parking	88	52	57	24	24	-35.2%	0.9%	80	90	100	60.9%	1.3%
Other sales	-	-	-	32	32	-	0.1%	-	-	-	-100.0%	0.1%
of which:	-	-	-	-	-	-	-	-	-	-	-	-
List item	-	-	-	32	32	-	0.1%	-	-	-	-100.0%	0.1%
Transfers received	-	-	-	23 000	23 000	-	91.3%	-	-	-	-100.0%	97.9%
Interest, dividends and rent on land	-	2	1	14	14	-	0.1%	-	-	-	-100.0%	0.1%
Interest	-	2	1	14	14	-	0.1%	-	-	-	-100.0%	0.1%
Sales of capital assets	-	-	175	145	145	-	1.3%	-	-	-	-100.0%	0.6%
Transactions in financial assets and liabilities	-	497	1 096	19	19	-	6.4%	-	-	-	-100.0%	0.1%
Total	88	551	1 329	23 234	23 234	541.5%	100.0%	80	90	100	-83.7%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 36.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Ministry	29.7	30.9	32.7	27.8	-2.2%	26.0%	25.8	27.3	28.7	1.1%	20.5%
Departmental Management	14.5	16.9	16.3	18.1	7.7%	14.1%	17.9	18.9	20.0	3.2%	14.0%
Corporate Services	33.5	45.2	50.6	53.2	16.7%	39.2%	58.2	62.0	65.0	6.9%	44.7%
Financial Management	14.9	16.3	19.4	20.3	10.8%	15.2%	19.9	20.9	21.8	2.4%	15.5%
Communications	6.3	7.8	6.5	5.0	-7.8%	5.5%	7.3	7.7	8.0	17.4%	5.2%
Total	98.9	117.0	125.5	124.4	7.9%	100.0%	129.1	136.8	143.5	4.9%	100.0%
Change to 2019				-			(2.4)	(2.8)	(2.1)		
Budget estimate											
Economic classification											
Current payments	96.0	110.8	119.5	120.3	7.8%	95.9%	125.5	133.1	139.6	5.1%	97.1%
Compensation of employees	52.2	62.5	65.4	63.9	7.0%	52.4%	65.5	69.0	72.5	4.3%	50.8%
Goods and services ¹	43.8	48.3	54.2	56.4	8.8%	43.5%	60.0	64.1	67.1	6.0%	46.4%
of which:											
Advertising	2.1	1.4	0.4	0.5	-38.0%	0.9%	2.1	2.2	2.3	67.5%	1.3%
Audit costs: External	3.2	3.3	5.3	5.7	21.1%	3.7%	5.1	5.3	5.5	-1.1%	4.0%
Computer services	2.9	5.0	7.0	7.5	36.7%	4.8%	7.9	8.3	8.8	5.2%	6.1%
Legal services	-	0.1	0.3	1.4	-	0.4%	1.9	2.1	2.2	17.7%	1.4%
Operating leases	16.0	18.9	20.4	21.7	10.9%	16.5%	24.3	26.3	27.4	8.0%	18.7%
Travel and subsistence	10.1	10.8	11.6	10.3	0.7%	9.2%	9.7	10.3	10.9	1.9%	7.7%
Transfers and subsidies¹	0.0	0.1	0.2	0.3	122.9%	0.1%	-	-	-	-100.0%	0.1%
Households	0.0	0.1	0.2	0.3	122.9%	0.1%	-	-	-	-100.0%	0.1%
Payments for capital assets	2.9	6.2	5.7	3.8	10.3%	4.0%	3.5	3.7	3.9	0.7%	2.8%
Machinery and equipment	2.9	4.7	4.2	3.8	10.3%	3.3%	3.5	3.7	3.9	0.7%	2.8%
Software and other intangible assets	-	1.5	1.5	-	-	0.6%	-	-	-	-	-
Payments for financial assets	0.0	-	-	-	-100.0%	-	-	-	-	-	-
Total	98.9	117.0	125.5	124.4	7.9%	100.0%	129.1	136.8	143.5	4.9%	100.0%
Proportion of total programme expenditure to vote expenditure	8.3%	8.0%	8.8%	5.5%	-	-	5.4%	5.1%	5.2%	-	-

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

Programme 2: Sector Policy and Research

Programme purpose

Develop and review policies and legislation; conduct research; promote sound intergovernmental relations; and monitor and evaluate programmes to ensure the development and growth of sustainable small, medium and micro enterprises and cooperatives that contribute to the creation of employment and economic growth.

Objectives

- Create or promote an environment conducive for the establishment, development and growth of SMMEs and cooperatives on an ongoing basis by:
 - developing relevant legislative and policy frameworks, and enforcing their implementation
 - conducting comprehensive research on key areas of support for SMMEs and cooperatives
 - aligning and coordinating intergovernmental policy on SMMEs and cooperatives
 - negotiating and lobbying at regional and international SMME and cooperative forums
 - monitoring and reviewing programmes for SMMEs and cooperatives.

Subprogrammes

- *Research* provides knowledge management services to direct sector thought leadership, and guides evidence-based policy making and programme design.
- *Policy and Legislation* develops and reviews policies and legislation to create and promote sustainable growth for small businesses and cooperatives, and advances coordination and cooperation among the spheres of government.
- *International Relations* promotes sector interests in the global marketplace through negotiations and lobbying at different regional and international forums, and the development of strategies and position papers.
- *Monitoring and Evaluation* provides monitoring and evaluation services to evaluate performance and identify factors that improve service delivery outcomes.

Expenditure trends and estimates

Table 36.7 Sector Policy and Research expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Research	13.6	10.8	6.7	17.3	8.3%	60.7%	19.8	19.4	21.9	8.2%	65.0%
Policy and Legislation	–	–	4.8	5.7	–	13.2%	4.2	4.8	5.1	-3.7%	16.4%
International Relations	–	3.8	3.3	6.0	–	16.4%	–	–	–	-100.0%	5.0%
Monitoring and Evaluation	0.2	2.1	2.2	3.3	151.7%	9.7%	4.0	4.4	4.8	13.7%	13.7%
Total	13.8	16.7	17.0	32.3	32.6%	100.0%	28.0	28.7	31.8	-0.5%	100.0%
Change to 2019				(3.3)			(11.4)	(13.6)	–		
Budget estimate											
Economic classification											
Current payments	13.8	16.7	16.8	32.2	32.6%	99.5%	27.9	28.6	31.7	-0.5%	99.6%
Compensation of employees	10.3	10.2	10.9	19.8	24.6%	64.1%	18.3	18.0	20.3	0.7%	63.2%
Goods and services ¹	3.6	6.5	5.9	12.4	51.5%	35.4%	9.7	10.6	11.4	-2.6%	36.5%
of which:											
Administrative fees	0.1	0.1	0.1	0.1	4.1%	0.4%	0.1	0.1	0.1	-6.6%	0.3%
Catering: Departmental activities	0.2	0.2	0.1	0.3	11.5%	0.9%	0.2	0.2	0.2	-9.2%	0.8%
Communication	0.0	0.0	0.1	0.1	33.2%	0.3%	0.1	0.1	0.1	-14.2%	0.3%
Consultants: Business and advisory services	1.7	4.8	3.1	7.4	63.5%	21.2%	7.5	8.2	8.7	5.7%	26.3%
Travel and subsistence	1.1	1.4	1.9	3.3	43.2%	9.6%	1.8	2.0	2.3	-11.5%	7.7%
Venues and facilities	0.2	–	–	0.1	-26.3%	0.4%	0.0	0.0	0.0	-18.1%	0.2%

Table 36.7 Sector Policy and Research expenditure trends and estimates by subprogramme and economic classification

Economic classifications				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Transfers and subsidies ¹	–	–	0.1	–	–	0.2%	–	–	–	–	–
Households	–	–	0.1	–	–	0.2%	–	–	–	–	–
Payments for capital assets	0.0	0.0	0.1	0.1	46.5%	0.4%	0.1	0.1	0.1	2.9%	0.4%
Machinery and equipment	0.0	0.0	0.1	0.1	46.5%	0.4%	0.1	0.1	0.1	2.9%	0.4%
Total	13.8	16.7	17.0	32.3	32.6%	100.0%	28.0	28.7	31.8	-0.5%	100.0%
Proportion of total programme expenditure to vote expenditure	1.2%	1.1%	1.2%	1.4%	–	–	1.2%	1.1%	1.2%	–	–

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

Programme 3: Integrated Cooperative Development

Programme purpose

Create and maintain a sound ecosystem that enhances the establishment, growth and sustainability of cooperatives that create jobs and contribute to economic growth.

Objectives

- Establish an environment that promotes the establishment, growth and sustainability of cooperatives on an ongoing basis by:
 - undertaking an integrated approach to the planning, monitoring and evaluation of the cooperatives sector to inform policy decision-making
 - overseeing and coordinating the design and implementation of targeted financial and non-financial support programmes for new and existing cooperatives
 - facilitating partnerships with the private sector, state-owned entities and the public sector to support cooperatives.
- Expand access to finance through innovative service offerings by providing blended finance support to 45 000 cooperatives over the medium term.

Subprogrammes

- Cooperatives Development* manages and facilitates the creation of new cooperatives and the growth of existing cooperatives to improve their competitiveness.
- Cooperatives Programme Design and Support* reviews existing programmes and designs new programmes based on review outcomes, and changes in the cooperatives development landscape and economic conditions.
- Supplier Development and Market Access Support* manages strategic partnerships with the private sector, state-owned entities and the public sector with the aim of developing cooperatives to become suppliers of goods and services, and facilitating their readiness to access market opportunities.

Expenditure trends and estimates

Table 36.8 Integrated Cooperative Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Cooperatives Development	5.4	9.8	6.1	9.0	18.3%	7.9%	12.6	13.8	14.3	16.7%	8.7%
Cooperatives Programme Design and Support	72.6	82.7	54.2	105.5	13.3%	82.4%	108.1	112.8	116.9	3.5%	77.9%
Supplier Development and Market Access Support	0.5	6.7	15.0	14.5	199.4%	9.6%	19.3	20.5	21.6	14.3%	13.3%
Total	78.6	99.2	75.3	129.0	18.0%	100.0%	140.0	147.1	152.9	5.8%	100.0%
Change to 2019 Budget estimate				1.4			4.9	4.8	(6.1)		

Table 36.8 Integrated Cooperative Development expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	14.7	28.4	33.7	40.6	40.5%	30.7%	52.4	54.7	57.0	12.0%	36.0%
Compensation of employees	10.7	20.2	28.4	33.2	45.9%	24.2%	42.1	44.3	45.8	11.3%	29.1%
Goods and services ¹	4.0	8.2	5.3	7.4	23.2%	6.5%	10.3	10.4	11.2	14.8%	6.9%
of which:											
Administrative fees	0.1	0.2	0.2	0.2	13.4%	0.2%	0.2	0.2	0.3	6.6%	0.2%
Catering: Departmental activities	1.0	1.8	0.2	0.4	-27.0%	0.9%	0.2	0.3	0.3	-7.5%	0.2%
Communication	0.0	0.0	0.1	0.1	54.8%	0.1%	0.1	0.1	0.2	3.0%	0.1%
Consultants: Business and advisory services	0.1	0.1	–	0.5	83.1%	0.2%	0.6	0.7	0.7	11.4%	0.4%
Travel and subsistence	2.3	3.5	4.2	4.1	20.7%	3.7%	6.5	6.2	6.6	17.5%	4.1%
Venues and facilities	0.0	–	0.3	1.9	392.6%	0.6%	2.5	2.8	3.1	17.5%	1.8%
Transfers and subsidies ¹	63.9	70.7	41.2	88.0	11.3%	69.0%	87.3	92.1	95.5	2.8%	63.8%
Public corporations and private enterprises	63.9	70.7	41.2	88.0	11.3%	69.0%	87.3	92.1	95.5	2.8%	63.8%
Households	0.0	0.0	0.0	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	0.0	0.1	0.3	0.4	308.2%	0.2%	0.3	0.3	0.4	-4.7%	0.2%
Machinery and equipment	0.0	0.1	0.3	0.4	308.2%	0.2%	0.3	0.3	0.4	-4.7%	0.2%
Total	78.6	99.2	75.3	129.0	18.0%	100.0%	140.0	147.1	152.9	5.8%	100.0%
Proportion of total programme expenditure to vote expenditure	6.6%	6.8%	5.3%	5.7%	–	–	5.8%	5.5%	5.5%	–	–
Details of selected transfers and subsidies											
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											
Current	63.9	70.7	41.2	88.0	11.3%	69.0%	87.3	92.1	95.5	2.8%	63.8%
Various institutions:	63.9	70.7	41.2	88.0	11.3%	69.0%	87.3	92.1	95.5	2.8%	63.8%
Cooperatives incentive scheme											

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

Programme 4: Enterprise Development and Entrepreneurship

Programme purpose

Create an enabling ecosystem that enhances entrepreneurship and the establishment, growth and sustainability of small, medium and micro enterprises.

Objectives

- Create an environment that promotes the establishment, growth and sustainability of SMMEs on an ongoing basis by:
 - undertaking an integrated approach to the planning, monitoring and evaluation of the SMME development sector to inform policy decision-making
 - overseeing and coordinating the design and implementation of targeted financial and non-financial support programmes to support new and existing SMMEs
 - coordinating and facilitating sustainable partnerships with the private sector, state-owned entities and the public sector to support SMME development
 - implementing institutional governance systems and overseeing entities in the department's portfolio.
- Scale up and coordinate support for SMMEs, cooperatives, and village and township economies by establishing 150 incubation centres/digital hubs in townships and rural areas over the medium term.
- Expand access to finance through innovative service offerings by providing blended finance support to 75 000 SMMEs over the medium term.

Subprogrammes

- *Enterprise and Supplier Development* manages and facilitates the establishment of new and productive enterprises, and the sustainability and growth of existing enterprises.

- *SMMEs Programme Design and Support* reviews existing programmes, and designs new programmes based on review outcomes and changes in economic conditions and the SMME development environment.
- *SMME Competitiveness* manages and facilitates strategic partnerships that seek to enhance the work of the department in the provision of market access for SMMEs in the supply value chains of corporations, state-owned enterprises and government departments. This subprogramme also works with municipalities to develop, enhance and implement enterprise development programmes towards improved local economic development.
- *Entrepreneurship* provides leadership and oversight on the conceptualisation, design and implementation of the entrepreneurship development framework, and instruments and programmes in support of enterprise development.

Expenditure trends and estimates

Table 36.9 Enterprise Development and Entrepreneurship 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Enterprise and Supplier Development	689.9	845.0	861.1	1 605.9	32.5%	73.9%	1 713.0	1 962.8	1 998.0	7.6%	81.7%
SMMEs Programme Design and Support	283.4	270.7	281.4	369.9	9.3%	22.3%	390.0	413.7	427.7	5.0%	18.0%
SMME Competitiveness	12.0	40.2	56.7	—	-100.0%	2.0%	—	—	—	—	—
Entrepreneurship	20.4	70.6	2.6	7.0	-29.9%	1.9%	6.7	7.1	6.8	-0.9%	0.3%
Total	1 005.7	1 226.5	1 201.8	1 982.8	25.4%	100.0%	2 109.7	2 383.6	2 432.5	7.1%	100.0%
Change to 2019 Budget estimate				(298.1)			(297.6)	(155.5)	(201.1)		
Economic classification											
Current payments	54.2	51.2	36.6	44.2	-6.5%	3.4%	45.5	50.6	49.7	3.9%	2.1%
Compensation of employees	40.8	36.0	28.4	34.5	-5.4%	2.6%	36.4	41.6	41.8	6.5%	1.7%
Goods and services ¹	13.3	15.2	8.2	9.7	-10.1%	0.9%	9.1	8.9	7.9	-6.6%	0.4%
of which:											
Administrative fees	0.3	0.4	0.2	0.3	3.1%	—	0.2	0.2	0.2	-5.3%	—
Catering: Departmental activities	1.1	0.6	1.5	0.8	-9.6%	0.1%	0.5	0.5	0.6	-10.1%	—
Communication	0.1	0.1	0.1	0.1	-14.3%	—	0.1	0.1	0.1	17.0%	—
Computer services	—	—	0.0	1.9	—	—	1.4	0.9	—	-100.0%	—
Travel and subsistence	4.7	5.0	3.1	3.1	-12.6%	0.3%	3.3	3.3	3.5	4.0%	0.1%
Venues and facilities	4.6	0.4	1.0	2.3	-20.3%	0.2%	3.5	3.7	3.2	12.0%	0.1%
Transfers and subsidies¹	951.5	1 175.2	1 164.8	1 938.4	26.8%	96.5%	2 063.8	2 332.7	2 382.5	7.1%	97.9%
Departmental agencies and accounts	652.9	811.3	840.1	882.8	10.6%	58.8%	889.1	937.4	972.5	3.3%	41.3%
Public corporations and private enterprises	298.4	363.8	324.5	1 055.6	52.4%	37.7%	1 174.7	1 395.3	1 410.0	10.1%	56.5%
Non-profit institutions	0.1	—	—	—	-100.0%	—	—	—	—	—	—
Households	0.1	0.1	0.3	0.0	-41.0%	—	—	—	—	-100.0%	—
Payments for capital assets	0.1	0.2	0.3	0.2	48.9%	—	0.3	0.3	0.4	17.8%	—
Machinery and equipment	0.1	0.2	0.3	0.2	48.9%	—	0.3	0.3	0.4	17.8%	—
Total	1 005.7	1 226.5	1 201.8	1 982.8	25.4%	100.0%	2 109.7	2 383.6	2 432.5	7.1%	100.0%
Proportion of total programme expenditure to vote expenditure	84.0%	84.0%	84.7%	87.4%	—	—	87.7%	88.4%	88.1%	—	—
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	652.9	811.3	840.1	882.8	10.6%	58.8%	889.1	937.4	972.5	3.3%	41.3%
Small Enterprise Development Agency	496.5	619.8	580.2	680.1	11.1%	43.9%	682.6	719.5	746.5	3.2%	31.8%
Small Enterprise Development Agency: Technology programme	139.2	146.1	199.4	152.3	3.0%	11.8%	160.3	169.1	175.4	4.8%	7.4%
Small Enterprise Development Agency: Capacity-building programme	17.2	30.4	30.5	15.4	-3.7%	1.7%	16.3	17.1	17.8	4.9%	0.7%
Small Enterprise Development Agency: National gazelles programme	—	15.0	30.0	35.0	—	1.5%	30.0	31.7	32.8	-2.1%	1.5%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	—	—	—	700.0	—	12.9%	800.0	1 000.0	1 000.0	12.6%	39.3%
Small Enterprise Finance Agency:	—	—	—	700.0	—	12.9%	800.0	1 000.0	1 000.0	12.6%	39.3%
Township Entrepreneurship Fund											

Table 36.9 Enterprise Development and Entrepreneurship expenditure trends and estimates by subprogramme and economic classification

Classification												
Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
Audited outcome												
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 -	2022/23	
Public corporations and private enterprises												
Private enterprises												
Other transfers to private enterprises												
Current	298.4	363.8	324.5	355.6	6.0%	24.8%	374.7	395.3	410.0	4.9%	17.2%	
Various institutions: Black business supplier development programme	268.0	256.7	257.7	286.1	2.2%	19.7%	283.8	299.4	310.5	2.8%	13.2%	
Various institutions: Craft customised sector programme	10.0	10.0	10.0	10.6	1.8%	0.7%	11.1	11.8	12.2	4.9%	0.5%	
Various institutions: National informal business upliftment scheme	—	26.4	56.7	58.9	—	2.6%	79.8	84.2	87.3	14.0%	3.5%	
Various institutions: Enterprise incubation programme	20.4	70.6	—	—	-100.0%	1.7%	—	—	—	—	—	

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

Entity

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

- The **Small Enterprise Development Agency** was established in 2004 in terms of the National Small Business Amendment Act (2004). It is mandated to implement government's small business strategy, design and implement a standard and common national delivery network for small enterprise development, and integrate government-funded small enterprise support agencies across all spheres of government. The agency's total budget for 2020/21 is R906.1 million.

Vote 37

Sports, Arts and Culture

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	451.9	440.2	0.1	11.5	462.4	476.3
Recreation Development and Sport Promotion	1 460.3	189.1	1 073.4	197.8	1 525.4	1 566.7
Arts and Culture Promotion and Development	1 295.1	266.4	1 028.7	–	1 369.5	1 422.1
Heritage Promotion and Preservation	2 512.8	123.0	2 389.9	–	2 678.1	2 804.5
Total expenditure estimates	5 720.2	1 018.7	4 492.1	209.3	6 035.5	6 269.6
Executive authority	Minister of Sports, Arts and Culture					
Accounting officer	Director-General of Sports, Arts and Culture					
Website	www.dsac.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Provide an enabling environment for the sport, arts and culture sector by developing, transforming, preserving, protecting and promoting sport, arts and culture at all levels of participation to foster an active, winning, creative and socially cohesive nation.

Mandate

The department is mandated to: provide leadership to the sport, arts and culture sector to accelerate its transformation; oversee the development and management of sport, arts and culture in South Africa; legislate on sports participation, on sports infrastructure and on safety; improve South Africa's international ranking in selected sports through a partnership with the South African Sports Confederation and Olympic Committee; preserve, develop, protect and promote the cultural, heritage, linguistic diversity and legacy of South Africa; lead nation building and social cohesion through social transformation; enhance archives and records management structures and systems, and promote access to information. This mandate is derived from the following legislation:

- the National Sport and Recreation Act (1998)
- the National Heritage Resources Act (1999)
- the National Council for Library and Information Services Act (2001)
- the Safety at Sports and Recreational Events Act (2010)
- the Use of Official Languages Act (2012)
- the Heraldry Act (1962)
- the Culture Promotion Act (1983)
- the National Archives and Record Service of South Africa Act (1996)
- the Legal Deposit Act (1997)
- the South African Geographical Names Council Act (1998)
- the Cultural Institutions Act (1998).

Selected performance indicators

Table 37.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of people actively participating in sport and recreation promotion campaigns and events per year	Recreation Development and Sport Promotion	Priority 5: Social cohesion and safe communities	21 835	51 405	55 160	46 964	46 964	46 964	46 964
Number of learners in the national school sport championships per year	Recreation Development and Sport Promotion		7 925	6 514	6 316	5 000	5 000	5 000	5 000
Number of schools, hubs and clubs provided with equipment and/or attire as per the established norms and standards per year	Recreation Development and Sport Promotion		2 964	2 880	2 963	2 500	2 500	2 500	2 500
Number of athletes supported by sports academies per year	Recreation Development and Sport Promotion		4 358	5 296	5 548	3 700	3 700	3 700	3 700
Number of athletes supported through the scientific support programme per year	Recreation Development and Sport Promotion		359	279	200	80	80	80	80
Number of community conversations/dialogues held to foster social interaction per year	Arts and Culture Promotion and Development		33	33	8	9	20	20	20
Number of artists placed in schools per year	Arts and Culture Promotion and Development		342	352	360	360	360	360	360
Number of bursaries awarded for the development of qualified language practitioners per year	Arts and Culture Promotion and Development		445	429	536	300	300	300	300
Number of newly built and/or modular libraries supported financially per year	Heritage Promotion and Preservation		20	27	29	32	29	32	35

Expenditure analysis

Chapter 15 of the National Development Plan outlines a vision for transforming society and uniting South Africa, particularly by means of promoting social cohesion, developing an active citizenry and leadership, and fostering a social compact. The social compact aims to address social problems through collective action and agreements between citizens and government in which the rights and duties of each party are defined and limited. The National Development Plan's vision is given expression by priority 5 (social cohesion and safe communities) of government's 2019-2024 medium-term strategic framework, with which the work of the Department of Sports, Arts and Culture is aligned. Accordingly, the department's ongoing and overarching objective is to provide an enabling environment to cultivate an active, creative, winning and socially cohesive nation. Over the medium term, the department will focus on: increasing market share and job opportunities created in the sport, cultural and creative industries; promoting a diverse and socially cohesive society with a common national identity; enabling a transformed, capable and professional sport, arts and culture sector; providing integrated and accessible sports, arts and culture infrastructure and information; and supporting youth development.

Expenditure is expected to increase at an average annual rate of 3.1 per cent, from R5.7 billion in 2019/20 to R6.3 billion in 2022/23. Spending on transfers and subsidies constitutes 79 per cent (R14.2 billion) of the department's total expenditure over the MTEF period. Cabinet has approved budget reductions amounting to R1.2 billion over the medium term (R376.3 million in 2020/21, R416.3 million in 2021/22 and R431.1 million in 2022/23) on the department's baseline allocation. These reductions will mainly be effected on: transfers to heritage assets and institutions, spending on goods and services across all programmes, transfers to entities, transfers to libraries and the *community library services grant*, transfers to performing arts institutions, funding for projects linked to the Mzansi golden economy strategy, transfers to loveLife, and transfers to the *mass participation and sport development grant*.

Increasing market share and job opportunities created in the cultural, creative and sports industries

To contribute to economic growth through job creation, the department endeavours to mainstream the sports, creative and cultural industries in the economy. In this regard, the department increases market share and intensifies job creation through providing funding for projects in the Mzansi golden economy strategy, which aims to stimulate economic opportunities for arts, culture and heritage practitioners in poor and remote

communities. Over the medium term, as part of the strategy, the department expects to provide funding for: 264 projects comprising 54 flagship cultural events, which are large-scale projects that have demonstrated a track record in contributing to economic activity; 60 cultural events, which are small and often community-based projects; 90 touring ventures; and 60 public art projects. These projects will be supported by funds allocated in the *Mzansi Golden Economy* subprogramme in the *Arts and Culture Promotion and Development* programme. Allocations to the subprogramme amount to 23.9 per cent (R958 million) of the programme's total budget over the medium term.

In terms of sport, Netball South Africa will host the Netball World Cup in Cape Town in 2023 at a cost of R69 million over the medium term. The event is expected to inject R250 million into the economy in 2023/24.

Promoting a diverse and socially cohesive society with a common national identity

The department engages in various activities in fulfilling its mandate to promote diversity, social cohesion and nation building. In this regard, over the medium term, the department will continue to foreground national symbols that are inclusive and contribute to a sense of unity among South Africans. Initiatives include funding 60 public awareness activations on the I Am the Flag campaign, hosting 18 workshops to advance knowledge of national symbols, and implementing the Young Patriots programme to instil patriotism and promote the preamble to the Constitution among young people. In addition, activities related to the social cohesion advocates initiative, moral regeneration efforts and sector engagements leading to the conclusion of the social compact are expected to be carried out over the medium term. Funding for these initiatives and activities is made available in the *Social Cohesion and Nation Building* subprogramme in the *Arts and Culture Promotion and Development* programme. Allocations to the subprogramme amount to R290.3 million over the MTEF period.

The department has recognised the need for citizens to get into the habit of participating in sport and recreation activities from a young age towards building an active nation that interacts across space, race and class. Accordingly, an estimated 46 964 people are expected to participate in events such as youth camps, the Big Walk, the national recreation day and the national indigenous games festival per year over the medium term. These events are mainly funded by transfers to provinces amounting to R1.9 billion over the medium term for the *mass participation and sport development grant*, and R122 million from goods and services in the *Active Nation* subprogramme in the *Recreation Development and Sport Promotion* programme.

Nine indigenous games frequently played in South Africa are showcased during the national indigenous games festival. The games bring people from culturally diverse backgrounds together as part of South Africa's heritage celebrations in September. All provinces present teams selected from various communities at the games, which are held from the community level to the provincial level. Developing and hosting the festival is expected to result in expenditure of R85 million over the medium term in the *Active Nation* subprogramme.

Enabling a transformed, capable and professional sport, arts and culture sector

It is a national imperative and a strategic goal of the department to transform the sport and recreation sector. To this end, the *Sport Support* subprogramme in the *Recreation Development and Sport Promotion* programme will continue to fund 60 national sports federations through an allocation of R354.7 million over the MTEF period. Federations are audited against their own transformation targets. Based on this, a comprehensive transformation report is published annually that reflects the status of transformation as well as a comparative analysis across different federations. With regards to sport development, allocations in the programme's *Active Nation* subprogramme provide funding for young people to showcase their skills at events such as the national school sport championship, which exposes South African sporting talent to national federations and talent scouts. For this purpose, R35.9 million is allocated for these championships in 2020/21 in the *Active Nation* subprogramme, while provinces will use R204 million of the *mass participation and sport development grant*, which is also funded in the subprogramme, in the same year.

In 2020/21, recognised provincial and district sports academies are expected to receive R59.1 million from the *mass participation and sport development grant* to provide specialist training and sport scientific support to a projected 3 700 talented athletes. In addition, the department plans to support 40 emerging athletes identified by national federations as having high potential through an allocation of R6 million in the *Winning Nation*

subprogramme. Elite athletes preparing to compete in the All Africa Games, the World Games, the Commonwealth Games, and the Olympic and Paralympic Games receive advanced coaching and financial support each year through the South African Sports Confederation and Olympic Committee's high-performance programme. In 2020/21, the focus will be on preparing a winning team for the 2020 Olympic Games in Tokyo, Japan. To support the 40 elite athletes who will compete at the Olympic and Paralympic Games, R36.2 million is transferred to the committee through the *Winning Nation* subprogramme over the medium term.

Ministerial sports bursaries are awarded to young, talented athletes to enable them to attend verified schools that focus on sports. These bursaries are available for high school learners and are valid for the duration of their school careers if they maintain their sporting achievements. Each year, a minimum of 50 qualifying learners are expected to be supported through the payment of their school fees; the provision of school uniforms, sport clothing and equipment and sport scientific support; and event attendance. For this purpose, R23.7 million is allocated over the MTEF period in the *Winning Nation* subprogramme in the *Recreation Development and Sport Promotion* programme.

Included in the allocations to the *National Language Services* subprogramme in the *Arts and Culture Promotion and Development* programme over the medium term are amounts of R19.9 million and R36.7 million to fund 900 tertiary language bursary students and support 6 projects to develop human language technologies, respectively, in each year over the period. The *Heritage Promotion and Preservation* programme will contribute to building capacity in the heritage sector by awarding 65 bursaries for heritage-related studies per year at an average cost of R7 million over the medium term.

Providing integrated and accessible sports, arts and culture infrastructure and information

The department's infrastructure development initiatives aim to achieve redress for South Africa's historical imbalances, encourage participation in sport and recreation, and contribute to social transformation. Accordingly, activities related to infrastructure development involve establishing and maintaining heritage sites, building and maintaining libraries, and planning and delivering infrastructure for sport and recreation. Over the medium term, R442.3 million is allocated in the *Infrastructure Support* subprogramme in the *Recreation Development and Sport Promotion* programme to establish and maintain world-class heritage sites to boost tourism and create job opportunities, particularly in historically disadvantaged areas. This includes sites along the resistance and liberation heritage route, which honours those who dedicated their lives to South Africa's liberation struggle.

Through the *community library services grant*, which is funded by the *Public Library Services* subprogramme in the *Heritage Promotion and Preservation* programme, an estimated 96 new libraries will be built, 135 community libraries will be upgraded and 430 000 library materials will be procured over the medium term. To carry out these activities, the grant receives R4.7 billion over the period ahead. In collaboration with the Department of Basic Education and at an estimated cost of R1.8 billion over the medium term, the grant will also fund 40 dual library service points that serve as community and school libraries.

To improve the planning and delivery of infrastructure for sport and recreation to 35 municipalities in each year over the MTEF period, an amount of R35.1 million is allocated in the *Infrastructure Support* subprogramme in the *Recreation Development and Sport Promotion* programme. In collaboration with the Department of Cooperative Governance, the South African Local Government Association and municipalities, the department will ensure that funds earmarked in the *municipal infrastructure grant* for the provision of sport and recreation facilities are used to provide facilities in areas where they are needed the most.

Through a partnership with The Sports Trust, the department facilitates the delivery of specialised, multipurpose sports courts and other infrastructure projects to improve access to sport and recreation activities. Over the medium term, the trust will provide 30 multipurpose sports courts at a cost of R77.9 million.

Supporting youth development

The department supports school sports leagues in partnership with the Department of Basic Education, and will continue integrating the 16 priority sporting codes and indigenous games, such as morabaraba and jukskei, into

the school sports system over the medium term. An estimated 2 500 schools, hubs and clubs are expected to receive equipment and attire in each year over the MTEF period to facilitate sustainable participation. For this purpose, R50 million is allocated over the medium term in the *Active Nation* subprogramme. A further R124.4 million over the period ahead is allocated in the *Active Nation* subprogramme for the department's partnership with loveLife to provide youth empowerment programmes at sport and recreation events such as national youth camps and the national school sport championship.

The department will collaborate and partner with the Department of Basic Education to enrich and improve the quality of learning in the area of arts and culture. To this end, the department has budgeted R2.7 million over the medium term in the *Arts and Culture Promotion and Development* programme to co-host the South African Schools Choral Eisteddfod, with more than 3 000 learners expected to participate annually. Other joint initiatives include the Inner-City High Schools Drama Festival and the educator skills improvement project in the arts and culture learning area, for which the department has budgeted R1.9 million over the MTEF period in the *Arts and Culture Promotion and Development* programme.

Expenditure trends and estimates

Table 37.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Recreation Development and Sport Promotion											
3. Arts and Culture Promotion and Development											
4. Heritage Promotion and Preservation											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Programme 1	375.3	457.0	432.9	455.2	6.6%	8.1%	451.9	462.4	476.3	1.5%	7.8%
Programme 2	1 282.5	1 144.4	1 336.0	1 514.6	5.7%	24.9%	1 460.3	1 525.4	1 566.7	1.1%	25.5%
Programme 3	1 074.6	1 102.3	1 198.8	1 265.8	5.6%	21.9%	1 295.1	1 369.5	1 422.1	4.0%	22.5%
Programme 4	2 249.1	2 498.2	2 346.3	2 487.6	3.4%	45.2%	2 512.8	2 678.1	2 804.5	4.1%	44.1%
Total	4 981.6	5 201.9	5 314.0	5 723.1	4.7%	100.0%	5 720.2	6 035.5	6 269.6	3.1%	100.0%
Change to 2019				(48.0)			(376.3)	(416.3)	(431.1)		
Budget estimate											
Economic classification											
Current payments	811.8	848.6	889.8	958.3	5.7%	16.5%	1 018.7	1 063.8	1 103.8	4.8%	17.5%
Compensation of employees	327.7	328.6	338.6	379.2	5.0%	6.5%	407.8	431.8	447.9	5.7%	7.0%
Goods and services ¹	484.0	520.0	542.3	579.1	6.2%	10.0%	610.9	632.0	655.9	4.2%	10.4%
of which:											
Advertising	25.5	31.3	33.8	32.6	8.5%	0.6%	27.1	28.0	28.8	-4.0%	0.5%
Consultants: Business and advisory services	29.0	37.3	20.2	39.9	11.2%	0.6%	51.5	54.1	57.8	13.1%	0.9%
Contractors	149.4	129.1	162.0	153.0	0.8%	2.8%	162.6	171.1	173.0	4.2%	2.8%
Operating leases	57.0	107.1	97.4	101.2	21.1%	1.7%	106.2	106.8	111.1	3.2%	1.8%
Property payments	21.0	32.8	28.3	35.7	19.4%	0.6%	33.5	34.1	36.6	0.9%	0.6%
Travel and subsistence	75.9	72.4	93.0	85.9	4.2%	1.5%	87.4	94.3	96.1	3.8%	1.5%
Interest and rent on land	0.1	—	8.9	—	-100.0%	0.0%	—	—	—	0.0%	0.0%
Transfers and subsidies¹	4 062.6	4 274.5	4 333.9	4 547.0	3.8%	81.1%	4 492.1	4 753.8	4 958.2	2.9%	79.0%
Provinces and municipalities	1 912.5	2 005.8	2 011.1	2 121.2	3.5%	37.9%	2 075.7	2 204.9	2 307.5	2.8%	36.7%
Departmental agencies and accounts	1 660.8	1 807.9	1 797.2	1 889.3	4.4%	33.7%	1 859.8	1 961.1	2 030.3	2.4%	32.6%
Higher education institutions	6.2	7.6	5.4	8.8	12.6%	0.1%	6.8	7.4	7.8	-4.1%	0.1%
Foreign governments and international organisations	14.9	2.9	4.3	5.1	-30.3%	0.1%	5.3	5.6	5.8	4.9%	0.1%
Public corporations and private enterprises	136.4	89.5	120.1	101.8	-9.3%	2.1%	112.9	118.9	123.4	6.6%	1.9%
Non-profit institutions	307.4	328.0	367.3	385.5	7.8%	6.5%	400.2	422.7	448.9	5.2%	7.0%
Households	24.5	32.9	28.4	35.3	13.0%	0.6%	31.5	33.2	34.5	-0.8%	0.6%
Payments for capital assets	106.5	78.5	90.0	217.8	26.9%	2.3%	209.3	217.9	207.5	-1.6%	3.6%
Machinery and equipment	8.1	30.9	20.3	11.1	11.1%	0.3%	11.5	12.2	12.8	4.9%	0.2%
Heritage assets	94.0	43.4	68.6	206.6	30.0%	1.9%	197.8	205.8	194.7	-2.0%	3.4%
Software and other intangible assets	4.4	4.2	1.0	—	-100.0%	0.0%	—	—	—	0.0%	0.0%
Payments for financial assets	0.7	0.3	0.3	—	-100.0%	0.0%	—	—	—	0.0%	0.0%
Total	4 981.6	5 201.9	5 314.0	5 723.1	4.7%	100.0%	5 720.2	6 035.5	6 269.6	3.1%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 37.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 393 694	1 661 818	1 507 713	1 633 318	5.4%	36.0%	1 640 252	1 733 845	1 799 188	3.3%	36.3%
Culture, Arts, Tourism, Hospitality and Sport Sector Education and Training Authority	68	73	77	97	12.6%	–	100	106	109	4.0%	–
Artscape	55 904	58 699	60 912	63 915	4.6%	1.4%	66 275	70 087	72 702	4.4%	1.5%
The South African State Theatre	49 595	52 075	55 453	59 443	6.2%	1.3%	61 650	65 188	67 610	4.4%	1.4%
The Playhouse Company	41 165	49 838	49 632	52 127	8.2%	1.1%	53 862	57 332	59 465	4.5%	1.2%
Performing Arts Centre of the Free State	41 513	47 589	45 322	47 418	4.5%	1.1%	49 121	51 964	53 896	4.4%	1.1%
Market Theatre Foundation	42 419	44 540	46 303	48 709	4.7%	1.1%	50 420	53 328	55 309	4.3%	1.1%
National Arts Council	101 182	106 241	109 677	115 761	4.6%	2.5%	120 329	127 197	131 925	4.5%	2.6%
National Film and Video Foundation	122 907	129 052	133 472	140 403	4.5%	3.1%	145 940	154 268	160 002	4.5%	3.2%
Ditsong Museums of South Africa: Pretoria	84 164	125 777	87 212	92 045	3.0%	2.3%	97 160	102 505	106 315	4.9%	2.1%
National Museum: Bloemfontein	51 688	100 378	54 281	57 294	3.5%	1.5%	59 464	62 877	65 215	4.4%	1.3%
Robben Island Museum: Cape Town	73 172	89 438	80 451	84 495	4.9%	1.9%	87 768	92 821	96 270	4.4%	1.9%
Freedom Park: Pretoria	72 922	113 613	97 275	96 056	9.6%	2.2%	99 700	105 406	109 324	4.4%	2.2%
Iziko Museums: Cape Town	87 844	107 641	86 886	91 557	1.4%	2.2%	96 640	101 970	105 761	4.9%	2.1%
Nelson Mandela Museum: Mthatha	24 083	26 779	27 103	28 561	5.8%	0.6%	29 542	31 249	32 410	4.3%	0.6%
KwaZulu-Natal Museum: Pietermaritzburg	23 727	36 686	35 225	36 151	15.1%	0.8%	38 150	40 244	41 740	4.9%	0.8%
Luthuli Museum: Stanger	10 059	14 113	14 828	15 562	15.7%	0.3%	16 415	17 316	17 960	4.9%	0.4%
uMsunduzi Museum (incorporating the Voortrekker Museum): Pietermaritzburg	14 052	17 297	18 296	19 794	12.1%	0.4%	20 882	22 033	22 852	4.9%	0.5%
William Humphreys Art Gallery: Kimberley	7 713	9 967	10 383	10 967	12.4%	0.2%	11 334	11 989	12 435	4.3%	0.2%
War Museum of the Boer Republics: Bloemfontein	10 604	22 084	12 710	15 427	13.3%	0.4%	16 270	17 170	17 809	4.9%	0.4%
South African Heritage Resources Agency	51 125	57 861	55 650	58 315	4.5%	1.3%	60 868	64 310	67 056	4.8%	1.3%
National Library of South Africa	115 012	135 398	117 805	124 381	2.6%	2.9%	129 045	136 482	141 555	4.4%	2.8%
South African Library for the Blind	19 601	19 221	22 323	23 533	6.3%	0.5%	24 188	25 760	26 717	4.3%	0.5%
South African Institute for Drug-Free Sport	21 896	22 991	24 324	25 644	5.4%	0.6%	26 657	28 123	29 171	4.4%	0.6%
Boxing South Africa	11 033	11 595	12 268	12 810	5.1%	0.3%	18 425	19 163	19 668	15.4%	0.4%
Pan South African Language Board	115 564	110 696	113 587	120 857	1.5%	2.7%	125 540	132 702	137 635	4.4%	2.8%
Mzansi golden economy: Art bank resources	3 000	–	3 000	8 000	38.7%	0.1%	9 853	10 415	10 802	10.5%	0.2%
Various institutions: Mzansi golden economy (cultural events)	22 500	5 100	1 770	14 000	-14.6%	0.3%	3 496	3 841	3 866	-34.9%	0.1%
Various institutions: Mzansi golden economy (artists in schools)	960	1 440	1 633	2 746	42.0%	–	2 500	2 640	3 169	4.9%	0.1%
Various institutions: Mzansi golden economy (community arts development)	–	450	–	–	–	–	–	–	–	–	–
Various institutions: Mzansi golden economy (entrepreneur and local content development)	–	30 000	25 000	52 800	–	0.6%	–	–	–	-100.0%	0.3%
Performing arts institutions: Mzansi golden economy (incubators entrepreneur and local content development)	10 888	13 850	5 850	9 504	-4.4%	0.2%	9 879	10 443	10 611	3.7%	0.2%
Arts and culture industries: Local market development and promotion	820	–	–	558	-12.0%	–	–	–	644	4.9%	–
National Youth Development Agency	6 200	12 000	9 000	9 504	15.3%	0.2%	10 027	10 578	10 971	4.9%	0.2%
Constitution Hill	–	700	600	–	–	–	–	–	–	–	–
Die Afrikaanse Taalmuseum en -monument: Paarl	7 754	8 711	9 419	10 395	10.3%	0.2%	10 939	11 512	11 939	4.7%	0.2%
National Heritage Council	82 724	64 653	68 493	71 353	-4.8%	1.7%	74 172	78 405	81 319	4.5%	1.6%
Amazwi South African Museum of Literature: Makhanda	9 836	15 272	11 493	13 136	10.1%	0.3%	13 641	14 421	14 956	4.4%	0.3%
Capital	267 065	146 036	289 530	255 986	-1.4%	5.6%	219 516	227 206	231 150	-3.3%	5.0%
Artscape	28 270	16 480	16 500	1 975	-58.8%	0.4%	10 974	10 798	10 385	73.9%	0.2%
The South African State Theatre	12 300	5 000	5 900	17 168	11.8%	0.2%	9 484	10 006	10 379	-15.4%	0.3%
The Playhouse Company	13 762	1 770	31 852	6 537	-22.0%	0.3%	16 512	12 695	13 539	27.5%	0.3%
Performing Arts Centre of the Free State	30 000	–	7 738	20 975	-11.2%	0.3%	6 667	7 034	15 436	-9.7%	0.3%
Market Theatre Foundation	8 417	12 000	1 500	25 698	45.1%	0.3%	9 472	8 268	5 835	-39.0%	0.3%
National Arts Council	–	–	1 800	–	–	–	1 905	1 350	1 220	–	–
National Film and Video Foundation	–	–	–	7 750	–	–	1 085	1 000	1 000	-49.5%	0.1%
Die Afrikaanse Taalmuseum en -monument: Paarl	1 030	1 566	1 608	3 581	51.5%	–	5 687	5 736	5 949	18.4%	0.1%
Ditsong Museums of South Africa: Pretoria	576	1 159	31 514	25 577	254.1%	0.3%	10 900	8 000	9 041	-29.3%	0.3%

Table 37.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
R thousand											
National Museum: Bloemfontein	—	1 735	—	9 750	—	0.1%	9 735	10 270	10 652	3.0%	0.2%
Robben Island Museum: Cape Town	26 121	11 341	34 900	37 825	13.1%	0.6%	8 722	9 202	9 544	-36.8%	0.3%
Freedom Park: Pretoria	—	2 000	—	—	—	—	10 730	11 320	11 741	—	0.2%
Iziko Museums: Cape Town	74 740	52 784	44 772	16 406	-39.7%	1.1%	22 000	3 478	5 147	-32.1%	0.3%
Nelson Mandela Museum: Mthatha	335	668	37 576	6 000	161.6%	0.3%	1 000	5 000	1 000	-45.0%	0.1%
KwaZulu-Natal Museum: Pietermaritzburg	395	223	25 584	28 542	316.5%	0.3%	16 374	39 255	35 041	7.1%	0.6%
Luthuli Museum: Stanger	5 967	750	—	—	-100.0%	—	—	—	—	—	—
uMsunduzi Museum (incorporating the Voortrekker Museum): Pietermaritzburg	—	1 000	—	3 250	—	—	1 000	1 055	1 094	-30.4%	—
William Humphreys Art Gallery: Kimberley	1 000	1 000	4 103	17 000	157.1%	0.1%	4 500	4 748	4 924	-33.8%	0.2%
War Museum of the Boer Republics: Bloemfontein	1 149	1 000	500	6 053	74.0%	0.1%	2 200	1 000	1 000	-45.1%	0.1%
South African Heritage Resources Agency	—	—	5 000	—	—	—	8 945	10 815	10 404	—	0.2%
National Library of South Africa	17 151	19 560	34 836	11 299	-13.0%	0.5%	20 687	22 396	30 958	39.9%	0.5%
South African Library for the Blind	—	13 000	847	8 600	—	0.1%	26 704	12 200	7 932	-2.7%	0.3%
Gauteng Tourism Authority	200	—	—	—	-100.0%	—	—	—	—	—	—
Resistance and liberation heritage route	—	—	—	—	—	—	12 137	30 025	27 835	—	0.4%
Various institutions	—	2 000	—	—	—	—	—	—	—	—	—
Amazwi South African Museum of Literature: Makhanda	45 652	1 000	3 000	2 000	-64.7%	0.3%	2 096	1 555	1 094	-18.2%	—
Households											
Social benefits											
Current	789	2 388	1 349	5 700	93.3%	0.1%	—	—	—	-100.0%	—
Employee social benefits	363	1 438	417	3 650	115.8%	—	—	—	—	-100.0%	—
Employee social benefits	426	950	932	2 050	68.8%	—	—	—	—	-100.0%	—
Households											
Other transfers to households											
Current	23 644	30 527	27 022	29 638	7.8%	0.6%	31 500	33 217	34 478	5.2%	0.7%
Employee social benefits	—	1 618	1 252	—	—	—	—	—	—	—	—
Employee social benefits	67	37	—	—	-100.0%	—	—	—	—	—	—
Bursaries for non-employees	3 802	2 349	3 680	7 126	23.3%	0.1%	7 518	7 931	8 227	4.9%	0.2%
Mzansi golden economy: Public art	952	256	620	828	-4.5%	—	857	904	939	4.3%	—
Various institutions: Mzansi golden economy (cultural events)	1 041	2 066	2 930	2 848	39.9%	0.1%	2 521	2 657	2 759	-1.1%	0.1%
Various institutions: Mzansi golden economy (touring ventures)	2 901	4 652	2 772	2 112	-10.0%	0.1%	2 728	2 875	2 988	12.3%	0.1%
Various institutions: Mzansi golden economy (export market development and promotion)	—	486	1 500	2 584	—	—	1 171	1 239	1 279	-20.9%	—
Arts and culture industries: Local market development and promotion	4 178	9 575	4 912	1 885	-23.3%	0.1%	3 776	3 971	4 139	30.0%	0.1%
Language development projects	6 000	6 300	6 000	6 000	—	0.1%	6 330	6 678	6 927	4.9%	0.1%
Kenneth Arthur Bogosi Bolokwe	98	—	—	—	-100.0%	—	—	—	—	—	—
Heritage projects	4 605	3 188	3 356	6 255	10.7%	0.1%	6 599	6 962	7 220	4.9%	0.1%
Public corporations and private enterprises											
Other transfers to public corporations											
Current	1 124	1 133	3 329	5 660	71.4%	0.1%	3 830	3 870	3 932	-11.4%	0.1%
Human languages technologies projects (Council for Scientific and Industrial and Research)	1 124	1 133	3 329	5 660	71.4%	0.1%	3 830	3 870	3 932	-11.4%	0.1%
Capital	—	—	7 291	—	—	—	—	—	—	—	—
Mpumalanga Economic Growth Agency	—	—	7 291	—	—	—	—	—	—	—	—
Higher education institutions											
Current	6 171	7 575	5 440	4 445	-10.4%	0.1%	6 791	7 404	7 781	20.5%	0.1%
Human languages technologies projects	6 171	7 575	5 440	4 445	-10.4%	0.1%	6 791	7 404	7 781	20.5%	0.1%
Capital	—	—	—	4 373	—	—	—	—	—	-100.0%	—
University of Fort Hare	—	—	—	4 373	—	—	—	—	—	-100.0%	—
Non-profit institutions											
Current	301 244	316 013	347 950	366 503	6.8%	7.7%	385 489	405 728	417 212	4.4%	8.4%
Various institutions	5 894	10 108	11 956	15 837	39.0%	0.3%	16 108	17 461	18 231	4.8%	0.4%
Blind South Africa	7 485	7 859	8 315	8 781	5.5%	0.2%	9 264	9 959	10 331	5.6%	0.2%
South African Sports Confederation and Olympic Committee	9 346	9 813	10 382	10 963	5.5%	0.2%	11 335	12 184	12 637	4.9%	0.3%
loveLife	38 508	40 433	42 778	45 174	5.5%	1.0%	40 746	41 698	41 962	-2.4%	0.9%
Various sport federations	88 569	97 524	103 181	108 958	7.2%	2.3%	112 652	118 849	123 241	4.2%	2.5%
The Sports Trust	20 500	21 408	22 649	23 918	5.3%	0.5%	24 728	26 089	27 053	4.2%	0.5%
Business and Arts South Africa	11 053	8 456	9 946	9 447	-5.1%	0.2%	9 967	10 715	11 114	5.6%	0.2%
Mzansi golden economy: Public art	1 218	1 302	1 453	1 800	13.9%	—	2 500	2 688	2 788	15.7%	0.1%
Various institutions: Mzansi golden economy (cultural events)	63 373	56 037	55 441	52 610	-6.0%	1.3%	61 504	65 956	68 476	9.2%	1.3%
Various institutions: Mzansi golden economy (touring ventures)	13 716	6 498	7 754	11 508	-5.7%	0.2%	3 114	3 714	3 809	-30.8%	0.1%

Table 37.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Various institutions: Mzansi golden economy (National Cultural Industries Skills Academy)	9 150	13 337	15 408	13 269	13.2%	0.3%	13 536	14 594	15 136	4.5%	0.3%
Various institutions: Mzansi golden economy (artists in schools)	6 800	9 846	11 961	13 517	25.7%	0.2%	14 260	15 330	15 901	5.6%	0.3%
Various institutions: Mzansi golden economy (community arts development)	–	8 509	7 525	10 280	–	0.2%	24 171	21 729	20 993	26.9%	0.4%
Various institutions: Mzansi golden economy (entrepreneur and local content development)	950	720	1 000	1 056	3.6%	–	1 388	1 519	1 565	14.0%	–
Arts and culture industries: Local market development and promotion	11 217	7 337	19 925	14 501	8.9%	0.3%	15 101	16 244	15 965	3.3%	0.3%
Arts and culture industries: Community arts development	–	5 233	6 956	7 350	–	0.1%	7 754	8 336	8 646	5.6%	0.2%
Moral Regeneration Movement	3 500	3 000	4 000	4 000	4.6%	0.1%	4 193	4 507	4 676	5.3%	0.1%
Gwala-Ngamasiko cultural festival	1 700	2 000	2 000	2 000	5.6%	–	2 000	2 150	2 230	3.7%	–
!Kauru African contemporary art touring exhibition	–	–	497	637	–	–	782	841	873	11.1%	–
Engelenburg House art collection: Pretoria	318	334	353	373	5.5%	–	394	424	440	5.7%	–
Various institutions: Heritage projects	2 267	2 459	1 260	3 772	18.5%	0.1%	3 979	4 277	4 438	5.6%	0.1%
Library and Information Association of South Africa	1 800	1 890	1 800	2 112	5.5%	–	2 228	2 395	2 485	5.6%	–
Various institutions: Mzansi golden economy (export market development and promotion)	3 880	1 910	1 410	4 640	6.1%	0.1%	3 785	4 069	4 222	-3.1%	0.1%
Capital	6 098	11 989	19 393	18 994	46.0%	0.3%	14 663	17 020	31 727	18.7%	0.4%
Adams College	3 598	2 150	–	–	-100.0%	–	239	–	–	–	–
Sankofa Arts Charitable Trust	2 500	500	–	–	-100.0%	–	–	–	–	–	–
Steve Biko Foundation	–	2 790	3 410	4 000	–	0.1%	1 610	–	–	-100.0%	–
Robert Mangaliso Sobukwe Museum	–	2 000	–	–	–	–	–	–	–	–	–
Upgrading of community arts centres	–	4 549	6 833	6 285	–	0.1%	12 217	14 220	14 315	31.6%	0.3%
Upgrading of public spaces	–	–	81	709	–	–	597	690	723	0.7%	–
Caiphus Katse Semenya Foundation (incubator)	–	–	2 000	2 000	–	–	–	–	–	-100.0%	–
National heritage project	–	–	7 069	–	–	–	–	–	14 500	–	0.1%
Kwa-Culture	–	–	–	6 000	–	–	–	2 110	2 189	-28.5%	0.1%
Public corporations and private enterprises											
Other transfers to private enterprises											
Current	130 647	86 987	107 669	95 267	-10.0%	2.4%	108 489	114 435	119 451	7.8%	2.3%
Various institutions	900	–	–	–	-100.0%	–	–	–	–	–	–
Mzansi golden economy: Public art	915	507	600	1 956	28.8%	–	1 449	1 529	1 585	-6.8%	–
Various institutions: Mzansi golden economy (cultural events)	106 712	52 563	69 711	44 572	-25.2%	1.6%	60 072	63 287	65 776	13.9%	1.2%
Various institutions: Mzansi golden economy (touring ventures)	8 896	12 241	11 790	10 948	7.2%	0.3%	10 413	10 986	11 395	1.3%	0.2%
Various institutions: Mzansi golden economy (National Cultural Industries Skills Academy)	–	4 517	12 795	10 560	–	0.2%	15 000	15 799	16 427	15.9%	0.3%
Various institutions: Mzansi golden economy (artists in schools)	900	1 100	1 920	2 746	45.0%	–	2 796	2 956	2 629	-1.4%	0.1%
Various institutions: Mzansi golden economy (export market development and promotion)	–	3 953	940	3 168	–	–	2 713	2 873	2 964	-2.2%	0.1%
Various institutions: Mzansi golden economy (entrepreneur and local content development)	4 200	3 465	1 400	5 168	7.2%	0.1%	594	759	758	-47.3%	–
Arts and culture industries: Local market development and promotion	6 834	8 441	7 504	15 132	30.3%	0.2%	14 435	15 237	16 891	3.7%	0.3%
Saigen	–	–	1 009	1 017	–	–	1 017	1 009	1 026	0.3%	–
Intsyst Labs	1 290	200	–	–	-100.0%	–	–	–	–	–	–
Capital	4 635	1 350	1 845	900	-42.1%	0.1%	582	582	616	-11.9%	–
Upgrading of public spaces	4 635	1 350	1 845	900	-42.1%	0.1%	582	582	616	-11.9%	–
Provinces and municipalities											
Provincial revenue funds											
Current	1 264 521	1 582 714	1 645 163	1 746 214	11.4%	36.2%	1 785 528	1 900 190	1 987 549	4.4%	39.6%
Mass participation and sport development grant	555 378	585 828	587 386	620 016	3.7%	13.6%	596 617	620 807	640 472	1.1%	13.2%
Community library services grant	709 143	996 886	1 057 777	1 126 198	16.7%	22.6%	1 188 911	1 279 383	1 347 077	6.2%	26.4%
Capital	647 989	423 074	365 907	375 001	-16.7%	10.5%	290 182	304 690	319 925	-5.2%	6.9%
Community library services grant	647 989	423 074	365 907	375 001	-16.7%	10.5%	290 182	304 690	319 925	-5.2%	6.9%
Foreign governments and international organisations											
Current	14 891	2 899	4 265	5 050	-30.3%	0.2%	5 327	5 620	5 829	4.9%	0.1%
Commonwealth Foundation	1 963	1 899	2 321	3 025	15.5%	0.1%	3 191	3 367	3 493	4.9%	0.1%
African World Heritage Fund	12 928	1 000	1 944	2 025	-46.1%	0.1%	2 136	2 253	2 336	4.9%	–
Total	4 062 512	4 274 503	4 333 866	4 547 049	3.8%	100.0%	4 492 149	4 753 807	4 958 838	2.9%	100.0%

Personnel information

Table 37.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Recreation Development and Sport Promotion																			
3. Arts and Culture Promotion and Development																			
4. Heritage Promotion and Preservation																			
Number of posts estimated for 31 March 2020			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 (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Sports, Arts and Culture			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	694	31	576	338.6	0.6	601	379.2	0.6	595	407.7	0.7	608	431.7	0.7	595	447.8	0.8	-0.3%	100.0%
1 – 6	133	–	107	27.1	0.3	106	28.9	0.3	95	28.2	0.3	96	30.4	0.3	93	31.9	0.3	-4.3%	16.3%
7 – 10	310	4	253	117.8	0.5	270	134.3	0.5	263	140.6	0.5	262	149.9	0.6	257	157.8	0.6	-1.6%	43.9%
11 – 12	133	–	116	94.2	0.8	122	105.9	0.9	126	116.2	0.9	126	123.6	1.0	125	130.2	1.0	0.8%	20.8%
13 – 16	89	–	69	87.6	1.3	77	102.7	1.3	81	114.3	1.4	79	118.0	1.5	76	120.1	1.6	-0.4%	13.0%
Other	29	27	31	12.0	0.4	26	7.4	0.3	30	8.5	0.3	45	9.8	0.2	44	7.8	0.2	19.2%	6.0%
Programme	694	31	576	338.6	0.6	601	379.2	0.6	595	407.7	0.7	608	431.7	0.7	595	447.8	0.8	-0.3%	100.0%
Programme 1	353	14	281	171.3	0.6	291	188.5	0.6	275	193.2	0.7	272	201.8	0.7	258	202.7	0.8	-3.9%	45.7%
Programme 2	67	–	47	29.1	0.6	63	42.8	0.7	67	49.8	0.7	67	53.1	0.8	67	56.6	0.8	2.1%	11.0%
Programme 3	144	13	134	84.6	0.6	127	86.2	0.7	131	94.9	0.7	139	101.6	0.8	139	108.1	0.8	3.1%	22.3%
Programme 4	130	4	114	53.6	0.5	120	61.8	0.5	122	69.8	0.6	130	75.2	0.6	131	80.4	0.6	3.0%	21.0%

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

2. Rand million.

Departmental receipts

Table 37.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
R thousand												
Departmental receipts	1 359	1 700	1 105	1 182	1 182	-4.5%	100.0%	1 108	1 171	1 225	1.2%	100.0%
Sales of goods and services produced by department	361	375	327	283	283	-7.8%	25.2%	521	526	594	28.0%	41.1%
Sales by market establishments	54	95	108	116	116	29.0%	7.0%	62	64	67	-16.7%	6.6%
of which:												
Rental parking: Covered and open	54	95	108	116	116	29.0%	7.0%	62	64	67	-16.7%	6.6%
Administrative fees	2	1	2	4	4	26.0%	0.2%	12	13	20	71.0%	1.0%
of which:												
Promotion of Access to Information Act (2000)	1	1	2	4	4	58.7%	0.1%	9	9	10	35.7%	0.7%
Duplicate certificates	1	–	–	–	–	-100.0%	–	3	4	10	–	0.4%
Other sales	305	279	217	163	163	-18.8%	18.0%	447	449	507	46.0%	33.4%
of which:												
Coat of arms	146	117	51	10	10	-59.1%	6.1%	250	260	300	210.7%	17.5%
Photocopy and faxes	41	40	60	18	18	-24.0%	3.0%	75	80	90	71.0%	5.6%
Commission on insurance and garnishee	109	116	94	126	126	4.9%	8.3%	106	108	115	-3.0%	9.7%
Departmental production	4	–	–	–	–	-100.0%	0.1%	–	–	–	–	–
Transportation fees	5	6	7	8	8	17.0%	0.5%	14	–	–	-100.0%	0.5%
Replacement of lost office property	–	–	5	1	1	–	0.1%	2	1	2	26.0%	0.1%
Sales of scrap, waste, arms and other used current goods	–	12	–	150	150	–	3.0%	1	1	75	-20.6%	4.8%
of which:												
Wastepaper	–	–	–	–	–	–	–	1	1	5	–	0.1%
Sale of assets less than R5 000	–	11	–	150	150	–	3.0%	–	–	70	-22.4%	4.7%
Sale of departmental publications	–	1	–	–	–	–	–	–	–	–	–	–
Interest, dividends and rent on land	41	25	16	14	14	-30.1%	1.8%	16	16	17	6.7%	1.3%
Interest	41	25	16	14	14	-30.1%	1.8%	16	16	17	6.7%	1.3%
Sales of capital assets	–	220	–	–	–	–	4.1%	250	270	200	–	15.4%
Transactions in financial assets and liabilities	957	1 068	762	735	735	-8.4%	65.9%	320	358	339	-22.7%	37.4%
Total	1 359	1 700	1 105	1 182	1 182	-4.5%	100.0%	1 108	1 171	1 225	1.2%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 37.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Ministry	8.4	8.5	8.8	9.7	4.7%	2.1%	5.4	5.7	6.1	-14.5%	1.5%
Management	102.5	95.1	96.4	83.0	-6.8%	21.9%	84.4	89.1	88.6	2.2%	18.7%
Strategic Management and Planning	15.3	14.5	16.0	22.0	12.8%	3.9%	24.7	25.4	26.6	6.6%	5.3%
Corporate Services	126.8	155.4	153.0	153.9	6.7%	34.2%	146.6	154.9	159.2	1.1%	33.3%
Office of the Chief Financial Officer	56.2	56.2	57.8	68.0	6.5%	13.8%	68.8	65.2	67.8	-0.1%	14.6%
Office Accommodation	66.0	127.3	101.0	118.7	21.6%	24.0%	122.0	122.1	128.1	2.6%	26.6%
Total	375.3	457.0	432.9	455.2	6.6%	100.0%	451.9	462.4	476.3	1.5%	100.0%
Change to 2019				(8.0)			(56.0)	(74.6)	(80.9)		
Budget estimate											
Economic classification											
Current payments	365.6	418.9	409.5	438.8	6.3%	94.9%	440.2	450.2	463.4	1.8%	97.1%
Compensation of employees	181.6	179.0	171.3	188.5	1.2%	41.9%	193.2	201.9	202.7	2.5%	42.6%
Goods and services ¹	183.9	239.8	238.2	250.3	10.8%	53.0%	247.0	248.3	260.6	1.4%	54.5%
of which:											
Advertising	4.7	2.6	9.2	11.7	35.2%	1.6%	12.7	13.2	13.7	5.6%	2.8%
Audit costs: External	15.4	14.6	14.2	15.0	-1.0%	3.4%	16.1	9.2	12.8	-5.1%	2.9%
Computer services	14.0	19.4	14.5	16.0	4.6%	3.7%	13.1	13.8	14.3	-3.6%	3.1%
Operating leases	57.0	107.1	97.4	99.4	20.4%	21.0%	103.2	103.6	107.7	2.7%	22.4%
Property payments	19.8	32.3	27.2	34.8	20.6%	6.6%	33.4	34.0	36.5	1.6%	7.5%
Travel and subsistence	32.1	27.9	33.0	27.4	-5.2%	7.0%	20.4	23.4	22.7	-6.0%	5.1%
Interest and rent on land	0.1	—	—	—	-100.0%	—	—	—	—	—	—
Transfers and subsidies¹	0.7	3.5	2.1	5.3	93.9%	0.7%	0.1	0.1	0.1	-72.6%	0.3%
Provinces and municipalities	0.0	0.0	0.0	—	-100.0%	—	—	—	—	—	—
Departmental agencies and accounts	0.1	0.1	0.1	0.1	12.6%	—	0.1	0.1	0.1	4.0%	—
Households	0.7	3.4	2.0	5.2	99.2%	0.7%	—	—	—	-100.0%	0.3%
Payments for capital assets	9.0	34.5	21.1	11.1	7.5%	4.4%	11.5	12.2	12.8	4.9%	2.6%
Machinery and equipment	5.9	30.9	20.1	11.1	23.7%	4.0%	11.5	12.2	12.8	4.9%	2.6%
Software and other intangible assets	3.1	3.6	1.0	—	-100.0%	0.4%	—	—	—	—	—
Payments for financial assets	0.0	0.2	0.2	—	-100.0%	—	—	—	—	—	—
Total	375.3	457.0	432.9	455.2	6.6%	100.0%	451.9	462.4	476.3	1.5%	100.0%
Proportion of total programme expenditure to vote expenditure	7.5%	8.8%	8.1%	8.0%	—	—	7.9%	7.7%	7.6%	—	—

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

Programme 2: Recreation Development and Sport Promotion

Programme purpose

Support the provision of mass participation opportunities, the development of elite athletes, and the regulation and maintenance of facilities.

Objectives

- Contribute towards a winning nation by coordinating scientific support services for 80 athletes per year through the scientific support programme over the medium term.
- Develop an ethical sporting sector by financially supporting the South African Institute for Drug-Free Sport and fulfilling government's responsibility towards anti-doping annually.
- Inspire a winning nation and produce role models by hosting 4 events (the South African Sports Awards, the Ministerial Outstanding Sports Performance Accolades, the Andrew Mlangeni Green Jacket Awards and the Honouring Women in Sport Awards) that acknowledge achievements in the sport and recreation sector by March 2021.
- Encourage an active nation and contribute to improving the overall wellbeing of South Africans by implementing lifelong participation in active recreation through facilitating the delivery of at least 5 active recreation programmes, reaching at least 42 100 participants by March 2021.

- Inspire lifelong physical activity by providing mass sport participation opportunities to at least 4 864 community members in 3 sport promotion events by March 2021.
- Increase learners' access to sport at schools by:
 - supporting the national school sport championship for 5 000 learners by March 2021
 - providing equipment and attire for 2 500 schools, hubs and clubs per year over the medium term.
- Increase the provision of opportunities for mass participation in sport and recreation in all provinces by providing management and financial support through the *mass participation and sport development grant* annually.
- Improve the delivery of sport and recreation by providing financial and non-financial support to 60 sport and recreation bodies annually.
- Foster transformation within the sport and recreation sector by monitoring the transformation statuses of 19 sport federations and broadly assisting them towards reaching their respective transformation targets by March 2023.
- Provide accessible infrastructure to communities by constructing 10 community gyms and play parks, and 10 multipurpose sports courts by March 2021.
- Assist 35 municipalities per year in complying with facility norms and standards by providing technical and management support during the construction phase of sport and recreation facilities on an ongoing basis.
- Preserve and promote South African heritage, a national memory, and an informed reading nation by constructing, upgrading, maintaining, repairing and renovating buildings of the department, its public entities and related institutions on an ongoing basis.

Subprogrammes

- *Winning Nation* supports the development of elite athletes.
- *Active Nation* supports the provision of mass participation opportunities in sport and recreation.
- *Sport Support* develops and supports an integrated support system to enhance the delivery of sport and recreation.
- *Infrastructure Support* regulates and manages the provision of sport and recreation, and arts and culture facilities. This subprogramme also provides technical support during the construction, repair and renovation of buildings belonging to public entities and other institutions in the sport, arts and culture sector.

Expenditure trends and estimates

Table 37.7 Recreation Development and Sport Promotion 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Winning Nation	62.7	64.2	70.7	87.0	11.6%	5.4%	93.9	100.0	106.3	6.9%	6.4%
Active Nation	684.0	716.3	716.7	749.5	3.1%	54.3%	723.2	755.5	778.8	1.3%	49.6%
Sport Support	140.6	145.9	149.9	159.9	4.4%	11.3%	166.4	178.2	184.7	4.9%	11.4%
Infrastructure Support	395.3	218.0	398.8	518.1	9.4%	29.0%	476.8	491.8	496.9	-1.4%	32.7%
Total	1 282.5	1 144.4	1 336.0	1 514.6	5.7%	100.0%	1 460.3	1 525.4	1 566.7	1.1%	100.0%
Change to 2019 Budget estimate				(41.5)			(169.8)	(198.7)	(221.9)		
Economic classification											
Current payments	159.1	148.9	142.4	172.6	2.8%	11.8%	189.1	200.0	206.1	6.1%	12.7%
Compensation of employees	26.1	27.0	29.1	42.8	18.0%	2.4%	49.8	53.1	56.6	9.8%	3.3%
Goods and services ¹	133.0	121.9	113.3	129.8	-0.8%	9.4%	139.3	146.9	149.5	4.8%	9.3%
of which:											
Advertising	17.1	20.6	17.4	17.2	0.2%	1.4%	10.0	10.2	10.6	-15.0%	0.8%
Contractors	67.8	61.9	58.3	54.5	-7.0%	4.6%	64.7	67.3	66.8	7.0%	4.2%
Agency and support/outsourced services	0.1	0.4	0.3	5.4	251.0%	0.1%	5.0	5.3	5.9	3.2%	0.4%
Inventory: Other supplies	10.9	11.4	7.6	7.8	-10.6%	0.7%	8.1	8.4	8.8	3.8%	0.5%
Travel and subsistence	14.2	14.4	19.4	23.6	18.4%	1.4%	29.4	31.3	32.4	11.2%	1.9%
Venues and facilities	0.4	2.4	3.7	9.4	193.3%	0.3%	8.4	10.0	10.3	3.1%	0.6%

Table 37.7 Recreation Development and Sport Promotion expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23		
Transfers and subsidies ¹	1 027.0	951.4	1 125.0	1 135.4	3.4%	80.3%	1 073.4	1 119.7	1 165.9	0.9%	74.1%
Provinces and municipalities	555.4	585.8	587.4	620.0	3.7%	44.5%	596.6	620.8	640.5	1.1%	40.8%
Departmental agencies and accounts	300.0	180.6	326.1	294.4	-0.6%	20.9%	264.6	274.5	280.0	-1.7%	18.4%
Higher education institutions	—	—	—	4.4	—	0.1%	—	—	—	-100.0%	0.1%
Public corporations and private enterprises	4.6	1.4	9.1	0.9	-42.1%	0.3%	0.6	0.6	0.6	-11.9%	—
Non-profit institutions	163.1	181.2	198.4	208.0	8.5%	14.2%	204.1	215.8	236.6	4.4%	14.3%
Households	3.9	2.5	4.0	7.6	25.3%	0.3%	7.5	7.9	8.2	2.6%	0.5%
Payments for capital assets	95.9	44.0	68.6	206.6	29.2%	7.9%	197.8	205.8	194.7	-2.0%	13.3%
Machinery and equipment	1.9	—	—	—	-100.0%	—	—	—	—	—	—
Heritage assets	94.0	43.4	68.6	206.6	30.0%	7.8%	197.8	205.8	194.7	-2.0%	13.3%
Software and other intangible assets	—	0.6	—	—	—	—	—	—	—	—	—
Payments for financial assets	0.6	0.0	0.0	—	-100.0%	—	—	—	—	—	—
Total	1 282.5	1 144.4	1 336.0	1 514.6	5.7%	100.0%	1 460.3	1 525.4	1 566.7	1.1%	100.0%
Proportion of total programme expenditure to vote expenditure	25.7%	22.0%	25.1%	26.5%	—	—	25.5%	25.3%	25.0%	—	—
Details of selected transfers and subsidies											
Households											
Other transfers to households											
Current	3.8	2.3	3.7	7.1	23.3%	0.3%	7.5	7.9	8.2	4.9%	0.5%
Bursaries for non-employees	3.8	2.3	3.7	7.1	23.3%	0.3%	7.5	7.9	8.2	4.9%	0.5%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	32.9	34.6	36.6	38.5	5.3%	2.7%	45.1	47.3	48.8	8.3%	3.0%
South African Institute for Drug-Free Sport	21.9	23.0	24.3	25.6	5.4%	1.8%	26.7	28.1	29.2	4.4%	1.8%
Boxing South Africa	11.0	11.6	12.3	12.8	5.1%	0.9%	18.4	19.2	19.7	15.4%	1.2%
Capital	266.9	146.0	289.5	256.0	-1.4%	18.2%	219.5	227.2	231.2	-3.3%	15.4%
Artscape	28.3	16.5	16.5	2.0	-58.8%	1.2%	11.0	10.8	10.4	73.9%	0.6%
The South African State Theatre	12.3	5.0	5.9	17.2	11.8%	0.8%	9.5	10.0	10.4	-15.4%	0.8%
The Playhouse Company	13.8	1.8	31.9	6.5	-22.0%	1.0%	16.5	12.7	13.5	27.5%	0.8%
Performing Arts Centre of the Free State	30.0	—	7.7	21.0	-11.2%	1.1%	6.7	7.0	15.4	-9.7%	0.8%
Market Theatre Foundation	8.4	12.0	1.5	25.7	45.1%	0.9%	9.5	8.3	5.8	-39.0%	0.8%
National Arts Council	—	—	1.8	—	—	—	1.9	1.4	1.2	—	0.1%
National Film and Video Foundation	—	—	—	7.8	—	0.1%	1.1	1.0	1.0	-49.5%	0.2%
Die Afrikaanse Taalmuseum en -monument: Paarl	1.0	1.6	1.6	3.6	51.5%	0.1%	5.7	5.7	5.9	18.4%	0.3%
Ditsong Museums of South Africa: Pretoria	0.6	1.2	31.5	25.6	254.1%	1.1%	10.9	8.0	9.0	-29.3%	0.9%
National Museum: Bloemfontein	—	1.7	—	9.8	—	0.2%	9.7	10.3	10.7	3.0%	0.7%
Robben Island Museum: Cape Town	26.1	11.3	34.9	37.8	13.1%	2.1%	8.7	9.2	9.5	-36.8%	1.1%
Freedom Park: Pretoria	—	2.0	—	—	—	—	10.7	11.3	11.7	—	0.6%
Iziko Museums: Cape Town	74.7	52.8	44.8	16.4	-39.7%	3.6%	22.0	3.5	5.1	-32.1%	0.8%
Nelson Mandela Museum: Mthatha	0.3	0.7	37.6	6.0	161.6%	0.8%	1.0	5.0	1.0	-45.0%	0.2%
KwaZulu-Natal Museum: Pietermaritzburg	0.4	0.2	25.6	28.5	316.5%	1.0%	16.4	39.3	35.0	7.1%	2.0%
Luthuli Museum: Stanger	6.0	0.8	—	—	-100.0%	0.1%	—	—	—	—	—
uMsunduzi Museum (incorporating the Voortrekker Museum): Pietermaritzburg	—	1.0	—	3.3	—	0.1%	1.0	1.1	1.1	-30.4%	0.1%
William Humphreys Art Gallery: Kimberley	1.0	1.0	4.1	17.0	157.1%	0.4%	4.5	4.7	4.9	-33.8%	0.5%
War Museum of the Boer Republics: Bloemfontein	1.1	1.0	0.5	6.1	74.0%	0.2%	2.2	1.0	1.0	-45.1%	0.2%
South African Heritage Resources Agency	—	—	5.0	—	—	0.1%	8.9	10.8	10.4	—	0.5%
National Library of South Africa	17.2	19.6	34.8	11.3	-13.0%	1.6%	20.7	22.4	31.0	39.9%	1.4%
South African Library for the Blind	—	13.0	0.8	8.6	—	0.4%	26.7	12.2	7.9	-2.7%	0.9%
Resistance and liberation heritage route	—	—	—	—	—	—	12.1	30.0	27.8	—	1.2%
Various institutions	—	2.0	—	—	—	—	—	—	—	—	—
Amazwi South African Museum of Literature: Makhanda	45.7	1.0	3.0	2.0	-64.7%	1.0%	2.1	1.6	1.1	-18.2%	0.1%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Capital	—	—	7.3	—	—	0.1%	—	—	—	—	—
Mpumalanga Economic Growth Agency	—	—	7.3	—	—	0.1%	—	—	—	—	—
Private enterprises											
Other transfers to private enterprises											
Capital	4.6	1.4	1.8	0.9	-42.1%	0.2%	0.6	0.6	0.6	-11.9%	—
Upgrading of public spaces	4.6	1.4	1.8	0.9	-42.1%	0.2%	0.6	0.6	0.6	-11.9%	—
Non-profit institutions											
Current	156.9	169.2	179.0	189.0	6.4%	13.2%	189.5	198.8	204.9	2.7%	12.9%
South African Sports Confederation and Olympic Committee	9.3	9.8	10.4	11.0	5.5%	0.8%	11.3	12.2	12.6	4.9%	0.8%
loveLife	38.5	40.4	42.8	45.2	5.5%	3.2%	40.7	41.7	42.0	-2.4%	2.8%
Various sport federations	88.6	97.5	103.2	109.0	7.2%	7.5%	112.7	118.8	123.2	4.2%	7.6%
The Sports Trust	20.5	21.4	22.6	23.9	5.3%	1.7%	24.7	26.1	27.1	4.2%	1.7%

Table 37.7 Recreation Development and Sport Promotion expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2016/17	2019/20	2020/21		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Capital	6.1	12.0	19.4	19.0	46.0%	1.1%	14.7	17.0	31.7	18.7%	1.4%
Adams College	3.6	2.2	–	–	–100.0%	0.1%	0.2	–	–	–	–
Sankofa Arts Charitable Trust	2.5	0.5	–	–	–100.0%	0.1%	–	–	–	–	–
Steve Biko Foundation	–	2.8	3.4	4.0	–	0.2%	1.6	–	–	–100.0%	0.1%
Robert Mangaliso Sobukwe Museum	–	2.0	–	–	–	–	–	–	–	–	–
Upgrading of community arts centres	–	4.5	6.8	6.3	–	0.3%	12.2	14.2	14.3	31.6%	0.8%
Upgrading of public spaces	–	–	0.1	0.7	–	–	0.6	0.7	0.7	0.7%	–
Caiphus Katse Semenya Foundation (incubator)	–	–	2.0	2.0	–	0.1%	–	–	–	–100.0%	–
National heritage project	–	–	7.1	–	–	0.1%	–	–	14.5	–	0.2%
Kwa-Culture	–	–	–	6.0	–	0.1%	–	2.1	2.2	–28.5%	0.2%
Higher education institutions											
Capital	–	–	–	4.4	–	0.1%	–	–	–	–100.0%	0.1%
University of Fort Hare	–	–	–	4.4	–	0.1%	–	–	–	–100.0%	0.1%
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	555.4	585.8	587.4	620.0	3.7%	44.5%	596.6	620.8	640.5	1.1%	40.8%
Mass participation and sport development grant	555.4	585.8	587.4	620.0	3.7%	44.5%	596.6	620.8	640.5	1.1%	40.8%

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

Programme 3: Arts and Culture Promotion and Development

Programme purpose

Promote and develop arts, culture and languages, and implement the national social cohesion strategy.

Objectives

- Develop, protect and promote the sector by supporting 88 cultural and creative sector projects through the Mzansi golden economy strategy by March 2021.
- Develop and promote official languages annually by supporting 6-multiyear human language technology projects.
- Build relationships and partnerships locally and internationally by supporting 12 market access platforms by March 2021.
- Transform the sector by providing support through 4 arts and social development target groups and 4 arts and youth development programmes by March 2021.
- Lead, coordinate and implement arts programmes by providing financial support to 9 provincial community arts development programmes by March 2021.
- Build capacity in human resources and promote excellence in the arts, culture and heritage sector by March 2021 by:
 - providing 300 bursaries towards the development of qualified language practitioners
 - supporting 20 capacity-building programmes
 - implementing schools-based arts education programmes in partnership with the Department of Basic Education
 - placing 360 artists in schools.
- Drive integrated outcomes-based research, planning, monitoring and evaluation across the sport, arts, culture and heritage sector by producing 16 reports annually through the South African Cultural Observatory.
- Build relations and partnerships locally and internationally through coordination of 20 international engagements by March 2021.

- Empower the sport, arts and culture sector by managing and strengthening strategic bilateral and multilateral relations through actively participating and influencing decision-making in identified multilateral organisations such as the United Nations, the African Union and the Commonwealth, over the medium term.
- Lead, coordinate and implement social cohesion and nation building programmes by:
 - commemorating 6 national days annually
 - monitoring the implementation of the recommendations of the social cohesion compact annually
 - hosting 20 community conversations by March 2021
 - hosting 20 social cohesion advocacy platforms by March 2021.

Subprogrammes

- *National Language Services* promotes the use and equal status of all official languages. This entails the development of language terminologies and human language technology, translation and publishing services in all official languages, and the awarding of bursaries.
- *Pan South African Language Board* transfers funds to the Pan South African Language Board, which creates an environment conducive to developing, using and promoting all official languages, as well as the Khoi, Nama and San languages, and South African sign language.
- *Cultural and Creative Industries Development* supports cultural and creative industries by developing strategies, implementing sector development programmes, supporting projects and providing training to arts and culture practitioners.
- *International Cooperation* assists in building continental and international relations for the promotion and development of South African sports, arts, culture and heritage through actively participating and influencing decision-making in identified multilateral organisations over the medium term.
- *Social Cohesion and Nation Building* implements the national social cohesion strategy and mainstreams targeted groups in arts, culture and heritage, including arts and culture in schools. It is also responsible for the coordination of priority 5 (social cohesion and safe communities) of government's 2019-2024 medium-term strategic framework.
- *Mzansi Golden Economy* seeks to create economic and job opportunities in the arts, culture and heritage sector by supporting programmes designed to develop audiences, stimulate demand, increase market access, and develop skills.
- *Performing Arts Institutions* transfers funds to performing arts institutions, which provide a platform for the artistic and cultural expression of artists and those interested in performing arts.
- *National Film and Video Foundation* transfers funds to the National Film and Video Foundation in support of the development of skills, local content and local marketing in South Africa's film and video industry.
- *National Arts Council* transfers funds to the National Arts Council, which develops and financially supports various disciplines of arts and culture, in accordance with the National Arts Council Act (1997).

Expenditure trends and estimates

Table 37.8 Arts and Culture Promotion and Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
National Language Services	45.1	44.9	52.2	56.9	8.1%	4.3%	60.0	63.8	67.2	5.7%	4.6%
Pan South African Language Board	115.6	110.7	113.6	120.9	1.5%	9.9%	125.5	132.7	137.6	4.4%	9.7%
Cultural and Creative Industries Development	60.4	68.6	90.8	94.2	16.0%	6.8%	90.7	98.5	102.9	3.0%	7.2%
International Cooperation	32.4	37.0	60.7	44.2	10.9%	3.8%	47.4	50.8	53.3	6.4%	3.7%
Social Cohesion and Nation Building	33.2	48.2	77.2	89.1	38.9%	5.3%	91.5	97.4	101.4	4.4%	7.1%
Mzansi Golden Economy	322.2	296.4	293.5	323.3	0.1%	26.6%	322.4	336.3	347.5	2.4%	24.8%

Table 37.8 Arts and Culture Promotion and Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme						Average:					Average:
				Adjusted appropriation	Average growth rate (%)	Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20	2022/23
Performing Arts Institutions	241.6	261.2	267.6	281.1	5.2%	22.7%	291.3	308.6	320.1	4.4%	22.4%
National Film and Video Foundation	122.9	129.1	133.5	140.4	4.5%	11.3%	145.9	154.3	160.0	4.5%	11.2%
National Arts Council	101.2	106.2	109.7	115.8	4.6%	9.3%	120.3	127.2	131.9	4.5%	9.3%
Total	1 074.6	1 102.3	1 198.8	1 265.8	5.6%	100.0%	1 295.1	1 369.5	1 422.1	4.0%	100.0%
Change to 2019 Budget estimate				1.5			(38.9)	(43.0)	(43.0)		
Economic classification											
Current payments	178.4	184.4	242.5	232.9	9.3%	18.1%	266.4	282.3	295.8	8.3%	20.1%
Compensation of employees	69.9	70.3	84.6	86.2	7.2%	6.7%	94.9	101.6	108.1	7.9%	7.3%
Goods and services ¹	108.5	114.1	149.0	146.8	10.6%	11.2%	171.5	180.7	187.6	8.5%	12.8%
of which:											
Advertising	1.9	5.3	5.7	2.4	9.2%	0.3%	3.0	3.1	3.0	7.6%	0.2%
Communication	1.5	1.7	1.7	3.3	30.0%	0.2%	2.2	2.4	2.5	-9.3%	0.2%
Consultants: Business and advisory services	19.3	27.0	11.4	24.7	8.6%	1.8%	42.0	43.8	47.4	24.2%	3.0%
Contractors	49.5	40.6	87.4	83.9	19.2%	5.6%	86.3	91.4	93.4	3.6%	6.6%
Travel and subsistence	19.4	20.5	26.1	23.1	6.0%	1.9%	25.2	26.5	27.3	5.8%	1.9%
Operating payments	1.4	0.5	2.9	1.2	-6.8%	0.1%	1.7	1.7	1.8	16.0%	0.1%
Interest and rent on land	—	—	8.9	—	—	0.2%	—	—	—	—	—
Transfers and subsidies ¹	896.0	917.8	956.2	1 032.9	4.9%	81.9%	1 028.7	1 087.2	1 126.3	2.9%	79.9%
Departmental agencies and accounts	608.4	662.3	661.2	745.7	7.0%	57.7%	708.9	750.0	778.6	1.4%	55.7%
Higher education institutions	6.2	7.6	5.4	4.4	-10.4%	0.5%	6.8	7.4	7.8	20.5%	0.5%
Foreign governments and international organisations	2.0	1.9	2.3	3.0	15.5%	0.2%	3.2	3.4	3.5	4.9%	0.2%
Public corporations and private enterprises	131.8	88.1	111.0	100.9	-8.5%	9.3%	112.3	118.3	122.7	6.7%	8.5%
Non-profit institutions	132.5	134.3	157.2	162.5	7.0%	12.6%	180.2	189.9	194.6	6.2%	13.6%
Households	15.3	23.7	19.0	16.3	2.1%	1.6%	17.4	18.3	19.0	5.4%	1.3%
Payments for capital assets	0.2	—	—	—	-100.0%	—	—	—	—	—	—
Software and other intangible assets	0.2	—	—	—	-100.0%	—	—	—	—	—	—
Payments for financial assets	0.0	0.0	0.1	—	-100.0%	—	—	—	—	—	—
Total	1 074.6	1 102.3	1 198.8	1 265.8	5.6%	100.0%	1 295.1	1 369.5	1 422.1	4.0%	100.0%
Proportion of total programme expenditure to vote expenditure	21.6%	21.2%	22.6%	22.1%	—	—	22.6%	22.7%	22.7%	—	—
Details of selected transfers and subsidies											
Households											
Other transfers to households											
Current	15.1	23.3	18.7	16.3	2.6%	1.6%	17.4	18.3	19.0	5.4%	1.3%
Mzansi golden economy: Public art	1.0	0.3	0.6	0.8	-4.5%	0.1%	0.9	0.9	0.9	4.3%	0.1%
Various institutions: Mzansi golden economy (cultural events)	1.0	2.1	2.9	2.8	39.9%	0.2%	2.5	2.7	2.8	-1.1%	0.2%
Various institutions: Mzansi golden economy (touring ventures)	2.9	4.7	2.8	2.1	-10.0%	0.3%	2.7	2.9	3.0	12.3%	0.2%
Various institutions: Mzansi golden economy (export market development and promotion)	—	0.5	1.5	2.6	—	0.1%	1.2	1.2	1.3	-20.9%	0.1%
Arts and culture industries: Local market development and promotion	4.2	9.6	4.9	1.9	-23.3%	0.4%	3.8	4.0	4.1	30.0%	0.3%
Language development projects	6.0	6.3	6.0	6.0	—	0.5%	6.3	6.7	6.9	4.9%	0.5%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	608.4	661.8	661.2	745.7	7.0%	57.7%	708.9	750.0	778.6	1.4%	55.7%
Artscape	55.9	58.7	60.9	63.9	4.6%	5.2%	66.3	70.1	72.7	4.4%	5.1%
The South African State Theatre	49.6	52.1	55.5	59.4	6.2%	4.7%	61.7	65.2	67.6	4.4%	4.7%
The Playhouse Company	41.2	49.8	49.6	52.1	8.2%	4.2%	53.9	57.3	59.5	4.5%	4.2%
Performing Arts Centre of the Free State	41.5	47.6	45.3	47.4	4.5%	3.9%	49.1	52.0	53.9	4.4%	3.8%
Market Theatre Foundation	42.4	44.5	46.3	48.7	4.7%	3.9%	50.4	53.3	55.3	4.3%	3.9%
National Arts Council	101.2	106.2	109.7	115.8	4.6%	9.3%	120.3	127.2	131.9	4.5%	9.3%
National Film and Video Foundation	122.9	129.1	133.5	140.4	4.5%	11.3%	145.9	154.3	160.0	4.5%	11.2%

Table 37.8 Arts and Culture Promotion and Development expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19		2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23		
R million											
Pan South African Language Board	115.6	110.7	113.6	120.9	1.5%	9.9%	125.5	132.7	137.6	4.4%	9.7%
Mzansi golden economy: Art bank resources	3.0	—	3.0	8.0	38.7%	0.3%	9.9	10.4	10.8	10.5%	0.7%
Various institutions: Mzansi golden economy (cultural events)	22.5	5.1	1.8	14.0	-14.6%	0.9%	3.5	3.8	3.9	-34.9%	0.5%
Various institutions: Mzansi golden economy (artists in schools)	1.0	1.4	1.6	2.7	42.0%	0.1%	2.5	2.6	3.2	4.9%	0.2%
Various institutions: Mzansi golden economy (entrepreneur and local content development)	—	30.0	25.0	52.8	—	2.3%	—	—	—	-100.0%	1.0%
Performing arts institutions: Mzansi golden economy (incubators entrepreneur and local content development)	10.9	13.9	5.9	9.5	-4.4%	0.9%	9.9	10.4	10.6	3.7%	0.8%
Arts and culture industries: Local market development and promotion	0.8	—	—	0.6	-12.0%	—	—	—	0.6	4.9%	—
National Youth Development Agency	—	12.0	9.0	9.5	—	0.7%	10.0	10.6	11.0	4.9%	0.8%
Constitution Hill	—	0.7	0.6	—	—	—	—	—	—	—	—
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	1.1	1.1	3.3	5.7	71.4%	0.2%	3.8	3.9	3.9	-11.4%	0.3%
Human languages technologies projects (Council for Scientific and Industrial and Research)	1.1	1.1	3.3	5.7	71.4%	0.2%	3.8	3.9	3.9	-11.4%	0.3%
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											
Current	129.7	87.0	107.7	95.3	-9.8%	9.0%	108.5	114.4	119.5	7.8%	8.2%
Mzansi golden economy: Public art	0.9	0.5	0.6	2.0	28.8%	0.1%	1.4	1.5	1.6	-6.8%	0.1%
Various institutions: Mzansi golden economy (cultural events)	106.7	52.6	69.7	44.6	-25.2%	5.9%	60.1	63.3	65.8	13.9%	4.4%
Various institutions: Mzansi golden economy (touring ventures)	8.9	12.2	11.8	10.9	7.2%	0.9%	10.4	11.0	11.4	1.3%	0.8%
Various institutions: Mzansi golden economy (National Cultural Industries Skills Academy)	—	4.5	12.8	10.6	—	0.6%	15.0	15.8	16.4	15.9%	1.1%
Various institutions: Mzansi golden economy (artists in schools)	0.9	1.1	1.9	2.7	45.0%	0.1%	2.8	3.0	2.6	-1.4%	0.2%
Various institutions: Mzansi golden economy (export market development and promotion)	—	4.0	0.9	3.2	—	0.2%	2.7	2.9	3.0	-2.2%	0.2%
Various institutions: Mzansi golden economy (entrepreneur and local content development)	4.2	3.5	1.4	5.2	7.2%	0.3%	0.6	0.8	0.8	-47.3%	0.1%
Arts and culture industries: Local market development and promotion	6.8	8.4	7.5	15.1	30.3%	0.8%	14.4	15.2	16.9	3.7%	1.2%
Saigen	—	—	1.0	1.0	—	—	1.0	1.0	1.0	0.3%	0.1%
Intsyst Labs	1.3	0.2	—	—	-100.0%	—	—	—	—	—	—
Non-profit institutions											
Current	132.5	134.3	157.2	162.5	7.0%	12.6%	180.2	189.9	194.6	6.2%	13.6%
Various institutions	5.9	10.1	12.0	15.8	39.0%	0.9%	16.1	17.5	18.2	4.8%	1.3%
Business and Arts South Africa	11.1	8.5	9.9	9.4	-5.1%	0.8%	10.0	10.7	11.1	5.6%	0.8%
Mzansi golden economy: Public art	1.2	1.3	1.5	1.8	13.9%	0.1%	2.5	2.7	2.8	15.7%	0.2%
Various institutions: Mzansi golden economy (cultural events)	63.4	56.0	55.4	52.6	-6.0%	4.9%	61.5	66.0	68.5	9.2%	4.6%
Various institutions: Mzansi golden economy (touring ventures)	13.7	6.5	7.8	11.5	-5.7%	0.9%	3.1	3.7	3.8	-30.8%	0.4%
Various institutions: Mzansi golden economy (National Cultural Industries Skills Academy)	9.2	13.3	15.4	13.3	13.2%	1.1%	13.5	14.6	15.1	4.5%	1.1%
Various institutions: Mzansi golden economy (artists in schools)	6.8	9.8	12.0	13.5	25.7%	0.9%	14.3	15.3	15.9	5.6%	1.1%
Various institutions: Mzansi golden economy (community arts development)	—	8.5	7.5	10.3	—	0.6%	24.2	21.7	21.0	26.9%	1.4%

Table 37.8 Arts and Culture Promotion and Development 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Various institutions: Mzansi golden economy (export market development and promotion)	3.9	1.9	1.4	4.6	6.1%	0.3%	3.8	4.1	4.2	-3.1%	0.3%
Various institutions: Mzansi golden economy (entrepreneur and local content development)	1.0	0.7	1.0	1.1	3.6%	0.1%	1.4	1.5	1.6	14.0%	0.1%
Arts and culture industries: Local market development and promotion	11.2	7.3	19.9	14.5	8.9%	1.1%	15.1	16.2	16.0	3.3%	1.2%
Arts and culture industries: Community arts development	–	5.2	7.0	7.4	–	0.4%	7.8	8.3	8.6	5.6%	0.6%
Moral Regeneration Movement	3.5	3.0	4.0	4.0	4.6%	0.3%	4.2	4.5	4.7	5.3%	0.3%
Gcwala-Ngamasiko cultural festival	1.7	2.0	2.0	2.0	5.6%	0.2%	2.0	2.2	2.2	3.7%	0.2%
!Kauru African contemporary art touring exhibition	–	–	0.5	0.6	–	–	0.8	0.8	0.9	11.1%	0.1%
Higher education institutions											
Current	6.2	7.6	5.4	4.4	-10.4%	0.5%	6.8	7.4	7.8	20.5%	0.5%
Human languages technologies projects	6.2	7.6	5.4	4.4	-10.4%	0.5%	6.8	7.4	7.8	20.5%	0.5%
Foreign governments and international organisations											
Current	2.0	1.9	2.3	3.0	15.5%	0.2%	3.2	3.4	3.5	4.9%	0.2%
Commonwealth Foundation	2.0	1.9	2.3	3.0	15.5%	0.2%	3.2	3.4	3.5	4.9%	0.2%

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

Programme 4: Heritage Promotion and Preservation

Programme purpose

Preserve and promote South African heritage, including archival and heraldic heritage. Oversee and transfer funds to libraries.

Objectives

- Develop, preserve, protect and promote heritage by:
 - publishing 3 gazette notices on the standardisation of geographical names annually
 - profiling 2 living human treasures annually
 - financially supporting 2 multiyear heritage infrastructure projects by March 2021.
- Provide access to information and promote a culture of reading across society by March 2021 by financing the construction of 29 newly built and/or modular community libraries.
- Create a coherent policy and legislative environment for the arts, culture and heritage sector by developing a policy on the repatriation of cultural heritage objects and human remains of historic significance by March 2021.

Subprogrammes

- *Heritage Promotion* supports a range of heritage initiatives and projects, such as Heritage Month; the repatriation of South African cultural heritage; and the Bureau of Heraldry, which registers symbols, popularises national symbols through public awareness campaigns, coordinates the national orders awards ceremony, and develops policy to ensure the promotion and preservation of South Africa's heritage.
- *National Archive Services* acquires, preserves, manages and makes accessible records with enduring value.
- *Heritage Institutions* funds and determines policy for declared cultural institutions and heritage bodies by ensuring that funds to the institutions are used to preserve, research, protect and promote heritage.
- *National Library Services* funds libraries and institutions, such as the National Library of South Africa, the South African Library for the Blind, and Blind South Africa. This subprogramme also develops related policy.

- *Public Library Services* transfers funds to provincial departments for conditional allocations to community library services for constructing and upgrading libraries, hiring personnel and purchasing library materials.
- *South African Heritage Resource Agency* transfers funds to the South African Heritage Resource Agency, the key strategic objectives of which are to develop and implement norms and standards for managing heritage resources.
- *South African Geographical Names Council* transfers funds to the South African Geographical Names Council, an advisory body that facilitates name changes by consulting with communities to advise the Minister of Sports, Arts and Culture.
- *National Heritage Council* transfers funds to the National Heritage Council, the mandate of which involves enhancing knowledge production on heritage, and ensuring the promotion and awareness of heritage.

Expenditure trends and estimates

Table 37.9 Heritage Promotion and Preservation 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Heritage Promotion	92.3	54.9	52.5	61.9	-12.5%	2.7%	65.1	69.5	72.4	5.4%	2.6%
National Archive Services	37.3	39.4	41.2	50.3	10.5%	1.8%	56.1	60.1	64.4	8.6%	2.2%
Heritage Institutions	477.9	688.1	545.9	571.8	6.2%	23.8%	598.3	631.9	655.4	4.7%	23.4%
National Library Services	125.5	145.0	130.0	137.2	3.0%	5.6%	141.9	150.5	156.1	4.4%	5.6%
Public Library Services	1 381.0	1 444.9	1 448.8	1 531.7	3.5%	60.6%	1 511.2	1 618.0	1 702.2	3.6%	60.7%
South African Heritage Resource Agency	51.1	57.9	55.7	58.3	4.5%	2.3%	60.9	64.3	67.1	4.8%	2.4%
South African Geographical Names Council	1.3	3.4	3.8	5.1	58.6%	0.1%	5.1	5.4	5.6	3.4%	0.2%
National Heritage Council	82.7	64.7	68.5	71.4	-4.8%	3.0%	74.2	78.4	81.3	4.5%	2.9%
Total	2 249.1	2 498.2	2 346.3	2 487.6	3.4%	100.0%	2 512.8	2 678.1	2 804.5	4.1%	100.0%
Change to 2019				-			(111.5)	(100.0)	(85.3)		
Budget estimate											
Economic classification											
Current payments	108.8	96.4	95.4	114.0	1.6%	4.3%	123.0	131.3	138.6	6.7%	4.8%
Compensation of employees	50.2	52.2	53.6	61.8	7.2%	2.3%	69.8	75.2	80.4	9.2%	2.7%
Goods and services ¹	58.6	44.2	41.9	52.3	-3.7%	2.1%	53.2	56.1	58.2	3.7%	2.1%
of which:											
Computer services	-	0.5	-	4.2	-	-	4.8	5.1	5.3	8.1%	0.2%
Consultants: Business and advisory services	4.0	5.6	3.3	8.3	27.6%	0.2%	6.3	6.6	6.9	-6.2%	0.3%
Contractors	29.8	19.2	9.4	7.6	-36.5%	0.7%	8.0	8.4	8.7	4.7%	0.3%
Agency and support/outsource services	0.6	-	-	0.3	-19.6%	-	2.5	2.6	2.7	101.9%	0.1%
Consumable supplies	0.1	0.1	0.2	2.1	161.7%	-	7.3	7.7	8.0	57.4%	0.2%
Travel and subsistence	10.2	9.6	14.6	11.8	5.0%	0.5%	12.4	13.1	13.6	4.7%	0.5%
Transfers and subsidies¹	2 138.9	2 401.8	2 250.6	2 373.5	3.5%	95.7%	2 389.9	2 546.8	2 665.9	3.9%	95.2%
Provinces and municipalities	1 357.1	1 420.0	1 423.7	1 501.2	3.4%	59.5%	1 479.1	1 584.1	1 667.0	3.6%	59.4%
Departmental agencies and accounts	752.3	964.9	809.8	849.0	4.1%	35.2%	886.2	936.5	971.6	4.6%	34.8%
Foreign governments and international organisations	12.9	1.0	1.9	2.0	-46.1%	0.2%	2.1	2.3	2.3	4.9%	0.1%
Non-profit institutions	11.9	12.5	11.7	15.0	8.2%	0.5%	15.9	17.1	17.7	5.6%	0.6%
Households	4.7	3.4	3.4	6.3	9.9%	0.2%	6.6	7.0	7.2	4.9%	0.3%
Payments for capital assets	1.4	0.0	0.2	-	-100.0%	-	-	-	-	-	-
Machinery and equipment	0.3	0.0	0.2	-	-100.0%	-	-	-	-	-	-
Software and other intangible assets	1.1	-	-	-	-100.0%	-	-	-	-	-	-
Payments for financial assets	0.0	0.0	0.1	-	-100.0%	-	-	-	-	-	-
Total	2 249.1	2 498.2	2 346.3	2 487.6	3.4%	100.0%	2 512.8	2 678.1	2 804.5	4.1%	100.0%
Proportion of total programme expenditure to vote expenditure	45.1%	48.0%	44.2%	43.5%	-	-	43.9%	44.4%	44.7%	-	-

Table 37.9 Heritage Promotion and Preservation expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies					Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Adjusted appropriation			Medium-term expenditure estimate				
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Households											
Other transfers to households											
Current	4.6	3.2	3.4	6.3	10.7%	0.2%	6.6	7.0	7.2	4.9%	0.3%
Heritage projects	4.6	3.2	3.4	6.3	10.7%	0.2%	6.6	7.0	7.2	4.9%	0.3%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	752.3	964.9	809.8	849.0	4.1%	35.2%	886.2	936.5	971.6	4.6%	34.8%
Die Afrikaanse Taalmuseum en -monument: Paarl	7.8	8.7	9.4	10.4	10.3%	0.4%	10.9	11.5	11.9	4.7%	0.4%
Ditsong Museums of South Africa: Pretoria	84.2	125.8	87.2	92.0	3.0%	4.1%	97.2	102.5	106.3	4.9%	3.8%
National Museum: Bloemfontein	51.7	100.4	54.3	57.3	3.5%	2.8%	59.5	62.9	65.2	4.4%	2.3%
Robben Island Museum: Cape Town	73.2	89.4	80.5	84.5	4.9%	3.4%	87.8	92.8	96.3	4.4%	3.4%
Freedom Park: Pretoria	72.9	113.6	97.3	96.1	9.6%	4.0%	99.7	105.4	109.3	4.4%	3.9%
Iziko Museums: Cape Town	87.8	107.6	86.9	91.6	1.4%	3.9%	96.6	102.0	105.8	4.9%	3.8%
Nelson Mandela Museum: Mthatha	24.1	26.8	27.1	28.6	5.8%	1.1%	29.5	31.2	32.4	4.3%	1.2%
KwaZulu-Natal Museum: Pietermaritzburg	23.7	36.7	35.2	36.2	15.1%	1.4%	38.2	40.2	41.7	4.9%	1.5%
Luthuli Museum: Stanger	10.1	14.1	14.8	15.6	15.7%	0.6%	16.4	17.3	18.0	4.9%	0.6%
uMsunduzi Museum (incorporating the Voortrekker Museum): Pietermaritzburg	14.1	17.3	18.3	19.8	12.1%	0.7%	20.9	22.0	22.9	4.9%	0.8%
William Humphreys Art Gallery: Kimberley	7.7	10.0	10.4	11.0	12.4%	0.4%	11.3	12.0	12.4	4.3%	0.4%
War Museum of the Boer Republics: Bloemfontein	10.6	22.1	12.7	15.4	13.3%	0.6%	16.3	17.2	17.8	4.9%	0.6%
South African Heritage Resources Agency	51.1	57.9	55.7	58.3	4.5%	2.3%	60.9	64.3	67.1	4.8%	2.4%
National Library of South Africa	115.0	135.4	117.8	124.4	2.6%	5.1%	129.0	136.5	141.6	4.4%	5.1%
South African Library for the Blind	19.6	19.2	22.3	23.5	6.3%	0.9%	24.2	25.8	26.7	4.3%	1.0%
National Youth Development Agency	6.2	–	–	–	-100.0%	0.1%	–	–	–	–	–
National Heritage Council	82.7	64.7	68.5	71.4	-4.8%	3.0%	74.2	78.4	81.3	4.5%	2.9%
Amazwi South African Museum of Literature: Makhanda	9.8	15.3	11.5	13.1	10.1%	0.5%	13.6	14.4	15.0	4.4%	0.5%
Non-profit institutions											
Current	11.9	12.5	11.7	15.0	8.2%	0.5%	15.9	17.1	17.7	5.6%	0.6%
Blind South Africa	7.5	7.9	8.3	8.8	5.5%	0.3%	9.3	10.0	10.3	5.6%	0.4%
Engelenburg House art collection: Pretoria	0.3	0.3	0.4	0.4	5.5%	–	0.4	0.4	0.4	5.7%	–
Various institutions: Heritage projects	2.3	2.5	1.3	3.8	18.5%	0.1%	4.0	4.3	4.4	5.6%	0.2%
Library and Information Association of South Africa	1.8	1.9	1.8	2.1	5.5%	0.1%	2.2	2.4	2.5	5.6%	0.1%
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	709.1	996.9	1 057.8	1 126.2	16.7%	40.6%	1 188.9	1 279.4	1 347.1	6.2%	47.1%
Community library services grant	709.1	996.9	1 057.8	1 126.2	16.7%	40.6%	1 188.9	1 279.4	1 347.1	6.2%	47.1%
Capital	648.0	423.1	365.9	375.0	-16.7%	18.9%	290.2	304.7	319.9	-5.2%	12.3%
Community library services grant	648.0	423.1	365.9	375.0	-16.7%	18.9%	290.2	304.7	319.9	-5.2%	12.3%
Foreign governments and international organisations											
Current	12.9	1.0	1.9	2.0	-46.1%	0.2%	2.1	2.3	2.3	4.9%	0.1%
African World Heritage Fund	12.9	1.0	1.9	2.0	-46.1%	0.2%	2.1	2.3	2.3	4.9%	0.1%

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

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.

- **Boxing South Africa** contributes to nation building, healthy lifestyles and social cohesion by promoting participation in boxing, especially among youth and women; strengthening the boxing regulatory environment; and ensuring the effective administration of the sport. The total budget for 2020/21 is R22 million.

- The following officially declared **heritage institutions** are dependent on annual transfers from the department: Die Afrikaanse Taalmuseum en -monument, Paarl; Ditsong Museums of South Africa, Pretoria; the Iziko Museums, Cape Town; the KwaZulu-Natal Museum, Pietermaritzburg; the National Museum, Bloemfontein; the Amazwi South African Museum of Literature, Makhanda (formerly Grahamstown); the Robben Island Museum, Cape Town; the Voortrekker Museum, Pietermaritzburg; the War Museum of the Boer Republics, Bloemfontein; the William Humphreys Art Gallery, Kimberley; the Luthuli Museum, Stanger; the Nelson Mandela Museum, Mthatha; Freedom Park; and the Engelenburg House art collection. These institutions collect, protect and conserve heritage materials, conduct exhibitions, and contribute knowledge through research and publications. The institutions' total budget for 2020/21 is R890.4 million, including capital works.
- The Department of Sports, Arts and Culture oversees various **libraries**, including the National Library of South Africa, which promotes awareness and appreciation of the national documentary heritage by fostering information literacy, and by facilitating access to the world's information resources. The South African Library for the Blind provides a national library and information service to blind and print handicapped readers in South Africa. The libraries' total budget for 2020/21 is R192.6 million, including capital works.
- The **National Arts Council** facilitates opportunities for people to practice and appreciate the arts. The council also promotes the general application of the arts in the community, fosters the expression of national identity by means of the arts, promotes freedom in the practice of the arts, and gives historically disadvantaged people greater access to the arts. The council's total budget for 2020/21 is R121.6 million.
- The **National Film and Video Foundation** develops and promotes the film and video industry in South Africa. The foundation promotes local film and video products, supports the development of and access to the industry, and addresses historical imbalances in infrastructure, skills and resources in the industry. The foundation's total budget for 2020/21 is R149.7 million.
- The **National Heritage Council** engages heritage stakeholders in public and private institutions, including the various organs of civil society, mobilises debates and builds awareness about heritage. The council's total budget for 2020/21 is R74.2 million.
- The **Pan South African Language Board** is a constitutional institution that promotes an awareness of multilingualism as a national resource and supports previously marginalised languages. The board is mandated to investigate complaints about language rights and violations from any individual, organisation or institution. The board's total budget for 2020/21 is R125.5 million.
- The following **performing arts institutions** receive annual transfers from the Department of Arts and Culture: The South African State Theatre, The Playhouse Company, Artscape Theatre, the Market Theatre Foundation and the Performing Arts Council of the Free State. These institutions advance, promote and preserve the performing arts in South Africa; enhance the contribution of arts and culture to the economy; and create job opportunities and initiatives that will enhance nation building. The institutions' total budget for 2020/21 is R444.4 million, including capital works.
- The **South African Institute for Drug-Free Sport** manages the implementation of a drug deterrent and prevention strategy that is compliant with the UNESCO (United Nations Educational, Scientific and Cultural Organisation) International Convention against Doping in Sport, and the world anti-doping code. Over the medium term, the institute will focus on enforcing strict compliance with this code, which requires a minimum level of analysis of samples from athletes for banned substances in specific sports. The institute's total budget for 2020/21 is R29.4 million.
- The **South African Heritage Resources Agency** is the national administrative management body for the protection of South Africa's cultural heritage. The agency's main functions include managing and preserving the national estate through partnerships with other bodies to promote an integrated heritage resources management system. The agency's total budget for 2020/21 is R69.2 million.

Vote 38

Tourism

Budget summary

	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
R million						
MTEF allocation						
Administration	308.6	305.3	0.2	3.1	327.0	340.5
Tourism Research, Policy and International Relations	1 391.4	80.5	1 310.3	0.5	1 465.8	1 522.7
Destination Development	485.9	485.8	–	0.1	519.1	537.6
Tourism Sector Support Services	295.1	127.0	168.0	0.1	274.3	287.0
Total expenditure estimates	2 481.0	998.7	1 478.5	3.8	2 586.2	2 687.7
Executive authority	Minister of Tourism					
Accounting officer	Director-General of Tourism					
Website	www.tourism.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Promote and support the growth and development of an equitable, competitive and sustainable tourism sector, enhancing its contribution to national priorities.

Mandate

The mandate of the Department of Tourism, as outlined in the Tourism Act (2014), is to promote the growth and development of the tourism sector; promote quality tourism products and services; provide for the effective domestic and international marketing of South Africa as a tourist destination; enhance cooperation and coordination between all spheres of government in developing and managing tourism; and promote responsible tourism for the benefit of South Africa and for the enjoyment of all its residents and foreign visitors.

In recognition of tourism as a national priority with the potential to contribute significantly to economic development, the 1996 White Paper on the Development and Promotion of Tourism in South Africa provides for the promotion of domestic and international tourism. The national tourism sector strategy provides a blueprint for the sector to meet the growth targets contained in the National Development Plan.

Selected performance indicators

Table 38.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of monitoring and evaluation reports on tourism projects and initiatives developed per year	Tourism Research, Policy and International Relations	Priority 1: Economic transformation and job creation	– ¹	– ¹	– ¹	– ¹	1	1	1
Number of work opportunities created through the Working for Tourism programme per year	Destination Development		– ¹	– ¹	– ¹	– ¹	5 193	5 314	5 439
Number of full-time equivalent jobs created through the Working for Tourism programme per year	Destination Development		1 734	3 457	3 199	4 331	– ²	– ²	– ²

Table 38.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of initiatives to support enterprise development and growth per year	Tourism Sector Support Services	Priority 1: Economic transformation and job creation	— ¹	4	4	6	5	8	10
Number of incentivised programmes implemented per year	Tourism Sector Support Services		3	4	4	5	5	5	5
Number of capacity-building programmes implemented per year	Tourism Sector Support Services	Priority 2: Education, skills and health	8	9	9	9	11	10	10

1. No historical data available.

2. No data available over the medium term as indicator has been integrated into working opportunities to align with the medium term strategic framework as well as the expanded public works programme measurables.

Expenditure analysis

In line with its broad vision for economic development and job creation, the National Development Plan identifies tourism as a labour-intensive sector with the potential to stimulate economic growth and transformation. This vision is given expression by priority 1 (economic transformation and job creation) of government's 2019-2024 medium-term strategic framework, with which the work of the Department of Tourism is directly aligned. In line with government's emphasis on growing the sector, over the medium term the department will focus broadly on accelerating transformation in the sector and creating employment. Specific activities include: promoting South Africa as a preferred tourism destination, ensuring that there is investment in tourism infrastructure, upskilling and training tourism professionals, reintroducing tourism safety initiatives, enhancing visitor experience, managing destinations, and improving the regulatory environment.

Allocations for marketing South Africa as a destination of choice account for an estimated 56.3 per cent (R4.4 billion) of total expenditure, increasing at an average annual rate of 4.6 per cent, from R1.3 billion in 2019/20 to R1.5 billion in 2022/23. Of this amount, 93.8 per cent (R4.1 billion) is earmarked for transfers to South African Tourism. Cabinet has approved reductions on the department's baseline amounting to R179.9 million over the MTEF period, mainly on goods and services and transfers and subsidies. The department plans to mitigate the effect of these reductions through the realignment of allocations in the *Tourism Incentive Programme* subprogramme.

Accelerating transformation

To accelerate transformation in the sector, the department will incentivise programmes that increase the ownership value, management control and skills, enterprise, supplier and socioeconomic development of previously disadvantaged people. In this regard, the department has set aside R856.4 million over the medium term for the implementation of 31 capacity-building programmes and 15 incentives to transform the sector and provide developmental support to rural tourism enterprises. The department also aims to restructure the Tourism Transformation Fund, a collaboration with the National Empowerment Fund that was introduced in 2016 to make funding more accessible. Similarly, the department plans to scale up the implementation of its Women in Tourism empowerment programme along with other industry-led initiatives such as Tourism Marketing South Africa.

Creating employment

The department's Working for Tourism initiative focuses on job creation through the development of tourism infrastructure and skills. It is expected to contribute to the creation of 15 946 work opportunities over the medium term. Spending on the initiative, which is funded through the expanded public works programme, is expected to increase at an average annual rate of 5.4 per cent, from R371.3 million in 2019/20 to R434.7 million in 2022/23, in the *Destination Development* programme.

Expenditure trends and estimates

Table 38.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Tourism Research, Policy and International Relations											
3. Destination Development											
4. Tourism Sector Support Services											
Programme					Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Adjusted appropriation							
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	227.1	241.9	260.7	295.9	9.2%	11.8%	308.6	327.0	340.5	4.8%	12.5%
Programme 2	1 102.8	1 196.7	1 283.9	1 331.1	6.5%	56.6%	1 391.4	1 465.8	1 522.7	4.6%	56.3%
Programme 3	400.3	433.5	398.4	463.3	5.0%	19.5%	485.9	519.1	537.6	5.1%	19.8%
Programme 4	189.4	261.8	291.7	302.4	16.9%	12.0%	295.1	274.3	287.0	-1.7%	11.4%
Subtotal	1 919.6	2 134.0	2 234.8	2 392.7	7.6%	100.0%	2 481.0	2 586.2	2 687.7	4.0%	100.0%
Total	1 919.6	2 134.0	2 234.8	2 392.7	7.6%	100.0%	2 481.0	2 586.2	2 687.7	4.0%	100.0%
Change to 2019				–			(55.2)	(62.3)	(62.4)		
Budget estimate											
Economic classification											
Current payments	584.7	591.1	707.1	936.9	17.0%	32.5%	998.7	1 063.1	1 104.2	5.6%	40.4%
Compensation of employees	266.1	296.2	313.5	334.4	7.9%	13.9%	358.1	381.4	398.0	6.0%	14.5%
Goods and services ¹	318.6	294.9	393.7	602.5	23.7%	18.5%	640.6	681.7	706.2	5.4%	25.9%
of which:											
Consultants: Business and advisory services	20.8	22.9	23.6	8.1	-26.9%	0.9%	52.3	59.8	58.2	92.7%	1.8%
Contractors	4.9	5.4	114.5	6.9	11.9%	1.5%	154.5	163.2	171.0	191.4%	4.9%
Agency and support/outsourced services	2.0	0.1	0.4	120.7	290.4%	1.4%	97.7	103.1	108.1	-3.6%	4.2%
Operating leases	33.9	35.7	43.3	37.8	3.7%	1.7%	41.5	43.8	45.5	6.4%	1.7%
Travel and subsistence	32.3	43.1	53.5	84.3	37.7%	2.5%	77.1	82.0	84.6	0.1%	3.2%
Training and development	165.7	123.1	95.3	251.3	14.9%	7.3%	126.9	134.0	140.0	-17.7%	6.4%
Transfers and subsidies ¹	1 169.7	1 320.1	1 421.7	1 434.5	7.0%	61.6%	1 478.5	1 519.1	1 579.4	3.3%	59.2%
Departmental agencies and accounts	1 040.0	1 174.1	1 274.0	1 258.0	6.5%	54.7%	1 308.4	1 377.0	1 430.2	4.4%	53.0%
Foreign governments and international organisations	6.4	6.4	2.3	2.8	-24.2%	0.2%	2.4	2.4	2.5	-3.0%	0.1%
Public corporations and private enterprises	75.3	48.0	75.9	165.4	30.0%	4.2%	163.7	135.4	142.2	-4.9%	6.0%
Non-profit institutions	0.2	0.6	0.5	0.4	27.3%	0.0%	0.4	0.4	0.5	4.1%	0.0%
Households	47.8	91.1	68.9	7.9	-45.2%	2.5%	3.7	3.9	4.0	-20.1%	0.2%
Payments for capital assets	164.5	222.6	105.6	21.3	-49.4%	5.9%	3.8	4.0	4.1	-42.1%	0.3%
Buildings and other fixed structures	159.0	214.5	94.2	10.0	-60.2%	5.5%	–	–	–	-100.0%	0.1%
Machinery and equipment	5.4	6.6	8.5	10.6	25.7%	0.4%	2.8	3.0	3.1	-33.8%	0.2%
Software and other intangible assets	0.2	1.4	2.8	0.7	52.0%	0.1%	1.0	1.0	1.1	16.1%	0.0%
Payments for financial assets	0.8	0.1	0.4	–	-100.0%	0.0%	–	–	–	0.0%	0.0%
Total	1 919.6	2 134.0	2 234.8	2 392.7	7.6%	100.0%	2 481.0	2 586.2	2 687.7	4.0%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 38.3 Vote transfers and subsidies trends and estimates

				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20					2019/20	2022/23
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 040 012	1 174 097	1 274 023	1 258 033	6.5%	88.8%	1 308 395	1 376 983	1 430 158	4.4%	89.4%
Various Institutions	4 392	4 612	4 248	3 715	-5.4%	0.3%	3 917	4 129	4 288	4.9%	0.3%
Culture, Arts, Tourism, Hospitality and Sports Sector Education and Training Authority	185	197	179	157	-5.3%	–	172	181	188	6.2%	–
South African Tourism	1 024 847	1 129 288	1 208 048	1 254 161	7.0%	86.4%	1 304 306	1 372 673	1 425 682	4.4%	89.1%
Tourism incentive programme	10 588	40 000	61 548	–	-100.0%	2.1%	–	–	–	–	–
Households											
Social benefits											
Current	433	923	747	4 380	116.3%	0.1%	–	–	–	-100.0%	0.1%
Employee social benefits	433	923	747	4 380	116.3%	0.1%	–	–	–	-100.0%	0.1%
Households											
Other transfers to households											
Current	47 347	90 203	68 184	3 480	-58.1%	3.9%	3 669	3 867	4 016	4.9%	0.3%
Employee social benefits	–	–	10	–	–	–	–	–	–	–	–
Bursaries for non-employees	4 791	5 052	4 639	3 480	-10.1%	0.3%	3 669	3 867	4 016	4.9%	0.3%
Claims against the state	–	492	–	–	–	–	–	–	–	–	–
Expanded public works programme	42 556	57 094	40 630	–	-100.0%	2.6%	–	–	–	–	–
Expanded public works programme incentive	–	27 565	22 905	–	–	0.9%	–	–	–	–	–
Non-profit institutions											
Current	200	560	472	413	27.3%	–	426	449	466	4.1%	–
Federated Hospitality Association of South Africa	200	560	472	413	27.3%	–	426	449	466	4.1%	–
Public corporations and private enterprises											
Other transfers to private enterprises											
Current	75 312	47 966	75 939	165 432	30.0%	6.8%	163 689	135 361	142 239	-4.9%	10.1%
Various Institutions	74 712	47 366	75 939	165 432	30.3%	6.8%	163 689	135 361	142 239	-4.9%	10.1%
N12 Treasure Route Association	600	600	–	–	-100.0%	–	–	–	–	–	–
Foreign governments and international organisations											
Current	6 368	6 394	2 348	2 774	-24.2%	0.3%	2 355	2 438	2 532	-3.0%	0.2%
Regional Tourism Organisation of South Africa	3 529	4 056	–	–	-100.0%	0.1%	–	–	–	–	–
United Nations World Tourism Organisation	2 839	2 338	2 348	2 774	-0.8%	0.2%	2 355	2 438	2 532	-3.0%	0.2%
Total	1 169 672	1 320 143	1 421 713	1 434 512	7.0%	100.0%	1 478 534	1 519 098	1 579 411	3.3%	100.0%

Personnel information

Table 38.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Tourism Research, Policy and International Relations																			
3. Destination Development																			
4. Tourism Sector Support Services																			
Number of posts estimated for 31 March 2020			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 (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
			467	313.5	0.7	476	334.4	0.7	475	358.1	0.8	474	381.4	0.8	466	398.0	0.9	-0.7%	100.0%
Tourism																			
Salary level	476	–	467	313.5	0.7	476	334.4	0.7	475	358.1	0.8	474	381.4	0.8	466	398.0	0.9	-0.7%	100.0%
1 – 6	85	–	76	20.7	0.3	85	23.5	0.3	83	24.8	0.3	82	26.2	0.3	82	28.1	0.3	-1.2%	17.6%
7 – 10	221	–	214	113.5	0.5	221	126.2	0.6	219	133.6	0.6	219	143.0	0.7	215	150.5	0.7	-0.9%	46.2%
11 – 12	103	–	110	95.9	0.9	103	95.7	0.9	105	103.9	1.0	105	110.3	1.1	105	117.1	1.1	0.6%	22.1%
13 – 16	65	–	65	79.0	1.2	65	84.3	1.3	66	90.9	1.4	66	96.6	1.5	62	96.7	1.6	-1.6%	13.7%
Other	2	–	2	4.4	2.2	2	4.7	2.3	2	5.0	2.5	2	5.3	2.6	2	5.6	2.8	–	0.4%

Table 38.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
Number of posts estimated for 31 March 2020			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 (%)			
			2018/19			2019/20			2020/21			2021/22					2022/23		2019/20 - 2022/23
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost cost	
Tourism			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost cost			
Programme	476	–	467	313.5	0.7	476	334.4	0.7	475	358.1	0.8	474	381.4	0.8	466	398.0	0.9	-0.7%	100.0%
Programme 1	244	–	233	138.2	0.6	244	151.0	0.6	244	163.1	0.7	243	173.3	0.7	240	180.9	0.8	-0.5%	51.3%
Programme 2	62	–	69	51.1	0.7	62	46.9	0.8	69	57.0	0.8	70	61.3	0.9	67	64.0	1.0	2.6%	14.2%
Programme 3	71	–	70	53.4	0.8	71	55.8	0.8	72	60.6	0.8	72	64.4	0.9	71	67.2	0.9	–	15.1%
Programme 4	99	–	95	70.8	0.7	99	80.6	0.8	90	77.5	0.9	89	82.4	0.9	88	85.9	1.0	-3.9%	19.4%

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

2. Rand million.

Departmental receipts

Table 38.5 Departmental receipts by economic classification

				Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)				Average growth rate (%)	Average: Receipt item/ Total (%)
Audited outcome								Medium-term receipts estimate				
R thousand	2016/17	2017/18	2018/19	2019/20		2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Departmental receipts	5 321	1 138	2 482	1 510	1 510	-34.3%	100.0%	2 532	2 586	2 640	20.5%	100.0%
Sales of goods and services produced by department	157	71	70	170	170	2.7%	4.5%	84	85	86	-20.3%	4.6%
Sales by market establishments	72	71	70	70	70	-0.9%	2.7%	84	85	86	7.1%	3.5%
of which:												
Rent collected from the letting of open and covered parking	72	71	70	70	70	-0.9%	2.7%	84	85	86	7.1%	3.5%
Administrative fees	1	–	–	–	–	-100.0%	–	–	–	–	–	–
of which:												
Appeals fees	1	–	–	–	–	-100.0%	–	–	–	–	–	–
Other sales	84	–	–	100	100	6.0%	1.8%	–	–	–	-100.0%	1.1%
of which:												
Commission received on deduction of insurance and other premiums from employees salaries	84	–	–	100	100	6.0%	1.8%	–	–	–	-100.0%	1.1%
Sales of scrap, waste, arms and other used current goods	6	89	94	–	–	-100.0%	1.8%	83	84	85	–	2.7%
of which:												
Sales of scrap, waste, arms and other used current goods	6	89	94	–	–	-100.0%	1.8%	83	84	85	–	2.7%
Interest, dividends and rent on land	146	104	127	200	200	11.1%	5.5%	102	103	104	-19.6%	5.5%
Interest	146	104	127	200	200	11.1%	5.5%	102	103	104	-19.6%	5.5%
Sales of capital assets	39	38	44	500	500	134.0%	5.9%	63	64	65	-49.3%	7.5%
Transactions in financial assets and liabilities	4 973	836	2 147	640	640	-49.5%	82.3%	2 200	2 250	2 300	53.2%	79.7%
Total	5 321	1 138	2 482	1 510	1 510	-34.3%	100.0%	2 532	2 586	2 640	20.5%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 38.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Ministry	26.8	25.8	23.4	30.8	4.7%	10.4%	38.2	40.4	42.0	10.9%	11.9%
Management	17.1	3.0	2.9	3.3	-42.0%	2.6%	3.1	3.2	3.4	0.1%	1.0%
Corporate Management	120.5	142.2	153.7	180.7	14.4%	58.2%	172.7	183.0	190.6	1.8%	57.2%
Financial Management	25.6	32.3	35.6	40.1	16.1%	13.0%	51.4	54.9	57.2	12.6%	16.0%
Office Accommodation	37.0	38.6	45.0	41.0	3.5%	15.8%	43.2	45.5	47.3	4.9%	13.9%
Total	227.1	241.9	260.7	295.9	9.2%	100.0%	308.6	327.0	340.5	4.8%	100.0%
Change to 2019				4.4			4.2	3.9	(0.1)		
Budget estimate											
Economic classification											
Current payments	221.8	235.5	250.8	280.9	8.2%	96.4%	305.3	323.6	336.9	6.2%	98.0%
Compensation of employees	125.8	137.5	138.2	151.0	6.3%	53.9%	163.1	173.3	180.9	6.2%	52.5%
Goods and services ¹	96.0	98.0	112.6	129.9	10.6%	42.6%	142.3	150.2	156.0	6.3%	45.5%
of which:											
Audit costs: External	5.2	6.1	5.6	8.0	15.0%	2.4%	10.3	11.2	11.6	13.5%	3.2%
Communication	3.8	4.0	4.6	6.9	21.4%	1.9%	7.2	7.5	7.8	4.6%	2.3%
Computer services	14.7	9.9	9.7	19.7	10.2%	5.3%	12.2	12.9	13.4	-12.1%	4.6%
Consultants: Business and advisory services	2.8	5.1	8.5	0.9	-32.4%	1.7%	11.1	11.7	12.2	142.3%	2.8%
Operating leases	33.9	35.7	43.3	37.8	3.7%	14.7%	41.5	43.8	45.5	6.4%	13.3%
Travel and subsistence	12.0	14.6	15.3	19.5	17.5%	6.0%	22.1	23.3	24.2	7.5%	7.0%
Transfers and subsidies¹	1.2	2.0	1.0	4.5	54.5%	0.9%	0.2	0.2	0.2	-65.4%	0.4%
Departmental agencies and accounts	0.2	0.2	0.2	0.2	-5.3%	0.1%	0.2	0.2	0.2	6.2%	0.1%
Households	1.0	1.8	0.9	4.4	61.2%	0.8%	—	—	—	-100.0%	0.3%
Payments for capital assets	3.6	4.4	8.8	10.4	42.5%	2.6%	3.1	3.3	3.4	-31.3%	1.6%
Machinery and equipment	3.4	3.0	5.9	9.7	41.9%	2.2%	2.1	2.2	2.3	-38.0%	1.3%
Software and other intangible assets	0.2	1.4	2.8	0.7	52.0%	0.5%	1.0	1.0	1.1	16.1%	0.3%
Payments for financial assets	0.5	0.0	0.1	—	-100.0%	0.1%	—	—	—	—	—
Total	227.1	241.9	260.7	295.9	9.2%	100.0%	308.6	327.0	340.5	4.8%	100.0%
Proportion of total programme expenditure to vote expenditure	11.8%	11.3%	11.7%	12.4%	—	—	12.4%	12.6%	12.7%	—	—

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

Programme 2: Tourism Research, Policy and International Relations

Programme purpose

Enhance the strategic policy environment, monitor the tourism sector's performance and enable stakeholder relations.

Objectives

- Monitor and evaluate tourism projects and initiatives by:
 - developing and publishing a report on the state of tourism annually
 - developing quarterly reports on tourism performance, monthly analyses of tourist arrivals, the impact evaluation report on projects to build the department's capacity and resource efficiency, the report on the monitoring of a capacity-building programme, and the 2019/20 national tourism sector strategy implementation report over the medium term.
- Enhance understanding and awareness of the value of tourism and its opportunities by hosting an annual tourism research seminar in each year of the medium term.
- Enhance participation and engagement in multilateral and bilateral processes over the medium term by:
 - coordinating participation in multilateral forums and strategic formations, such as the United Nations World Tourism Organisation and the Indian Ocean Rim Association, to advance South Africa's tourism priorities
 - hosting a workshop targeted at African countries that have tourism agreements with South Africa to share best practices
 - developing a report on leveraging bilateral tourism relations to advance national priorities.
- Improve public entity performance and compliance by developing 4 South African Tourism oversight reports by March 2021.

- Form strategic sector partnerships by organising 3 tourism leadership forums and 4 stakeholder engagement sessions by March 2021.

Subprogrammes

- Tourism Research, Policy and International Relations Management* provides strategic direction, comprehensive administration and operational support services, research, and information and knowledge management. This subprogramme also manages policy development and evaluation, and promotes sector transformation and responsible tourism.
- Research and Knowledge Management* oversees tourism research, knowledge management and impact evaluation for the sector.
- Policy Planning and Strategy* oversees and guides policy and strategy development for the tourism sector, and ensures the efficient and effective management of stakeholder relations.
- South African Tourism* stimulates sustainable international and domestic demand for tourism experiences, and regulates the standard of tourism facilities and services.
- International Relations and Cooperation* drives South Africa's interests through international relations and cooperation.

Expenditure trends and estimates

Table 38.7 Tourism Research, Policy and International 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Tourism Research, Policy and International Relations Management	6.6	5.6	7.5	10.6	17.4%	0.6%		9.1	9.8	10.2	-1.4%	0.7%
Research and Knowledge Management	31.2	27.7	33.5	28.1	-3.5%	2.5%		34.5	36.6	38.1	10.7%	2.4%
Policy Planning and Strategy	19.1	10.9	11.8	12.9	-12.3%	1.1%		14.6	15.5	16.2	8.0%	1.0%
South African Tourism	1 024.8	1 129.3	1 208.0	1 254.2	7.0%	93.9%		1 304.3	1 372.7	1 425.7	4.4%	93.8%
International Relations and Cooperation	21.1	23.3	23.2	25.3	6.3%	1.9%		28.8	31.2	32.5	8.7%	2.1%
Total	1 102.8	1 196.7	1 283.9	1 331.1	6.5%	100.0%		1 391.4	1 465.8	1 522.7	4.6%	100.0%
Change to 2019				-				(14.1)	(14.0)	(20.9)		
Budget estimate												
Economic classification												
Current payments	66.9	56.2	68.6	70.2	1.6%	5.3%		80.5	86.3	89.9	8.6%	5.7%
Compensation of employees	51.7	39.7	51.1	46.9	-3.2%	3.9%		57.0	61.3	64.0	10.9%	4.0%
Goods and services ¹	15.2	16.4	17.6	23.2	15.2%	1.5%		23.6	25.0	25.9	3.7%	1.7%
of which:												
Catering: Departmental activities	0.5	0.9	0.5	1.4	39.3%	0.1%		0.6	0.6	0.7	-22.4%	0.1%
Communication	0.4	0.3	0.3	1.3	52.3%	-		0.6	0.7	0.7	-18.7%	0.1%
Travel and subsistence	4.1	4.3	9.1	14.5	52.2%	0.7%		12.6	13.4	13.9	-1.4%	1.0%
Training and development	3.4	0.3	0.5	1.2	-28.7%	0.1%		1.2	1.1	1.1	-2.0%	0.1%
Operating payments	1.1	1.1	2.2	0.8	-9.8%	0.1%		3.0	3.1	3.3	61.7%	0.2%
Venues and facilities	1.6	6.3	3.3	1.8	5.8%	0.3%		3.4	3.7	3.8	27.8%	0.2%
Transfers and subsidies¹	1 035.3	1 139.9	1 214.4	1 260.4	6.8%	94.6%		1 310.3	1 379.0	1 432.2	4.4%	94.2%
Departmental agencies and accounts	1 024.8	1 129.3	1 208.0	1 254.2	7.0%	93.9%		1 304.3	1 372.7	1 425.7	4.4%	93.8%
Foreign governments and international organisations	6.4	6.4	2.3	2.8	-24.2%	0.4%		2.4	2.4	2.5	-3.0%	0.2%
Households	4.1	4.2	4.0	3.5	-5.0%	0.3%		3.7	3.9	4.0	4.9%	0.3%
Payments for capital assets	0.6	0.7	0.9	0.5	-9.5%	0.1%		0.5	0.5	0.6	4.9%	-
Machinery and equipment	0.6	0.6	0.9	0.5	-9.5%	0.1%		0.5	0.5	0.6	4.9%	-
Software and other intangible assets	-	0.1	-	-	-	-		-	-	-	-	-
Total	1 102.8	1 196.7	1 283.9	1 331.1	6.5%	100.0%		1 391.4	1 465.8	1 522.7	4.6%	100.0%
Proportion of total programme expenditure to vote expenditure	57.4%	56.1%	57.5%	55.6%	-	-		56.1%	56.7%	56.7%	-	-
Details of selected transfers and subsidies												
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	1 024.8	1 129.3	1 208.0	1 254.2	7.0%	93.9%		1 304.3	1 372.7	1 425.7	4.4%	93.8%
South African Tourism	1 024.8	1 129.3	1 208.0	1 254.2	7.0%	93.9%		1 304.3	1 372.7	1 425.7	4.4%	93.8%
Foreign governments and international organisations												
Current	6.4	6.4	2.3	2.8	-24.2%	0.4%		2.4	2.4	2.5	-3.0%	0.2%
Regional Tourism Organisation of South Africa	3.5	4.1	-	-	-100.0%	0.2%		-	-	-	-	-
United Nations World Tourism Organisation	2.8	2.3	2.3	2.8	-0.8%	0.2%		2.4	2.4	2.5	-3.0%	0.2%

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

Programme 3: Destination Development

Programme purpose

Facilitate and coordinate tourism destination development.

Objectives

- Increase the tourism sector's contribution to inclusive economic growth over the medium term by:
 - diversifying and enhancing tourism offerings in priority areas by implementing 9 destination enhancement and route development initiatives
 - undertaking 18 destination planning and investment coordination initiatives.
- Create 15 946 work opportunities by implementing tourism projects through the Working for Tourism programme over the medium term.
- Develop a pipeline for product development on infrastructure development projects by March 2021.

Subprogrammes

- *Destination Development Management* provides strategic leadership and administrative support to the programme's activities.
- *Tourism Enhancement* increases the competitiveness of South Africa's tourism industry.
- *Destination Planning and Investment Coordination* ensures that tourism infrastructure supports the current and future growth of the sector.
- *Working for Tourism* facilitates the development of tourism infrastructure projects under the expanded public works programme through labour-intensive methods targeted at youth, women, unemployed and disabled people, and small, medium and micro enterprises.

Expenditure trends and estimates

Table 38.8 Destination Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Destination Development Management	4.4	32.7	19.7	39.0	106.6%	5.6%	35.6	43.6	39.9	0.8%	7.9%
Tourism Enhancement	4.6	16.0	17.6	23.3	72.1%	3.6%	25.2	26.7	27.8	6.0%	5.1%
Destination Planning and Investment Coordination	25.3	45.1	22.2	29.7	5.4%	7.2%	31.9	33.8	35.2	5.9%	6.5%
Working for Tourism	366.0	339.7	339.0	371.3	0.5%	83.5%	393.2	415.0	434.7	5.4%	80.5%
Total	400.3	433.5	398.4	463.3	5.0%	100.0%	485.9	519.1	537.6	5.1%	100.0%
Change to 2019 Budget estimate				–			(9.8)	(10.9)	(11.6)		
Economic classification											
Current payments	235.2	178.0	269.1	453.1	24.4%	67.0%	485.8	518.9	537.5	5.9%	99.5%
Compensation of employees	56.8	49.0	53.4	55.8	-0.5%	12.7%	60.6	64.4	67.2	6.4%	12.4%
Goods and services ¹	178.4	129.0	215.7	397.2	30.6%	54.3%	425.2	454.6	470.3	5.8%	87.1%
of which:											
Consultants: Business and advisory services	3.6	2.1	7.4	3.3	-3.1%	1.0%	24.7	30.4	27.6	104.0%	4.3%
Contractors	0.0	0.1	110.0	–	-100.0%	6.5%	149.1	157.3	164.8	–	23.5%
Agency and support/outsourced services	0.2	–	–	120.4	684.9%	7.1%	97.1	102.4	107.3	-3.8%	21.3%
Travel and subsistence	9.7	7.2	10.2	29.5	45.0%	3.3%	23.9	25.8	26.2	-3.9%	5.3%
Training and development	156.9	115.6	83.9	228.3	13.3%	34.5%	119.9	126.8	132.6	-16.6%	30.3%
Venues and facilities	3.0	0.3	0.8	7.6	37.0%	0.7%	2.7	3.1	3.0	-26.6%	0.8%
Transfers and subsidies ¹	43.3	85.6	63.6	–	-100.0%	11.4%	–	–	–	–	–
Public corporations and private enterprises	0.6	0.6	–	–	-100.0%	0.1%	–	–	–	–	–
Households	42.7	85.0	63.6	–	-100.0%	11.3%	–	–	–	–	–

Table 38.8 Destination Development expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Payments for capital assets	121.6	169.9	65.6	10.2	-56.2%	21.7%	0.1	0.1	0.1	-76.1%	0.5%
Buildings and other fixed structures	121.0	169.1	64.9	10.0	-56.4%	21.5%	–	–	–	-100.0%	0.5%
Machinery and equipment	0.6	0.7	0.8	0.2	-26.2%	0.1%	0.1	0.1	0.1	-16.6%	–
Payments for financial assets	0.2	0.0	0.2	–	-100.0%	–	–	–	–	–	–
Total	400.3	433.5	398.4	463.3	5.0%	100.0%	485.9	519.1	537.6	5.1%	100.0%
Proportion of total programme expenditure to vote expenditure	20.9%	20.3%	17.8%	19.4%	–	–	19.6%	20.1%	20.0%	–	–
Details of selected transfers and subsidies											
Households											
Other transfers to households											
Current	42.6	84.7	63.5	–	-100.0%	11.2%	–	–	–	–	–
Expanded public works programme	42.6	57.1	40.6	–	-100.0%	8.3%	–	–	–	–	–
Expanded public works programme incentive	–	27.6	22.9	–	–	3.0%	–	–	–	–	–

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

Programme 4: Tourism Sector Support Services

Programme purpose

Enhance transformation, increase skill levels and support the development of the sector to ensure that South Africa is a competitive tourism destination.

Objectives

- Facilitate the development and growth of tourism enterprises to contribute to inclusive economic growth and job creation by implementing the annual domestic tourism campaign and the domestic tourism scheme to stimulate domestic tourism among young people, elderly people and people living with disabilities over the medium term.
- Accelerate the transformation of the tourism sector over the medium term by:
 - implementing the Women in Tourism programme
 - implementing United Nation Tourism World Organisation women in tourism pilot project in Limpopo over the medium term
 - implementing the tourism incentive programmes (market access, tourism grading, green tourism transformation fund and 1 equity fund) in each year over the medium term
 - reviewing the incentive programme and redirect the incentives in line with the strategy by March 2021
 - supporting 5 tourism enterprise development and growth incubators (Manyeleti, Phalaborwa, Mier, the tour operator incubator and technology innovation incubator).
- Facilitate tourism capacity-building programmes by:
 - supporting 15 chefs, 15 designated chefs and 15 housekeepers (through the recognition of the prior learning process) by March 2021
 - designating 20 candidates as travel consultants by March 2021
 - implementing programmes to upskill tourist guides over the medium term
 - hosting the national tourism careers expo over the medium term
 - implementing provincial and local government capacity-building programmes, such as the national chef programme, over the medium term
 - implementing the food safety quality assurer programme in all nine provinces over the medium term
 - supporting skills development programmes for coastal marine tourism over the medium term

- Implementing the hospitality youth training programme over the medium term.

Subprogrammes

- *Tourism Sector Support Services Management* provides administrative support to the programme's activities.
- *Tourism Human Resource Development* facilitates the efficient management and implementation of human resource development initiatives for the tourism sector.
- *Enterprise Development and Transformation* facilitates inclusive participation and sustainability in the tourism sector.
- *Tourism Visitor Services* ensures the integrity of information and facilitates accurate tourism information.
- *Tourism Incentive Programme* manages the establishment of capital and non-capital tourism incentives to promote and encourage the development and growth of the tourism sector.

Expenditure trends and estimates

Table 38.9 Tourism Sector Support Services 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Tourism Sector Support Services Management	9.0	12.7	9.0	11.9	9.8%	4.1%	11.0	11.6	12.1	0.5%	4.0%
Tourism Human Resource Development	19.5	32.7	30.4	27.9	12.6%	10.6%	28.5	30.3	31.6	4.2%	10.2%
Enterprise Development and Transformation	12.2	44.3	44.7	52.7	62.8%	14.7%	50.6	53.2	55.4	1.7%	18.3%
Tourism Visitor Services	15.6	22.0	24.2	24.9	16.9%	8.3%	23.6	25.1	26.1	1.7%	8.6%
Tourism Incentive Programme	133.2	150.2	183.5	185.1	11.6%	62.4%	181.4	154.1	161.8	-4.4%	58.9%
Total	189.4	261.8	291.7	302.4	16.9%	100.0%	295.1	274.3	287.0	-1.7%	100.0%
Change to 2019 Budget estimate				(4.4)			(35.4)	(41.4)	(29.8)		
Economic classification											
Current payments	60.8	121.5	118.6	132.7	29.7%	41.5%	127.0	134.3	139.9	1.8%	46.1%
Compensation of employees	31.9	70.1	70.8	80.6	36.2%	24.2%	77.5	82.4	85.9	2.2%	28.2%
Goods and services ¹	28.9	51.4	47.8	52.1	21.7%	17.2%	49.5	52.0	54.0	1.2%	17.9%
of which:											
Advertising	0.2	1.2	0.9	0.5	45.2%	0.3%	1.3	1.0	1.1	31.0%	0.3%
Catering: Departmental activities	1.1	2.7	2.8	2.3	26.0%	0.9%	2.7	2.8	2.9	8.9%	0.9%
Consultants: Business and advisory services	13.4	14.7	7.6	4.0	-33.1%	3.8%	16.4	17.6	18.3	65.9%	4.9%
Travel and subsistence	6.5	17.0	19.0	20.8	47.6%	6.0%	18.5	19.5	20.3	-0.9%	6.8%
Training and development	4.3	5.5	9.1	18.3	62.5%	3.6%	2.3	2.3	2.4	-49.3%	2.2%
Venues and facilities	1.9	5.8	4.1	3.2	18.5%	1.4%	4.7	4.9	5.1	17.2%	1.5%
Transfers and subsidies¹	89.9	92.7	142.7	169.6	23.5%	47.3%	168.0	139.9	147.0	-4.6%	53.9%
Departmental agencies and accounts	15.0	44.6	65.8	3.7	-37.2%	12.3%	3.9	4.1	4.3	4.9%	1.4%
Public corporations and private enterprises	74.7	47.4	75.9	165.4	30.3%	34.8%	163.7	135.4	142.2	-4.9%	52.4%
Non-profit institutions	0.2	0.6	0.5	0.4	27.3%	0.2%	0.4	0.4	0.5	4.1%	0.2%
Households	0.0	0.1	0.5	–	-100.0%	0.1%	–	–	–	–	–
Payments for capital assets	38.7	47.7	30.3	0.2	-82.8%	11.2%	0.1	0.1	0.1	-29.4%	–
Buildings and other fixed structures	38.0	45.4	29.3	–	-100.0%	10.8%	–	–	–	–	–
Machinery and equipment	0.7	2.3	0.9	0.2	-34.7%	0.4%	0.1	0.1	0.1	-29.4%	–
Payments for financial assets	0.1	0.0	0.1	–	-100.0%	–	–	–	–	–	–
Total	189.4	261.8	291.7	302.4	16.9%	100.0%	295.1	274.3	287.0	-1.7%	100.0%
Proportion of total programme expenditure to vote expenditure	9.9%	12.3%	13.1%	12.6%	–	–	11.9%	10.6%	10.7%	–	–

Table 38.9 Tourism Sector Support Services expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	15.0	44.6	65.8	3.7	-37.2%	12.3%	3.9	4.1	4.3	4.9%	1.4%
Tourism incentive programme	10.6	40.0	61.5	—	-100.0%	10.7%	—	—	—	—	—
Various Institutions	4.4	4.6	4.2	3.7	-5.4%	1.6%	3.9	4.1	4.3	4.9%	1.4%
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											
Current	74.7	47.4	75.9	165.4	30.3%	34.8%	163.7	135.4	142.2	-4.9%	52.4%
Various Institutions	74.7	47.4	75.9	165.4	30.3%	34.8%	163.7	135.4	142.2	-4.9%	52.4%

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

Entity

South African Tourism

Selected performance indicators

Table 38.10 South African Tourism performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current		Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2022/23
Number of international tourist arrivals per year	Leisure tourism marketing	Priority 7: A better Africa and world	10 million	10.3 million	10.4 million	11.4 million	11.7 million	12.4 million	13 million	
Total tourist foreign direct spend per year	Leisure tourism marketing		R75.5bn	R80.7bn	R87.4bn	R90.7bn	R103.1bn	R108.9bn	R115.1bn	
Number of domestic holiday trips per year	Leisure tourism marketing		2.6 million	2.9 million	3 million	2.7 million	3.3 million	3.4 million	3.5 million	
Domestic holiday revenue per year	Leisure tourism marketing		— ¹	R6.8bn	R10.1bn	R8.9bn	R9.6bn	R10.4bn	R11.1bn	
Number of business events hosted in South Africa per year	Business events		125	206	207	219	211	213	215	
Number of small medium and micro enterprise businesses operating in the sector per year	Business events		— ¹	— ¹	239	210	195	201	208	
Seasonality of international tourist arrivals ²	Leisure tourism marketing		— ¹	— ¹	1.36	1.35	1.33	1.32	1.31	
Geographic spread of international tourist arrivals per year ³	Visitor experience		— ¹	— ¹	20%	20%	21%	22%	23%	
Geographic spread of domestic tourist arrivals per year ³	Visitor experience		— ¹	— ¹	8.4%	8%	11%	12%	13%	

1. No historical data available.

2. The index measures the variance in international tourist arrivals on a month-to-month basis. Perfect seasonality is 0 and worse seasonality is 100. The index must reduce over the period.

3. Indicators measure the distribution of international and domestic travellers throughout the nine provinces to ensure equitable share is received by the respective provinces.

Entity overview

The Tourism Act (2014) mandates South African Tourism to market South Africa internationally and domestically as a preferred tourism and business events destination, ensure that tourist facilities and services are of the highest standard, and monitor and evaluate the performance of the tourism sector. Over the medium term, the entity will focus on: boosting domestic and international tourism, improving customer relations management and increasing trade partnerships.

With regards to international tourism, the entity plans to focus on country-specific marketing campaigns for the hosting of international trade-related events. Spending on international marketing activities amounts to R1.9 billion over the medium term. As a result, international tourist arrivals are expected to increase from an estimated 11.4 million in 2019/20 to an estimated 13 million in 2022/23. Revenue that is expected to be generated from international tourism is projected to increase from R90.7 billion in 2019/20 to R115.1 billion in

2022/23. In addition to intensifying its marketing efforts internationally, the entity plans to boost domestic tourism through designated marketing campaigns for targeted groups at an estimated cost of R190.3 million over the MTEF period. This is expected to increase the number of domestic holiday trips from 2.7 million in 2019/20 to 3 million in 2022/23. As a result, revenue generated from domestic tourism is expected to amount to R353.7 million over the period ahead.

Programmes/Objectives/Activities

Table 38.11 South African Tourism expenditure trends and estimates by programme/objective/activity

R million	Audited outcome				Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23		
Administration	102.1	140.0	132.3	135.2	9.8%	9.0%	140.9	148.4	154.2	4.5%	9.0%
Business enablement	99.9	81.3	85.9	89.7	-3.5%	6.4%	94.7	99.7	103.6	4.9%	6.0%
Leisure tourism marketing	847.0	973.0	1 075.6	1 066.6	8.0%	70.2%	1 111.6	1 169.9	1 217.5	4.5%	71.2%
Business events	154.6	119.0	129.3	137.7	-3.8%	9.7%	140.9	148.4	154.2	3.8%	9.1%
Visitor experience	54.0	76.6	65.8	68.7	8.3%	4.7%	72.5	76.4	79.3	4.9%	4.6%
Total	1 257.6	1 389.9	1 488.9	1 497.9	6.0%	100.0%	1 560.7	1 642.8	1 708.7	4.5%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 38.12 South African Tourism statements of historical financial performance

Statement of financial performance

Statement of financial performance									
	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
R million	Budget		Budget		Budget				
	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Revenue									
Non-tax revenue	94.4	132.1	203.7	123.9	100.7	118.3	106.3	106.3	95.2%
of which:									
Other non-tax revenue	94.4	132.1	203.7	123.9	100.7	118.3	106.3	106.3	95.2%
Transfers received	1 124.3	1 162.4	1 258.9	1 246.1	1 338.9	1 329.6	1 391.5	1 391.5	100.3%
Total revenue	1 218.7	1 294.5	1 462.6	1 370.1	1 439.6	1 447.9	1 497.9	1 497.9	99.9%
Expenses									
Current expenses	1 218.7	1 257.6	1 462.6	1 389.9	1 439.6	1 488.9	1 497.9	1 497.9	100.3%
Compensation of employees	179.6	186.3	204.3	196.8	216.1	191.7	228.4	202.2	93.8%
Goods and services	1 022.6	1 059.7	1 246.0	1 180.7	1 210.5	1 284.2	1 255.7	1 281.9	101.5%
Depreciation	16.5	11.6	12.3	12.3	13.0	13.0	13.8	13.8	91.4%
Total expenses	1 218.7	1 257.6	1 462.6	1 389.9	1 439.6	1 488.9	1 497.9	1 497.9	100.3%
Surplus/(Deficit)	—	37.0	—	(20.0)	—	(41.0)	—	—	
Cash flow statement									
Cash flow from operating activities	(86.6)	96.4	0.0	21.6	(0.0)	40.7	0.0	0.0	-183.4%
Receipts									
Non-tax receipts	94.4	259.1	229.3	226.3	223.5	235.3	235.3	235.3	122.2%
Sales of goods and services other than capital assets	94.4	230.8	229.3	226.3	223.5	235.3	235.3	235.3	118.5%
Other sales	94.4	230.8	229.3	226.3	223.5	235.3	235.3	235.3	118.5%
Other tax receipts	—	28.3	—	—	—	—	—	—	—
Transfers received	1 024.8	1 024.8	1 134.3	1 129.3	1 208.0	1 208.0	1 254.2	1 254.2	99.9%
Total receipts	1 119.2	1 283.9	1 363.6	1 355.6	1 431.6	1 443.3	1 489.5	1 489.5	103.1%
Payment									
Current payments	1 205.8	1 187.5	1 363.6	1 334.0	1 431.6	1 402.6	489.5	1 489.5	98.6%
Compensation of employees	201.7	186.3	213.4	177.9	225.7	213.2	238.3	238.3	92.8%
Goods and services	1 004.0	1 001.2	1 150.2	1 156.1	1 205.9	1 189.4	251.2	1 251.2	99.7%
Total payments	1 205.8	1 187.5	1 363.6	1 334.0	1 431.6	1 402.6	489.5	1 489.5	98.6%
Net cash flow from investing activities	—	(4.4)	—	1.1	—	(5.0)	—	—	—
Acquisition of property, plant, equipment & intangible assets	—	—	—	(4.3)	—	(6.0)	—	—	—
Acquisition of software and other intangible assets	—	—	—	(2.3)	—	(0.7)	—	—	—
Proceeds from sale of property, plant, equipment & intangible assets	—	0.0	—	7.7	—	1.5	—	—	—
Other flows from investing activities	—	(4.4)	—	—	—	0.1	—	—	—
Net cash flow from financing activities	—	(0.1)	—	(0.1)	—	(0.0)	—	—	—
Repayment of finance leases	—	(0.1)	—	(0.1)	—	(0.0)	—	—	—
Net increase / (decrease) in cash and cash equivalents	(86.6)	91.9	0.0	22.5	(0.0)	35.7	0.0	0.0	
Statement of financial position									
Carrying value of assets	114.3	101.3	107.1	89.6	113.2	94.2	119.6	119.6	89.1%
Acquisition of assets	—	—	—	(4.3)	—	(6.0)	—	—	—
Loans	—	0.0	—	0.1	—	0.1	—	—	—
Receivables and prepayments	47.0	20.7	21.9	34.7	23.1	28.8	24.4	24.4	93.2%
Cash and cash equivalents	487.8	551.3	582.7	573.8	615.9	609.5	650.4	650.4	102.1%
Total assets	649.1	673.3	711.7	698.2	752.3	732.5	794.4	794.4	99.7%
Accumulated surplus/(deficit)	147.9	238.2	251.8	128.1	—	45.0	—	—	102.9%
Capital and reserves	74.9	70.6	74.6	70.6	78.9	76.5	83.3	83.3	96.6%
Finance lease	0.4	0.2	0.2	0.1	0.2	0.3	0.2	0.2	74.6%
Trade and other payables	369.3	320.7	328.6	456.3	624.5	560.3	659.4	659.4	100.7%
Provisions	56.6	43.6	46.1	43.1	48.7	50.5	51.4	51.4	93.0%
Total equity and liabilities	649.1	673.3	701.3	698.2	752.3	732.5	794.4	794.4	100.0%

Statements of estimates of financial performance, cash flow and financial position

Table 38.13 South African Tourism statements of estimates financial performance, cash flow and position

Statement of financial position		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate			2020/21	2021/22	2022/23		
R million	2019/20	2016/17 - 2019/20					2019/20 - 2022/23	
Revenue								
Non-tax revenue	106.3	-7.0%	8.6%	112.2	117.9	123.6	5.1%	7.2%
Other non-tax revenue	106.3	-7.0%	8.6%	112.2	117.9	123.6	5.1%	7.2%
Transfers received	1 391.5	6.2%	91.4%	1 448.5	1 524.8	1 585.1	4.4%	92.8%
Total revenue	1 497.9	5.0%	100.0%	1 560.7	1 642.8	1 708.7	4.5%	100.0%
Current expenses	1 497.9	6.0%	100.0%	1 560.7	1 642.8	1 708.7	4.5%	100.0%
Compensation of employees	202.2	2.8%	13.8%	213.4	224.7	235.9	5.3%	13.7%
Goods and services	1 281.9	6.6%	85.3%	1 332.8	1 402.8	1 456.9	4.4%	85.4%
Depreciation	13.8	5.7%	0.9%	14.5	15.3	15.9	5.0%	0.9%
Total expenses	1 497.9	6.0%	100.0%	1 560.7	1 642.8	1 708.7	4.5%	100.0%
Surplus/(Deficit)	-			-	-	-		
Cash flow statement								
Cash flow from operating activities	0.0	-98.6%	50.6%	(0.0)	0.0	0.0	14.2%	47.3%
Receipts								
Non-tax receipts	235.3	-3.2%	17.2%	246.6	260.2	270.3	4.7%	15.8%
Sales of goods and services other than capital assets	235.3	0.7%	16.7%	246.6	260.2	270.3	4.7%	15.8%
Other sales	235.3	0.7%	16.7%	246.6	260.2	270.3	4.7%	15.8%
Transfers received	1 254.2	7.0%	82.8%	1 323.5	1 392.8	1 444.6	4.8%	84.2%
Total receipts	1 489.5	5.1%	100.0%	1 570.1	1 653.0	1 714.9	4.8%	100.0%
Current payments	1 489.5	7.8%	96.0%	1 570.1	1 653.0	1 714.9	4.8%	100.0%
Compensation of employees	238.3	8.6%	14.5%	366.0	386.1	401.1	19.0%	21.5%
Goods and services	1 251.2	7.7%	81.6%	1 204.1	1 266.9	1 313.8	1.6%	78.5%
Total payment	1 489.5	7.8%	100.0%	1 570.1	1 653.0	1 714.9	4.8%	100.0%
Net increase / (decrease) in cash and cash equivalents	0.0	-98.6%	100.0%	(0.0)	0.0	0.0	-70.2%	100.0%
Carrying value of assets	119.6	5.7%	13.9%	126.1	133.1	138.2	5.0%	15.1%
Receivables and prepayments	24.4	5.7%	3.8%	25.8	27.2	28.3	5.0%	3.1%
Cash and cash equivalents	650.4	5.7%	82.3%	686.2	723.9	752.1	5.0%	81.9%
Total assets	794.4	5.7%	100.0%	838.1	884.2	918.6	5.0%	100.0%
Capital and reserves	83.3	5.7%	10.4%	87.9	92.8	96.4	5.0%	10.5%
Finance lease	0.2	5.1%	0.0%	0.2	0.3	0.3	3.6%	0.0%
Trade and other payables	659.4	27.2%	68.1%	695.6	733.9	762.4	5.0%	83.0%
Provisions	51.4	5.7%	6.5%	54.3	57.3	59.5	5.0%	6.5%
Total equity and liabilities	794.4	5.7%	100.0%	838.1	884.2	918.6	5.0%	100.0%

Personnel information

Table 38.14 South African Tourism personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment		Actual		Revised estimate		Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)					
			2018/19		2019/20		2020/21		2021/22		2022/23				2019/20 - 2022/23				
			Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost	Number	Unit cost							
South African Tourism			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	185	185	185	191.7	1.0	185	202.2	1.1	185	213.4	1.2	185	224.7	1.2	185	235.9	1.3	5.3%	100.0%
1 – 6	19	19	19	3.1	0.2	19	3.3	0.2	19	3.5	0.2	19	3.6	0.2	19	3.8	0.2	5.3%	10.3%
7 – 10	64	64	64	40.1	0.6	64	42.3	0.7	64	44.7	0.7	64	47.1	0.7	64	49.5	0.8	5.3%	34.6%
11 – 12	35	35	35	37.0	1.1	35	39.1	1.1	35	41.2	1.2	35	43.5	1.2	35	45.7	1.3	5.3%	18.9%
13 – 16	65	65	65	105.7	1.6	65	111.6	1.7	65	117.7	1.8	65	124.2	1.9	65	130.4	2.0	5.3%	35.1%
17 – 22	2	2	2	5.7	2.8	2	6.0	3.0	2	6.3	3.2	2	6.2	3.1	2	6.6	3.3	3.0%	1.1%

1. Rand million

Vote 39

Trade, Industry and Competition

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	873.6	860.3	–	13.3	927.2	970.3
Trade Policy, Negotiations and Cooperation	134.0	103.4	29.7	0.8	142.2	148.6
Spatial Industrial Development and Economic Transformation	171.9	157.7	13.7	0.5	184.3	190.1
Industrial Competitiveness and Growth	1 992.1	143.1	1 848.1	1.0	1 810.7	1 875.4
Consumer and Corporate Regulation	342.3	84.3	257.9	0.2	363.9	378.8
Industrial Financing	6 059.1	189.4	5 855.5	14.3	5 074.9	5 270.6
Export Development, Promotion and Outward Investments	456.7	246.6	207.6	2.5	486.6	502.4
Inward Investment Attraction, Facilitation and Aftercare	58.3	57.8	–	0.5	63.0	66.6
Competition Policy and Economic Planning	908.4	49.2	859.0	0.2	955.5	991.9
Economic Research and Coordination	85.7	84.8	–	1.0	89.9	94.4
Total expenditure estimates	11 082.1	1 976.6	9 071.4	34.1	10 098.3	10 489.1

Executive authority Minister of Trade, Industry and Competition
Accounting officer Director-General of Trade, Industry and Competition
Website www.thedti.gov.za

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Lead economic development policy formulation and planning. Facilitate access to sustainable economic activity and employment for all South Africans through an understanding of the economy, knowledge of economic opportunities and potential, and anticipation of future economic trends. Catalyse economic transformation and development, and provide a predictable, competitive, equitable and socially responsible environment for investment, enterprise and trade for economic citizens. Contribute to achieving government's vision of an adaptive and restructured economy, characterised by accelerated economic growth, employment creation and greater equity.

Mandate

The mandate of the Department of Trade, Industry and Competition is derived from a broad legislative framework, which includes:

- the Companies Act (2008)
- the Manufacturing Development Act (1993)
- the Broad-Based Black Economic Empowerment Act (2003)
- the Consumer Protection Act (2008)
- the Industrial Development Corporation Act (1940)
- the Competition Act (1998), as amended
- the International Trade Administration Act (2002).

Selected performance indicators

Table 39.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Number of master plans submitted to the minister per year	Industrial Competitiveness and Growth	Priority 1: Economic transformation and job creation	3	4	1	4	3	4	4
Number of designation requests submitted for the minister's approval per year	Industrial Competitiveness and Growth		4	2	2	2	2	2	2
Value of projected investment to be leveraged from approved projects per year	Industrial Financing		R13bn	R36.8bn	R13.2bn	R25bn	R15bn	R15bn	R15bn
Number of new jobs supported from approved enterprises per year	Industrial Financing		8 059	15 401	16 178	8 000	8 500	8 000	9 000
Number of jobs retained from approved enterprises per year	Industrial Financing		34 592	28 209	30 983	10 000	10 000	10 500	10 500
Number of enterprises/projects approved for financial support across all incentives per year	Industrial Financing		— ¹	848	755	900	600	650	700
Number of ministerial/departmental oversight engagements with trade and competition authorities held per year	Competition Policy and Economic Planning		8	6	5	5	5	5	5
Number of analytical and public policy advocacy reports on socioeconomic development and the New Growth Path produced per year	Economic Research and Coordination		4	4	4	4	4	4	4
Number of reports on black women and youth with access to employment and entrepreneurship opportunities per year	Economic Research and Coordination		34	2	3	3	3	3	3
Number of reports on support provided to provinces per year	Economic Research and Coordination		10	10	10	10	10	10	10

1. No historical data available.

Expenditure analysis

The National Development Plan presents a broad vision for sustainable industrialisation and economic development and transformation in South Africa and, by extension, Africa. This vision is expressed specifically in terms of priority 1 (economic transformation and job creation) and priority 7 (a better Africa and world) of government's 2019-2024 medium-term strategic framework. The work of the Department of Trade, Industry and Competition is directly aligned with these priorities through its reimagined industrial strategy, which is premised on the development of sectoral master plans aimed at improving performance in identified sectors. The strategy sets out the department's focus areas over the medium term. These are: providing industrial finance, developing industrial infrastructure, strengthening export capabilities and enhancing competition regulation.

Expenditure is expected to decrease at an average annual rate of 1.6 per cent, from R11 billion in 2019/20 to R10.5 billion in 2022/23. Allocations to the *Industrial Financing* programme account for the bulk of the department's expenditure. Spending in the programme is expected to decrease at an average annual rate of 4 per cent, from R6 billion in 2019/20 to R5.3 billion in 2022/23. These decreases are due to Cabinet-approved reductions on the department's budget over the period ahead.

Providing industrial finance

In support of job creation and economic transformation, activities in the *Industrial Financing* programme are aimed at growing sustainable and competitive enterprises through providing access to industrial finance, either directly or indirectly. Activities in the programme's *Manufacturing Incentives* subprogramme are informed by

evidence-based programme designs and are expected to be achieved through the effective administration, and monitoring and evaluation of manufacturing incentive programmes in labour-intensive sectors. These incentives include the automotive incentive scheme, the black industrialist scheme, the agro-processing support scheme and the aquaculture development enhancement programme. Allocations to the subprogramme account for 54.8 per cent (R8.6 billion) of the *Industrial Financing* programme's total budget over the MTEF period.

Other planned activities in the *Industrial Financing* programme over the period ahead include development and implementation of various master plans, to stimulate various sectors of the economy, including: chemicals and plastics, clothing and textiles, steel and metals fabrication, furniture, sugar production, and poultry.

In recognition of the need to accelerate growth in the manufacturing and internationally traded services sectors, over the period ahead the department aims to strengthen partnerships to leverage accessible industrial finance. In this regard, over the MTEF period, activities in the *Industrial Financing* programme are aimed at leveraging more than R45 billion in investments from the private sector by providing financial support to an estimated 1 950 enterprises or projects that will create approximately 56 500 jobs over the medium term.

Developing industrial infrastructure

The *Infrastructure Investment Support* subprogramme in the *Industrial Financing* programme provides grants for 3 industrial infrastructure initiatives: special economic zones, industrial parks and the critical infrastructure programme. These initiatives are aimed at enhancing the development of industrial infrastructure that has the potential to increase investment and exports. Accordingly, over the medium term the department plans to continue its support programmes for special economic zones and industrial parks with greater emphasis on the development of township and rural infrastructure. Allocations for special economic zones in the *Infrastructure Investment Support* subprogramme are expected to increase at an average annual rate of 13 per cent, from R1.1 billion in 2019/20 to R1.6 billion in 2022/23. Financial support to industrial parks is estimated to increase at an average annual rate of 2.8 per cent, from R122.9 million in 2019/20 to R133.4 million in 2022/23, to support the refurbishment of 27 industrial parks across South Africa.

Strengthening export capabilities

The department plans to continue implementing the integrated national export strategy in line with its ongoing effort to build capacity for increasing the export of South African goods and services. Accordingly, over the MTEF period, more than 2 000 South African companies will be assisted to participate at organised national pavilions, trade missions and other export promotion initiatives that will be facilitated by the department. These initiatives are aimed at increasing the participation of historically disadvantaged enterprises and individuals. To carry out these activities, R751.1 million is allocated over the medium term to the export marketing and investment assistance scheme in the *Industrial Financing* programme.

Enhancing competition regulation

The Competition Amendment Act (2018) expanded the mandates of competition authorities to include the initiation of market inquiries, a number of which have already commenced in key economic sectors. Over the medium term, the department plans to oversee the implementation of these expanded mandates. For this purpose, an additional R65 million is allocated over the MTEF period to the Competition Commission and the Competition Tribunal to enhance their capacity to investigate cartels, and elements of dominance and collusion in identified sectors.

Expenditure trends and estimates

Table 39.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration 2. Trade Policy, Negotiations and Cooperation 3. Spatial Industrial Development and Economic Transformation 4. Industrial Competitiveness and Growth 5. Consumer and Corporate Regulation 6. Industrial Financing 7. Export Development, Promotion and Outward Investments 8. Inward Investment Attraction, Facilitation and Aftercare 9. Competition Policy and Economic Planning 10. Economic Research and Coordination											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Programme 1	760.7	827.4	862.3	924.1	6.7%	7.9%	873.6	927.2	970.3	1.6%	8.7%
Programme 2	116.0	121.1	122.1	130.4	4.0%	1.1%	134.0	142.2	148.6	4.4%	1.3%
Programme 3	97.6	95.7	122.0	160.0	17.9%	1.1%	171.9	184.3	190.1	5.9%	1.7%
Programme 4	1 722.2	1 838.8	2 018.6	2 100.8	6.8%	18.0%	1 992.1	1 810.7	1 875.4	-3.7%	18.2%
Programme 5	295.4	298.7	323.8	339.8	4.8%	2.9%	342.3	363.9	378.8	3.7%	3.3%
Programme 6	6 895.2	5 600.5	5 560.7	5 953.6	-4.8%	56.2%	6 059.1	5 074.9	5 270.6	-4.0%	52.4%
Programme 7	454.6	456.2	460.2	440.7	-1.0%	4.2%	456.7	486.6	502.4	4.5%	4.4%
Programme 8	69.2	64.5	69.4	68.7	-0.3%	0.6%	58.3	63.0	66.6	-1.0%	0.6%
Programme 9	546.9	782.3	912.2	815.8	14.3%	7.2%	908.4	955.5	991.9	6.7%	8.6%
Programme 10	56.7	60.1	68.0	80.5	12.4%	0.6%	85.7	89.9	94.4	5.4%	0.8%
Total	11 014.5	10 145.3	10 519.3	11 014.4	0.0%	100.0%	11 082.1	10 098.3	10 489.1	-1.6%	100.0%
Change to 2019				(30.1)			(580.3)	(502.5)	(513.0)		
Budget estimate											
Economic classification											
Current payments	1 638.9	1 723.1	1 826.0	1 960.5	6.2%	16.7%	1 976.6	2 105.4	2 193.7	3.8%	19.3%
Compensation of employees	1 000.5	1 035.3	1 073.2	1 142.7	4.5%	10.0%	1 171.4	1 247.6	1 301.8	4.4%	11.4%
Goods and services ¹	638.5	687.8	752.8	817.8	8.6%	6.8%	805.2	857.8	891.9	2.9%	7.9%
of which:											
Computer services	17.2	45.0	36.1	41.7	34.4%	0.3%	35.5	37.6	39.9	-1.5%	0.4%
Consultants: Business and advisory services	23.0	23.8	43.3	61.2	38.6%	0.4%	70.8	74.1	77.8	8.3%	0.7%
Legal services	39.0	19.7	23.2	29.5	-8.9%	0.3%	37.5	41.8	45.2	15.3%	0.4%
Operating leases	315.4	335.9	355.7	340.0	2.5%	3.2%	291.7	307.0	318.8	-2.1%	2.9%
Travel and subsistence	95.8	106.9	118.7	127.5	10.0%	1.1%	147.9	161.5	167.8	9.6%	1.4%
Operating payments	27.1	23.0	24.4	32.6	6.3%	0.3%	33.2	35.6	39.5	6.6%	0.3%
Transfers and subsidies¹	9 347.0	8 394.8	8 674.0	9 035.7	-1.1%	83.0%	9 071.4	7 956.5	8 257.3	-3.0%	80.4%
Departmental agencies and accounts	1 171.7	1 120.0	1 091.0	1 144.3	-0.8%	10.6%	1 175.9	1 240.0	1 288.4	4.0%	11.4%
Foreign governments and international organisations	29.8	28.5	27.7	37.3	7.7%	0.3%	42.8	45.2	46.8	7.9%	0.4%
Public corporations and private enterprises	7 978.4	7 069.9	7 348.6	7 673.9	-1.3%	70.4%	7 695.1	6 502.1	6 751.5	-4.2%	67.1%
Non-profit institutions	163.1	173.8	202.4	178.9	3.1%	1.7%	156.5	168.3	169.5	-1.8%	1.6%
Households	4.0	2.6	4.3	1.4	-29.8%	0.0%	0.9	1.0	1.0	-8.6%	0.0%
Payments for capital assets	18.9	26.2	18.9	18.2	-1.2%	0.2%	34.1	36.4	38.1	28.0%	0.3%
Machinery and equipment	12.6	18.0	17.8	15.4	7.0%	0.1%	18.6	20.0	21.2	11.2%	0.2%
Software and other intangible assets	6.3	8.2	1.1	2.8	-23.8%	0.0%	15.5	16.3	16.9	82.4%	0.1%
Payments for financial assets	9.7	1.1	0.5	0.0	-93.2%	0.0%	-	-	-	-100.0%	0.0%
Total	11 014.5	10 145.3	10 519.3	11 014.4	0.0%	100.0%	11 082.1	10 098.3	10 489.1	-1.6%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 39.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 008 898	973 703	967 867	1 014 275	0.2%	11.2%	1 040 951	1 097 502	1 140 565	4.0%	12.5%
Employee social benefits	—	—	—	15	—	—	—	—	—	-100.0%	—
Council for Geoscience	1 131	1 188	1 257	1 327	5.5%	—	1 372	1 447	1 501	4.2%	—
National Productivity Institute	8 523	8 949	9 231	30 996	53.8%	0.2%	10 114	10 754	11 028	-29.1%	0.2%
South African National Accreditation System	22 208	30 313	31 032	31 669	12.6%	0.3%	32 731	34 532	35 816	4.2%	0.4%
National Metrology Institute of South Africa: Operations	101 400	106 470	109 698	115 057	4.3%	1.2%	119 384	126 922	130 165	4.2%	1.4%
National Regulator for Compulsory Specifications	86 418	128 745	146 104	139 501	17.3%	1.4%	144 230	152 163	157 818	4.2%	1.7%
National Credit Regulator	69 577	73 056	75 361	86 580	7.6%	0.9%	82 278	86 803	90 030	1.3%	1.0%
National Gambling Board	30 121	31 627	32 624	33 797	3.9%	0.4%	35 051	37 265	38 217	4.2%	0.4%
National Consumer Tribunal	46 151	48 459	52 688	56 639	7.1%	0.6%	54 948	56 982	59 100	1.4%	0.7%
National Consumer Commission	56 643	52 614	69 674	58 304	1.0%	0.7%	61 270	64 649	67 069	4.8%	0.7%
Companies Tribunal	15 069	15 822	16 740	17 352	4.8%	0.2%	18 227	19 233	19 952	4.8%	0.2%
National Research Foundation	256 000	84 000	—	—	-100.0%	1.0%	—	—	—	—	—
Competition Commission	208 541	263 354	281 788	295 438	12.3%	3.0%	331 559	348 695	360 915	6.9%	3.9%
Competition Tribunal	20 115	30 041	35 086	36 172	21.6%	0.3%	37 403	39 460	45 927	8.3%	0.5%
International Trade Administration Commission	87 001	99 065	106 584	111 428	8.6%	1.1%	112 384	118 597	123 027	3.4%	1.4%
Capital	162 793	146 333	123 086	129 979	-7.2%	1.6%	134 995	142 465	147 867	4.4%	1.6%
National Metrology Institute of South Africa	162 793	146 333	123 086	129 979	-7.2%	1.6%	134 995	142 465	147 867	4.4%	1.6%
Households											
Social benefits											
Current	3 320	2 080	3 822	1 345	-26.0%	—	942	994	1 041	-8.2%	—
Employee social benefits	3 265	2 025	3 807	1 195	-28.5%	—	942	994	1 041	-4.5%	—
Other transfers to households	—	4	—	—	—	—	—	—	—	—	—
Households	55	51	15	150	39.7%	—	—	—	—	-100.0%	—
Households											
Other transfers to households											
Current	630	513	503	20	-68.3%	—	—	—	—	-100.0%	—
Gifts and donations	421	259	286	—	-100.0%	—	—	—	—	—	—
Employee social benefits	—	153	164	20	—	—	—	—	—	-100.0%	—
Bursaries for non-employees	205	—	—	—	-100.0%	—	—	—	—	—	—
Other transfers to households	4	101	49	—	-100.0%	—	—	—	—	—	—
Other transfer to household	—	—	4	—	—	—	—	—	—	—	—
Public corporations and private enterprises											
Other transfers to public corporations											
Current	1 712 476	1 935 446	2 220 605	1 886 200	3.3%	21.9%	1 813 832	1 611 212	1 674 254	-3.9%	20.4%
Employee social benefits	—	—	—	15	—	—	—	—	—	-100.0%	—
Protechnik Laboratories: Operations	2 945	3 093	3 272	3 455	5.5%	—	3 645	3 845	3 987	4.9%	—
Council for Scientific and Industrial Research	1 655	1 738	1 839	1 942	5.5%	—	2 008	2 119	2 198	4.2%	—
Industrial Development Corporation	758 266	870 440	1 047 287	942 149	7.5%	10.2%	953 862	740 780	771 653	-6.4%	9.9%
Council for Scientific and Industrial Research: National Cleaner Production Centre	58 870	62 951	58 008	53 592	-3.1%	0.7%	60 255	27 065	28 206	-19.3%	0.5%
Council for Scientific and Industrial Research: National foundry technology network	19 689	18 678	8 183	18 699	-1.7%	0.2%	23 590	25 162	26 284	12.0%	0.3%
South African Bureau of Standards	212 361	302 494	375 931	420 384	25.6%	3.7%	319 411	336 319	348 375	-6.1%	4.2%
Industrial Development Corporation: Industrial financing	250 000	250 000	300 000	—	-100.0%	2.3%	—	—	—	—	—
Export Credit Insurance Corporation of South Africa	171 566	188 272	183 248	193 511	4.1%	2.1%	204 153	215 381	223 387	4.9%	2.4%
Various institutions: One-stop shop	24 000	14 000	14 000	11 000	-22.9%	0.2%	—	—	—	-100.0%	—
Small Enterprise Finance Agency	213 124	223 780	228 837	241 453	4.2%	2.6%	246 908	260 541	270 164	3.8%	3.0%
Capital	1 554 797	1 725 975	1 275 263	1 319 266	-5.3%	16.6%	1 343 032	1 683 696	1 747 321	9.8%	17.8%
Protechnik Laboratories: Capital	1 219	1 279	1 354	1 430	5.5%	—	1 509	1 592	1 651	4.9%	—
Council for Scientific and Industrial Research: Aerospace industry	17 781	19 020	31 753	21 556	6.6%	0.3%	25 287	26 513	27 387	8.3%	0.3%
Various institutions: Critical infrastructure programme	125 797	140 257	83 040	200 000	16.7%	1.5%	153 052	130 921	135 432	-12.2%	1.8%
Various institutions: Special economic zones	1 410 000	1 565 419	1 159 116	1 096 280	-8.0%	14.8%	1 163 184	1 524 670	1 582 851	13.0%	15.6%
Non-profit institutions											
Current	163 107	173 814	202 430	178 897	3.1%	2.0%	156 536	168 276	169 547	-1.8%	2.0%
Black Business Council	1 000	1 500	—	—	-100.0%	—	1 583	1 702	1 765	—	—
Intsimbi future production technologies initiatives	74 082	75 786	116 136	88 341	6.0%	1.0%	68 711	73 864	76 617	-4.6%	0.9%
Automotive supply chain competitiveness initiative	15 000	13 127	7 984	8 813	-16.2%	0.1%	9 298	9 995	10 367	5.6%	0.1%
Trade and industrial policy strategies	22 712	24 423	27 086	27 763	6.9%	0.3%	20 270	22 166	23 178	-5.8%	0.3%
Centurion Aerospace Village	18 445	25 367	15 490	16 357	-3.9%	0.2%	17 257	18 551	14 243	-4.5%	0.2%
Proudly South African campaign	31 868	33 611	35 734	37 623	5.7%	0.4%	39 417	41 998	43 377	4.9%	0.5%

Table 39.3 Vote transfers and subsidies trends and estimates

				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Public corporations and private enterprises											
Other transfers to private enterprises											
Current	205 169	198 603	252 006	281 911	11.2%	2.6%	309 322	326 336	338 468	6.3%	3.7%
Various institutions: Export market and investment assistance	184 409	162 372	223 575	240 478	9.3%	2.3%	238 482	251 599	260 952	2.8%	2.9%
Various institutions: Support programme for industrial innovation	20 760	36 231	28 431	41 433	25.9%	0.4%	70 840	74 737	77 516	23.2%	0.8%
Capital	64 187	38 836	68 123	122 891	24.2%	0.8%	121 871	128 574	133 358	2.8%	1.5%
Various institutions: Critical infrastructure programme	64 187	38 836	68 123	122 891	24.2%	0.8%	121 871	128 574	133 358	2.8%	1.5%
Foreign governments and international organisations											
Current	29 843	28 457	27 650	37 326	7.7%	0.3%	42 808	45 162	46 839	7.9%	0.5%
Organisation for the Prohibition of Chemical Weapons	3 516	3 543	2 906	5 778	18.0%	–	6 096	6 431	6 670	4.9%	0.1%
World Trade Organisation	14 159	12 908	13 299	16 200	4.6%	0.2%	17 091	18 031	18 702	4.9%	0.2%
United Nations Industrial Development Organisation	5 969	6 021	5 090	7 560	8.2%	0.1%	7 976	8 415	8 727	4.9%	0.1%
Treaty organisations for metrology	1 631	1 644	1 702	2 009	7.2%	–	2 119	2 236	2 318	4.9%	–
World Intellectual Property Organisation	4 568	4 341	4 653	5 779	8.2%	0.1%	6 097	6 432	6 671	4.9%	0.1%
Export consultancy trust funds: International Bank for Reconstruction and Development (World Bank)	–	–	–	–	–	–	1 715	1 809	1 876	–	–
Export consultancy trust funds: International Finance Corporation	–	–	–	–	–	–	1 714	1 808	1 875	–	–
Public corporations and private enterprises											
Subsidies on products and production (pe)											
Current	4 441 734	3 171 053	3 532 602	4 063 589	-2.9%	42.9%	4 107 081	2 752 319	2 858 061	-11.1%	40.2%
Various institutions: Services sector development incentives	801 038	812 498	831 342	805 025	0.2%	9.2%	698 578	736 999	764 396	-1.7%	8.8%
Various institutions: Manufacturing development incentives	3 590 696	2 338 306	2 700 373	3 258 564	-3.2%	33.5%	3 408 503	2 015 320	2 093 665	-13.7%	31.4%
Various institutions: Industrial development zones - other	50 000	20 249	887	–	-100.0%	0.2%	–	–	–	–	–
Total	9 346 954	8 394 813	8 673 957	9 035 699	-1.1%	100.0%	9 071 370	7 956 536	8 257 321	-3.0%	100.0%

Personnel information

Table 39.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Trade Policy, Negotiations and Cooperation																			
3. Spatial Industrial Development and Economic Transformation																			
4. Industrial Competitiveness and Growth																			
5. Consumer and Corporate Regulation																			
6. Industrial Financing																			
7. Export Development, Promotion and Outward Investments																			
8. Inward Investment Attraction, Facilitation and Aftercare																			
9. Competition Policy and Economic Planning																			
10. Economic Research and Coordination																			
Number of posts estimated for 31 March 2020			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 (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Trade, Industry and Competition			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2019/20 - 2022/23				
Salary level	1 375	65	1 422	1 073.2	0.8	1 432	1 142.7	0.8	1 389	1 171.4	0.8	1 387	1 247.6	0.9	1 364	1 301.8	1.0	-1.6%	100.0%
1 – 6	85	58	187	40.6	0.2	191	44.5	0.2	183	46.9	0.3	185	50.9	0.3	181	53.0	0.3	-1.8%	13.3%
7 – 10	571	–	569	289.8	0.5	572	313.0	0.5	565	331.0	0.6	559	350.2	0.6	559	373.8	0.7	-0.8%	40.5%
11 – 12	309	3	323	292.5	0.9	330	319.0	1.0	323	332.2	1.0	323	353.0	1.1	314	364.7	1.2	-1.6%	23.2%
13 – 16	332	4	264	333.8	1.3	277	370.3	1.3	263	371.5	1.4	265	398.1	1.5	261	416.8	1.6	-2.0%	19.1%
Other	78	–	79	116.5	1.5	62	95.9	1.5	55	89.8	1.6	55	95.4	1.7	49	93.6	1.9	-7.5%	4.0%

Table 39.4 Vote personnel numbers and cost by salary level and programme¹

Number of posts estimated for 31 March 2020			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 (%)						
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23					
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost		Unit cost				
Trade, Industry and Competition			1 375	65		1 422	1 073.2	0.8	1 432	1 142.7	0.8	1 389	1 171.4	0.8	1 387	1 247.6	0.9	1 364	1 301.8	1.0	-1.6%	100.0%
Programme 1	453	20	472	308.9	0.7	474	331.4	0.7	464	338.0	0.7	460	358.7	0.8	454	376.0	0.8	-1.4%	33.2%			
Programme 2	95	1	96	77.1	0.8	95	81.9	0.9	89	82.6	0.9	89	88.0	1.0	88	92.4	1.0	-2.5%	6.5%			
Programme 3	104	8	112	73.8	0.7	112	79.0	0.7	106	82.2	0.8	108	88.3	0.8	104	91.8	0.9	-2.4%	7.7%			
Programme 4	127	5	131	110.6	0.8	136	123.0	0.9	131	124.2	0.9	133	133.5	1.0	130	136.6	1.1	-1.5%	9.5%			
Programme 5	67	3	70	54.7	0.8	72	61.1	0.8	69	63.6	0.9	72	70.6	1.0	72	75.1	1.0	-	5.1%			
Programme 6	188	12	200	137.9	0.7	209	153.7	0.7	203	159.4	0.8	197	164.3	0.8	194	172.1	0.9	-2.5%	14.4%			
Programme 7	209	6	214	204.4	1.0	197	190.1	1.0	191	192.2	1.0	192	207.6	1.1	186	213.0	1.1	-1.9%	13.7%			
Programme 8	59	6	61	41.0	0.7	57	39.8	0.7	56	41.2	0.7	57	44.9	0.8	57	47.8	0.8	-	4.1%			
Programme 9	25	-	13	14.3	1.1	22	24.6	1.1	22	26.2	1.2	22	27.9	1.3	23	30.4	1.3	1.5%	1.6%			
Programme 10	48	4	53	50.5	1.0	58	58.1	1.0	58	61.8	1.1	57	63.8	1.1	56	66.8	1.2	-1.2%	4.1%			

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

2. Rand million.

Departmental receipts

Table 39.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
R thousand												
Departmental receipts	235 428	274 206	220 060	195 864	203 859	-4.7%	100.0%	222 746	221 334	244 302	6.2%	100.0%
Tax receipts	4 862	4 239	3 773	4 900	4 900	0.3%	1.9%	5 600	5 000	5 000	0.7%	2.3%
Sales of goods and services produced by department	640	668	659	799	789	7.2%	0.3%	737	766	824	1.5%	0.3%
Sales by market establishments	279	279	265	310	300	2.4%	0.1%	335	350	355	5.8%	0.2%
of which:												
Rental of parking	279	279	265	310	300	2.4%	0.1%	335	350	355	5.8%	0.2%
Administrative fees	-	-	-	1	1	-	-	1	1	1	-	-
of which:												
Request information in terms of the Promotion of Access to Information Act (2000)	-	-	-	1	1	-	-	1	1	1	-	-
Other sales	361	389	394	488	488	10.6%	0.2%	401	415	468	-1.4%	0.2%
of which:												
Commission on hand	187	189	300	300	300	17.1%	0.1%	290	290	320	2.2%	0.1%
Academic services	161	185	77	171	171	2.0%	0.1%	90	100	120	-11.1%	0.1%
Commission on insurance garnishee	13	15	17	17	17	9.4%	-	21	25	28	18.1%	-
Sales of scrap, waste, arms and other used current goods	14	15	5	5	5	-29.1%	-	6	6	11	30.1%	-
of which:												
Wastepaper: Recycling of paper	14	15	-	-	-	-100.0%	-	1	1	1	-	-
Cellphones: Old pool phones	-	-	5	5	5	-	-	5	5	10	26.0%	-
Fines, penalties and forfeits	117 365	157 408	96 288	68 810	68 815	-16.3%	47.1%	93 890	93 890	93 890	10.9%	39.3%
Interest, dividends and rent on land	22 967	51 513	50 741	52 110	52 110	31.4%	19.0%	52 120	52 197	52 309	0.1%	23.4%
Interest	2 967	1 513	741	2 110	2 110	-10.7%	0.8%	2 120	2 197	2 309	3.0%	1.0%
Dividends	20 000	50 000	50 000	50 000	50 000	35.7%	18.2%	50 000	50 000	50 000	-	22.4%
of which:												
Dividends from the Industrial Development Corporation	20 000	50 000	50 000	50 000	50 000	35.7%	18.2%	50 000	50 000	50 000	-	22.4%
Sales of capital assets	-	487	10	-	-	-	0.1%	360	400	-	-	0.1%
Transactions in financial assets and liabilities	89 580	59 876	68 584	69 240	77 240	-4.8%	31.6%	70 033	69 075	92 268	6.1%	34.6%
Total	235 428	274 206	220 060	195 864	203 859	-4.7%	100.0%	222 746	221 334	244 302	6.2%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 39.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Ministry	44.5	49.3	60.4	65.2	13.6%	6.5%	66.0	69.7	74.2	4.4%	7.4%
Office of the Director-General	78.1	71.6	73.2	97.6	7.7%	9.5%	98.2	103.8	110.0	4.1%	11.1%
Corporate Management Services	492.0	547.0	554.9	576.6	5.4%	64.3%	516.2	549.4	573.1	-0.2%	60.0%
Office Accommodation	2.6	2.3	2.4	2.6	-0.5%	0.3%	6.0	6.6	6.8	38.9%	0.6%
Financial Management Services	73.3	81.1	78.1	85.6	5.3%	9.4%	91.4	96.8	101.0	5.7%	10.1%
Marketing Communication and Media Relations	70.2	76.1	93.3	96.5	11.2%	10.0%	95.8	100.9	105.1	2.9%	10.8%
Total	760.7	827.4	862.3	924.1	6.7%	100.0%	873.6	927.2	970.3	1.6%	100.0%
Change to 2019				30.3			(22.9)	(22.5)	(18.9)		
Budget estimate											
Economic classification											
Current payments	746.2	801.2	844.5	913.3	7.0%	97.9%	860.3	912.8	955.0	1.5%	98.5%
Compensation of employees	292.1	304.8	308.9	331.4	4.3%	36.7%	338.0	358.7	376.0	4.3%	38.0%
Goods and services ¹	454.1	496.5	535.6	581.9	8.6%	61.3%	522.3	554.1	579.0	-0.2%	60.5%
of which:											
Advertising	14.7	19.4	24.1	19.6	9.9%	2.3%	26.4	27.9	28.9	13.9%	2.8%
Computer services	15.2	43.4	34.7	39.2	37.2%	3.9%	29.3	31.0	33.0	-5.6%	3.6%
Legal services	32.9	13.8	13.2	19.1	-16.5%	2.3%	24.4	27.7	30.5	16.9%	2.8%
Contractors	6.6	13.3	20.1	19.0	42.2%	1.7%	22.5	23.1	23.9	7.8%	2.4%
Operating leases	284.9	304.0	324.3	328.3	4.8%	36.8%	268.9	283.2	293.6	-3.6%	31.8%
Travel and subsistence	21.3	22.5	31.9	38.4	21.7%	3.4%	44.5	48.7	52.8	11.2%	5.0%
Transfers and subsidies ¹	2.7	0.7	0.8	0.3	-51.7%	0.1%	-	-	-	-100.0%	-
Households	2.7	0.7	0.8	0.3	-51.7%	0.1%	-	-	-	-100.0%	-
Payments for capital assets	11.8	24.4	17.0	10.5	-3.8%	1.9%	13.3	14.5	15.3	13.4%	1.4%
Machinery and equipment	6.2	16.2	16.9	7.7	7.7%	1.4%	10.4	11.4	12.1	16.2%	1.1%
Software and other intangible assets	5.6	8.2	0.1	2.8	-20.8%	0.5%	2.9	3.1	3.2	4.8%	0.3%
Payments for financial assets	-	1.1	-	-	-	-	-	-	-	-	-
Total	760.7	827.4	862.3	924.1	6.7%	100.0%	873.6	927.2	970.3	1.6%	100.0%
Proportion of total programme expenditure to vote expenditure	6.9%	8.2%	8.2%	8.4%	-	-	7.9%	9.2%	9.3%	-	-

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

Programme 2: Trade Policy, Negotiations and Cooperation

Programme purpose

Build an equitable global trading system that facilitates development by strengthening trade and investment links with key economies and fostering African development, including regional and continental integration and development cooperation, in line with the New Partnership for Africa's Development.

Objectives

- Promote African economic integration and development at the bilateral, regional and continental levels over the medium term by:
 - advancing development integration in the Southern African Customs Union and the Southern African Development Community free-trade area through the implementation of the Africa regional development programme
 - finalising negotiations on the tripartite free-trade area involving the Southern African Development Community, the East African Community and the Common Market for Eastern and Southern Africa

- advancing South Africa's trade, industrial policy and economic development objectives through cooperation with key economies to address tariff and non-tariff barriers that inhibit South Africa's value-added exports.

Subprogrammes

- *International Trade Development* facilitates bilateral and multilateral trade relations and agreements.
- *African Multilateral Economic Development* facilitates multilateral African trade relations aimed at deepening regional integration.

Expenditure trends and estimates

Table 39.7 Trade Policy, Negotiations and Cooperation 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
International Trade Development	98.9	99.3	103.3	109.5	3.4%	83.9%	113.9	120.3	125.6	4.7%	84.5%
African Multilateral Economic Development	17.1	21.8	18.7	21.0	7.0%	16.1%	20.0	21.9	22.9	3.0%	15.5%
Total	116.0	121.1	122.1	130.4	4.0%	100.0%	134.0	142.2	148.6	4.4%	100.0%
Change to 2019 Budget estimate				0.0			(0.6)	(0.8)	0.3		
Current payments	92.4	99.0	99.7	101.6	3.2%	80.2%	103.4	110.0	115.2	4.3%	77.5%
Compensation of employees	74.2	75.6	77.1	81.9	3.3%	63.0%	82.6	88.0	92.4	4.1%	62.1%
Goods and services ¹	18.2	23.4	22.7	19.7	2.6%	17.2%	20.8	22.0	22.8	5.0%	15.4%
of which:											
Communication	0.4	0.2	0.7	0.6	11.4%	0.4%	0.8	0.7	0.7	4.9%	0.5%
Legal services	0.3	–	0.4	1.0	49.9%	0.3%	1.7	2.1	2.2	31.1%	1.2%
Contractors	0.0	0.9	1.0	0.7	220.3%	0.5%	0.6	0.6	0.6	-4.2%	0.4%
Rental and hiring	0.1	0.7	0.5	0.1	-2.6%	0.3%	0.3	0.8	0.8	88.1%	0.4%
Travel and subsistence	12.6	19.5	16.7	15.7	7.5%	13.2%	14.1	14.4	14.9	-1.6%	10.6%
Venues and facilities	1.7	0.9	2.3	0.4	-37.5%	1.1%	2.2	2.5	2.5	84.0%	1.4%
Transfers and subsidies¹	23.0	22.1	22.3	28.2	7.1%	19.5%	29.7	31.3	32.5	4.9%	21.9%
Departmental agencies and accounts	1.1	1.2	1.3	1.3	5.5%	1.0%	1.4	1.4	1.5	4.2%	1.0%
Foreign governments and international organisations	17.7	16.5	16.2	22.0	7.5%	14.8%	23.2	24.5	25.4	4.9%	17.1%
Public corporations and private enterprises	4.2	4.4	4.6	4.9	5.5%	3.7%	5.2	5.4	5.6	4.9%	3.8%
Households	–	0.1	0.3	–	–	0.1%	–	–	–	–	–
Payments for capital assets	0.7	–	–	0.7	0.9%	0.3%	0.8	0.8	0.9	6.9%	0.6%
Machinery and equipment	0.7	–	–	0.7	0.9%	0.3%	0.8	0.8	0.9	6.9%	0.6%
Total	116.0	121.1	122.1	130.4	4.0%	100.0%	134.0	142.2	148.6	4.4%	100.0%
Proportion of total programme expenditure to vote expenditure	1.1%	1.2%	1.2%	1.2%	–	–	1.2%	1.4%	1.4%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1.1	1.2	1.3	1.3	5.5%	1.0%	1.4	1.4	1.5	4.2%	1.0%
Council for Geoscience	1.1	1.2	1.3	1.3	5.5%	1.0%	1.4	1.4	1.5	4.2%	1.0%
Foreign governments and international organisations											
Current	17.7	16.5	16.2	22.0	7.5%	14.8%	23.2	24.5	25.4	4.9%	17.1%
Organisation for the Prohibition of Chemical Weapons	3.5	3.5	2.9	5.8	18.0%	3.2%	6.1	6.4	6.7	4.9%	4.5%
World Trade Organisation	14.2	12.9	13.3	16.2	4.6%	11.6%	17.1	18.0	18.7	4.9%	12.6%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	2.9	3.1	3.3	3.5	5.5%	2.6%	3.6	3.8	4.0	4.9%	2.7%
Protechnik Laboratories: Operations	2.9	3.1	3.3	3.5	5.5%	2.6%	3.6	3.8	4.0	4.9%	2.7%
Capital	1.2	1.3	1.4	1.4	5.5%	1.1%	1.5	1.6	1.7	4.9%	1.1%
Protechnik Laboratories: Capital	1.2	1.3	1.4	1.4	5.5%	1.1%	1.5	1.6	1.7	4.9%	1.1%

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

Programme 3: Spatial Industrial Development and Economic Transformation

Programme purpose

Drive economic transformation and increase participation in industrialisation.

Objectives

- Facilitate broad-based economic participation through the implementation of the Broad-Based Black Economic Empowerment Amendment Act (2013) by implementing the black industrialist programme's framework and action plan on an ongoing basis.
- Facilitate the transformation of the economy to promote industrial development, investment, competitiveness and employment creation by implementing a strategy for special economic zones and revitalising 27 industrial parks by March 2023.

Subprogrammes

- Enterprise Competitiveness* fosters and stimulates industrialisation and structural change through the development and deployment of technologies and skills for the department's economic programmes.
- Equity and Empowerment* promotes broad-based black economic empowerment (BEE) and the growth of the industrial base through the black industrialist programme.
- Regional Industrial Development* promotes regional industrial development through policies, strategies and programmes such as special economic zones and industrial parks, among others.

Expenditure trends and estimates

Table 39.8 Spatial Industrial Development and Economic Transformation 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Enterprise Competitiveness	24.9	25.0	30.7	49.3	25.5%	27.3%	29.7	31.5	33.0	-12.5%	20.3%
Equity and Empowerment	32.2	32.0	47.6	66.1	27.1%	37.4%	94.4	99.7	103.5	16.1%	51.5%
Regional Industrial Development	40.5	38.7	43.6	44.6	3.3%	35.2%	47.8	53.0	53.6	6.3%	28.2%
Total	97.6	95.7	122.0	160.0	17.9%	100.0%	171.9	184.3	190.1	5.9%	100.0%
Change to 2019 Budget estimate				(11.5)			(9.7)	(8.9)	(10.3)		
Economic classification											
Current payments	74.5	82.8	108.2	126.6	19.3%	82.5%	157.7	169.2	174.6	11.3%	88.9%
Compensation of employees	60.3	66.3	73.8	79.0	9.4%	58.8%	82.2	88.3	91.8	5.1%	48.3%
Goods and services ¹	14.1	16.5	34.4	47.5	49.8%	23.7%	75.5	81.0	82.8	20.3%	40.6%
of which:											
Computer services	—	—	0.0	0.5	—	0.1%	5.0	5.3	5.6	122.2%	2.3%
Consultants: Business and advisory services	4.2	1.8	9.5	5.2	7.0%	4.4%	14.0	14.5	16.8	48.0%	7.1%
Legal services	0.6	0.2	0.0	1.9	49.5%	0.6%	5.2	5.4	5.8	45.8%	2.6%
Operating leases	0.1	0.2	3.8	3.6	224.6%	1.6%	13.7	14.4	15.4	62.1%	6.7%
Travel and subsistence	6.8	9.9	10.8	15.6	32.3%	9.1%	11.6	12.6	11.4	-9.9%	7.3%
Operating payments	0.2	0.7	1.3	2.2	122.3%	0.9%	3.9	4.6	4.3	25.7%	2.1%
Transfers and subsidies¹	11.7	12.5	11.9	32.9	41.3%	14.5%	13.7	14.6	15.0	-23.1%	10.8%
Departmental agencies and accounts	8.5	8.9	9.2	31.0	53.8%	12.1%	10.1	10.8	11.0	-29.1%	8.9%
Public corporations and private enterprises	1.7	1.7	1.8	1.9	5.5%	1.5%	2.0	2.1	2.2	4.2%	1.2%
Non-profit institutions	1.0	1.5	—	—	-100.0%	0.5%	1.6	1.7	1.8	—	0.7%
Households	0.5	0.3	0.8	—	-100.0%	0.3%	—	—	—	—	—
Payments for capital assets	1.7	0.4	1.5	0.5	-35.5%	0.9%	0.5	0.5	0.5	5.6%	0.3%
Machinery and equipment	1.1	0.4	0.5	0.5	-23.9%	0.5%	0.5	0.5	0.5	5.6%	0.3%
Software and other intangible assets	0.7	0.0	1.0	—	-100.0%	0.4%	—	—	—	—	—
Payments for financial assets	9.7	—	0.4	—	-100.0%	2.1%	—	—	—	—	—
Total	97.6	95.7	122.0	160.0	17.9%	100.0%	171.9	184.3	190.1	5.9%	100.0%
Proportion of total programme expenditure to vote expenditure	0.9%	0.9%	1.2%	1.5%	—	—	1.6%	1.8%	1.8%	—	—

Table 39.8 Spatial Industrial Development and Economic Transformation expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	8.5	8.9	9.2	31.0	53.8%	12.1%	10.1	10.8	11.0	-29.1%	8.9%
National Productivity Institute	8.5	8.9	9.2	31.0	53.8%	12.1%	10.1	10.8	11.0	-29.1%	8.9%
Non-profit institutions											
Current	1.0	1.5	–	–	-100.0%	0.5%	1.6	1.7	1.8	–	0.7%
Black Business Council	1.0	1.5	–	–	-100.0%	0.5%	1.6	1.7	1.8	–	0.7%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	1.7	1.7	1.8	1.9	5.5%	1.5%	2.0	2.1	2.2	4.2%	1.2%
Council for Scientific and Industrial Research	1.7	1.7	1.8	1.9	5.5%	1.5%	2.0	2.1	2.2	4.2%	1.2%

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

Programme 4: Industrial Competitiveness and Growth

Programme purpose

Design and implement policies, strategies and programmes for the development of manufacturing and related economic sectors, and contribute to the direct and indirect creation of decent jobs, value addition and competitiveness, in both domestic and export markets.

Objectives

- Support the growth and diversification of South Africa's manufacturing sector by:
 - facilitating diversification beyond the current reliance on traditional commodities and non-tradable services through the promotion of increased value addition over the medium term
 - promoting the long-term intensification of South Africa's industrialisation process and movement towards a knowledge economy on an ongoing basis
 - promoting a labour-absorbing industrialisation path with a particular emphasis on tradable labour-absorbing goods and services and economic linkages that catalyse employment creation on an ongoing basis
 - promoting a broad-based industrialisation path characterised by the increased participation of historically disadvantaged people and marginalised regions in the mainstream industrial economy on an ongoing basis
 - contributing to industrial development in Africa with an emphasis on building the continent's productive capacity on an ongoing basis.

Subprogrammes

- *Industrial Competitiveness* develops policies, strategies and programmes to strengthen the ability of manufacturing and other value-adding sectors to create decent jobs, and increase value addition and competitiveness in domestic and export markets.
- *Customised Sector Programmes* develops and implements high-impact sector strategies focused on manufacturing and other value-adding sectors to create decent jobs and increase value addition and competitiveness in domestic and export markets.

Expenditure trends and estimates

Table 39.9 Industrial Competitiveness and Growth expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Industrial Competitiveness	759.3	898.7	1 015.8	1 067.8	12.0%	48.7%	954.5	1 010.5	1 030.4	-1.2%	52.2%
Customised Sector Programmes	963.0	940.2	1 002.8	1 033.0	2.4%	51.3%	1 037.6	800.2	845.0	-6.5%	47.8%
Total	1 722.2	1 838.8	2 018.6	2 100.8	6.8%	100.0%	1 992.1	1 810.7	1 875.4	-3.7%	100.0%
Change to 2019 Budget estimate				(0.0)			(66.1)	(49.9)	(55.3)		
Economic classification											
Current payments	112.0	120.3	121.6	142.5	8.4%	6.5%	143.1	153.3	157.0	3.3%	7.7%
Compensation of employees	101.9	110.7	110.6	123.0	6.5%	5.8%	124.2	133.5	136.6	3.5%	6.6%
Goods and services ¹	10.1	9.6	11.0	19.5	24.3%	0.7%	18.9	19.8	20.4	1.6%	1.0%
of which:											
Administrative fees	—	0.4	0.3	0.9	—	—	0.9	0.5	0.5	-15.9%	—
Communication	0.4	0.1	0.3	0.5	11.2%	—	0.8	0.8	0.8	15.8%	—
Consultants: Business and advisory services	1.0	—	0.0	2.4	33.8%	—	1.3	1.3	1.3	-18.1%	0.1%
Travel and subsistence	6.2	6.9	7.8	12.7	26.8%	0.4%	10.7	11.5	12.3	-1.0%	0.6%
Operating payments	1.6	0.9	1.2	1.1	-11.7%	0.1%	3.5	3.7	3.3	43.5%	0.1%
Venues and facilities	0.3	0.7	0.5	0.3	0.9%	—	0.8	0.9	0.9	51.6%	—
Transfers and subsidies ¹	1 609.7	1 718.5	1 897.0	1 957.3	6.7%	93.5%	1 848.1	1 656.3	1 717.3	-4.3%	92.3%
Departmental agencies and accounts	372.8	411.9	409.9	416.2	3.7%	21.0%	431.3	456.1	471.7	4.3%	22.8%
Foreign governments and international organisations	7.6	7.7	6.8	9.6	8.0%	0.4%	10.1	10.7	11.0	4.9%	0.5%
Public corporations and private enterprises	1 067.0	1 126.6	1 277.5	1 352.6	8.2%	62.8%	1 251.7	1 023.0	1 066.8	-7.6%	60.3%
Non-profit institutions	162.1	172.3	202.4	178.9	3.3%	9.3%	155.0	166.6	167.8	-2.1%	8.6%
Households	0.2	0.1	0.4	—	-100.0%	—	—	—	—	—	—
Payments for capital assets	0.6	—	—	0.9	18.9%	—	1.0	1.0	1.1	4.9%	0.1%
Machinery and equipment	0.6	—	—	0.9	18.9%	—	1.0	1.0	1.1	4.9%	0.1%
Total	1 722.2	1 838.8	2 018.6	2 100.8	6.8%	100.0%	1 992.1	1 810.7	1 875.4	-3.7%	100.0%
Proportion of total programme expenditure to vote expenditure	15.6%	18.1%	19.2%	19.1%	—	—	18.0%	17.9%	17.9%	—	—
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	210.0	265.5	286.8	286.2	10.9%	13.7%	296.3	313.6	323.8	4.2%	15.7%
South African National Accreditation System	22.2	30.3	31.0	31.7	12.6%	1.5%	32.7	34.5	35.8	4.2%	1.7%
National Metrology Institute of South Africa: Operations	101.4	106.5	109.7	115.1	4.3%	5.6%	119.4	126.9	130.2	4.2%	6.3%
National Regulator for Compulsory Specifications	86.4	128.7	146.1	139.5	17.3%	6.5%	144.2	152.2	157.8	4.2%	7.6%
Capital	162.8	146.3	123.1	130.0	-7.2%	7.3%	135.0	142.5	147.9	4.4%	7.1%
National Metrology Institute of South Africa	162.8	146.3	123.1	130.0	-7.2%	7.3%	135.0	142.5	147.9	4.4%	7.1%
Non-profit institutions											
Current	162.1	172.3	202.4	178.9	3.3%	9.3%	155.0	166.6	167.8	-2.1%	8.6%
Intsimbi future production technologies initiatives	74.1	75.8	116.1	88.3	6.0%	4.6%	68.7	73.9	76.6	-4.6%	4.0%
Automotive supply chain competitiveness initiative	15.0	13.1	8.0	8.8	-16.2%	0.6%	9.3	10.0	10.4	5.6%	0.5%
Trade and industrial policy strategies	22.7	24.4	27.1	27.8	6.9%	1.3%	20.3	22.2	23.2	-5.8%	1.2%
Centurion Aerospace Village	18.4	25.4	15.5	16.4	-3.9%	1.0%	17.3	18.6	14.2	-4.5%	0.9%
Proudly South African campaign	31.9	33.6	35.7	37.6	5.7%	1.8%	39.4	42.0	43.4	4.9%	2.1%
Foreign governments and international organisations											
Current	7.6	7.7	6.8	9.6	8.0%	0.4%	10.1	10.7	11.0	4.9%	0.5%
United Nations Industrial Development Organisation	6.0	6.0	5.1	7.6	8.2%	0.3%	8.0	8.4	8.7	4.9%	0.4%
Treaty organisations for metrology	1.6	1.6	1.7	2.0	7.2%	0.1%	2.1	2.2	2.3	4.9%	0.1%

Table 39.9 Industrial Competitiveness and Growth expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	1 049.2	1 107.6	1 245.8	1 331.1	8.3%	61.6%	1 226.4	996.5	1 039.5	-7.9%	59.0%
Industrial Development Corporation	758.3	723.4	803.6	838.4	3.4%	40.7%	823.2	608.0	636.6	-8.8%	37.4%
Council for Scientific and Industrial Research: National Cleaner Production Centre	58.9	63.0	58.0	53.6	-3.1%	3.0%	60.3	27.1	28.2	-19.3%	2.2%
Council for Scientific and Industrial Research: National foundry technology network	19.7	18.7	8.2	18.7	-1.7%	0.8%	23.6	25.2	26.3	12.0%	1.2%
South African Bureau of Standards	212.4	302.5	375.9	420.4	25.6%	17.1%	319.4	336.3	348.4	-6.1%	18.3%
Capital	17.8	19.0	31.8	21.6	6.6%	1.2%	25.3	26.5	27.4	8.3%	1.3%
Council for Scientific and Industrial Research: Aerospace industry	17.8	19.0	31.8	21.6	6.6%	1.2%	25.3	26.5	27.4	8.3%	1.3%

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

Programme 5: Consumer and Corporate Regulation

Programme purpose

Develop and implement coherent, predictable and transparent regulatory solutions that facilitate easy access to redress and efficient regulation for economic citizens.

Objectives

- Increase access to economic opportunities for small businesses and historically disadvantaged citizens, and increase confidence and certainty in South African business regulation on an ongoing basis by:
 - developing and reviewing policies, bills and regulations
 - conducting assessments of the impact of the regulations on businesses and economic citizens.
- Develop efficient regulation to reduce the regulatory burden on businesses, and increase confidence and certainty in South African business regulation on an ongoing basis by:
 - developing and reviewing policies, bills and regulations
 - conducting assessments of the impact of the regulations on businesses and economic citizens.
- Create a business regulatory environment that promotes competitive, fair and efficient markets on an ongoing basis by:
 - developing and reviewing policies, bills and regulations
 - conducting assessments of the impact of the regulations on business and economic citizens.
- Provide access to redress for economic citizens to increase confidence in markets on an ongoing basis by:
 - conducting research on the impact of the current legislation on economic citizens
 - developing and reviewing related policies, bills and regulations
 - conducting assessments of the impact of the regulations on business and economic citizens.
- Promote the awareness of rights, duties and responsibilities to increase activism and public participation by conducting capacity-building sessions, workshops, and education and awareness campaigns on an ongoing basis.
- Share and exchange regulatory experience with partners and stakeholders nationally and internationally to promote simple, appropriate and effective regulatory solutions by holding consultations, seminars and conferences on policy issues on an ongoing basis.

Subprogrammes

- *Policy and Legislative Development* develops policies, laws and regulatory frameworks, and drafts legislation.
- *Enforcement and Compliance* conducts trends analyses, and socioeconomic impact assessments for policies and legislation and market surveys; implements legislation on matters pertaining to liquor; monitors and evaluates the effectiveness of regulation; and oversees the performance of the department's regulatory entities (Companies and Intellectual Property Commission, Companies Tribunal, National Consumer Commission, National Consumer Tribunal, National Credit Regulator, National Gambling Board, and National Lotteries Commission).
- *Regulatory Services* oversees the development of policies, laws, regulatory frameworks and the implementation of the divisional mandate, and provides strategic support to divisional business units, respectively, in line with legislation and applicable governance.

Expenditure trends and estimates

Table 39.10 Consumer and Corporate Regulation expenditure trends and estimates by subprogramme and economic classification

Subprogramme					Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Adjusted appropriation							
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Policy and Legislative Development	17.2	18.7	19.1	19.5	4.4%	5.9%	18.4	20.3	21.4	3.1%	5.6%
Enforcement and Compliance	40.3	39.9	39.9	47.4	5.6%	13.3%	49.4	53.2	56.2	5.9%	14.5%
Regulatory Services	237.9	240.1	264.9	272.8	4.7%	80.8%	274.5	290.4	301.1	3.3%	79.9%
Total	295.4	298.7	323.8	339.8	4.8%	100.0%	342.3	363.9	378.8	3.7%	100.0%
Change to 2019 Budget estimate				11.4			(3.9)	(5.0)	(3.8)		
Economic classification											
Current payments	73.1	72.5	72.0	81.2	3.6%	23.7%	84.3	92.3	97.6	6.3%	24.9%
Compensation of employees	59.6	58.6	54.7	61.1	0.8%	18.6%	63.6	70.6	75.1	7.1%	19.0%
Goods and services ¹	13.5	13.9	17.3	20.0	14.2%	5.1%	20.7	21.7	22.5	3.9%	6.0%
of which:											
Advertising	0.7	1.5	1.7	1.4	25.4%	0.4%	2.0	2.1	2.2	16.6%	0.5%
Catering: Departmental activities	0.3	0.6	1.0	0.8	35.6%	0.2%	0.8	0.8	0.9	5.2%	0.2%
Consultants: Business and advisory services	1.3	1.9	2.4	3.9	45.5%	0.8%	5.7	6.0	5.9	14.7%	1.5%
Legal services	3.7	3.0	3.5	3.5	-1.2%	1.1%	1.9	2.1	2.1	-15.4%	0.7%
Travel and subsistence	6.1	5.6	7.1	8.0	9.4%	2.1%	7.7	8.1	8.6	2.3%	2.3%
Operating payments	0.4	0.5	0.4	0.6	19.6%	0.1%	0.8	0.9	0.9	13.6%	0.2%
Transfers and subsidies ¹	222.2	226.2	251.9	258.5	5.2%	76.2%	257.9	271.4	281.0	2.8%	75.0%
Departmental agencies and accounts	217.6	221.6	247.1	252.7	5.1%	74.7%	251.8	264.9	274.4	2.8%	73.3%
Foreign governments and international organisations	4.6	4.3	4.7	5.8	8.2%	1.5%	6.1	6.4	6.7	4.9%	1.8%
Households	0.1	0.3	0.1	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	0.1	0.0	0.0	0.2	5.7%	–	0.2	0.2	0.2	3.6%	–
Machinery and equipment	0.1	0.0	0.0	0.2	5.7%	–	0.2	0.2	0.2	3.6%	–
Total	295.4	298.7	323.8	339.8	4.8%	100.0%	342.3	363.9	378.8	3.7%	100.0%
Proportion of total programme expenditure to vote expenditure	2.7%	2.9%	3.1%	3.1%	–	–	3.1%	3.6%	3.6%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	217.6	221.6	247.1	252.7	5.1%	74.7%	251.8	264.9	274.4	2.8%	73.3%
National Credit Regulator	69.6	73.1	75.4	86.6	7.6%	24.2%	82.3	86.8	90.0	1.3%	24.3%
National Gambling Board	30.1	31.6	32.6	33.8	3.9%	10.2%	35.1	37.3	38.2	4.2%	10.1%
National Consumer Tribunal	46.2	48.5	52.7	56.6	7.1%	16.2%	54.9	57.0	59.1	1.4%	16.0%
National Consumer Commission	56.6	52.6	69.7	58.3	1.0%	18.9%	61.3	64.6	67.1	4.8%	17.6%
Companies Tribunal	15.1	15.8	16.7	17.4	4.8%	5.2%	18.2	19.2	20.0	4.8%	5.2%
Foreign governments and international organisations											
Current	4.6	4.3	4.7	5.8	8.2%	1.5%	6.1	6.4	6.7	4.9%	1.8%
World Intellectual Property Organisation	4.6	4.3	4.7	5.8	8.2%	1.5%	6.1	6.4	6.7	4.9%	1.8%

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

Programme 6: Industrial Financing

Programme purpose

Stimulate and facilitate the development of sustainable and competitive enterprises, through the efficient provision of effective and accessible incentive measures, that support national priorities.

Objectives

- Support industrial development that enhances productivity and bolsters competitiveness on an ongoing basis by:
 - designing, administering, monitoring and evaluating incentive programmes based on industrial policies and sector strategies
 - providing financial support in labour-intensive sectors.
- Contribute to the accelerated growth of manufacturing and internationally traded services over the medium term by administering infrastructure development programmes through the provision of infrastructure support to industrial parks, the critical infrastructure programme and special economic zones fund.

Subprogrammes

- *Broadening Participation and Industrial Incentives* provides incentive programmes that promote broader participation in the mainstream economy of businesses owned by individuals from historically disadvantaged communities and marginalised regions.
- *Manufacturing Incentives* provides incentives to promote additional investment in the manufacturing sector. The manufacturing investment cluster comprises the manufacturing competitive enhancement programme, the capital projects feasibility programme, the automotive investment scheme, the export marketing and investment assistance scheme, the sector-specific assistance scheme, and the section 12I tax incentive scheme.
- *Services Investment Incentives* provides incentive programmes that promote increased investment and job creation in the services sector. Programmes include the global business process services programme, and the film and television production incentive support programme for South African and foreign productions.
- *Infrastructure Investment Support* provides grants for two industrial infrastructure initiatives, special economic zones and the critical infrastructure programme, which are aimed at enhancing infrastructure and industrial development, and increasing investment and exports of value-added commodities.
- *Product and Systems Development* reviews, monitors and develops incentive programmes to support the industrial strategy, and develops sector strategies to address market failures.
- *Strategic Partnership and Customer Care* facilitates access to targeted enterprises by reviewing the success of incentive schemes and improving them where possible.

Expenditure trends and estimates

Table 39.11 Industrial Financing 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Broadening Participation and Industrial Incentives	25.5	41.9	33.8	46.6	22.2%	0.6%	76.2	80.4	83.4	21.4%	1.3%
Manufacturing Incentives	4 361.5	2 924.5	3 325.2	3 607.9	-6.1%	59.2%	3 766.5	2 388.0	2 482.1	-11.7%	54.8%
Services Investment Incentives	814.2	821.6	840.7	823.2	0.4%	13.7%	717.9	757.6	785.7	-1.5%	13.8%
Infrastructure Investment Support	1 660.2	1 780.3	1 328.9	1 430.5	-4.8%	25.8%	1 450.1	1 797.5	1 866.0	9.3%	29.3%
Product and Systems Development	15.4	14.0	13.8	21.8	12.4%	0.3%	23.3	24.8	25.7	5.6%	0.4%
Strategic Partnership and Customer Care	18.4	18.2	18.3	23.5	8.6%	0.3%	25.1	26.7	27.7	5.6%	0.5%
Total	6 895.2	5 600.5	5 560.7	5 953.6	-4.8%	100.0%	6 059.1	5 074.9	5 270.6	-4.0%	100.0%
Change to 2019				(72.5)			(495.1)	(431.5)	(446.5)		
Budget estimate											

Table 39.11 Industrial Financing expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	141.6	151.8	165.4	185.7	9.5%	2.7%	189.4	196.1	205.8	3.5%	3.5%
Compensation of employees	126.8	131.9	137.9	153.7	6.6%	2.3%	159.4	164.3	172.1	3.8%	2.9%
Goods and services ¹	14.8	19.9	27.4	32.0	29.4%	0.4%	30.0	31.8	33.7	1.7%	0.6%
of which:											
Communication	0.3	0.1	0.3	0.6	29.9%	—	0.8	0.8	0.8	11.4%	—
Consultants: Business and advisory services	2.8	7.3	8.7	12.4	65.0%	0.1%	10.1	10.8	11.9	-1.5%	0.2%
Legal services	1.4	2.5	5.6	4.0	41.9%	0.1%	4.2	4.4	4.6	4.9%	0.1%
Operating leases	0.9	1.0	1.1	0.9	1.9%	—	1.0	1.1	1.1	5.7%	—
Travel and subsistence	8.8	8.1	10.5	11.4	8.9%	0.2%	11.2	11.7	12.2	2.3%	0.2%
Venues and facilities	—	0.1	0.3	0.9	—	—	1.0	1.0	1.1	4.9%	—
Transfers and subsidies ¹	6 753.1	5 448.7	5 395.2	5 765.6	-5.1%	97.3%	5 855.5	4 863.8	5 049.2	-4.3%	96.3%
Departmental agencies and accounts	256.0	84.0	—	—	-100.0%	1.4%	—	—	—	—	—
Public corporations and private enterprises	6 496.9	5 364.2	5 394.9	5 764.7	-3.9%	95.9%	5 854.5	4 862.8	5 048.2	-4.3%	96.3%
Households	0.2	0.5	0.3	0.9	58.3%	—	0.9	1.0	1.0	5.2%	—
Payments for capital assets	0.5	0.0	0.1	2.3	70.7%	—	14.3	15.0	15.6	88.2%	0.2%
Machinery and equipment	0.5	0.0	0.1	2.3	70.7%	—	2.2	2.3	2.4	1.2%	—
Software and other intangible assets	—	—	—	—	—	—	12.1	12.7	13.2	—	0.2%
Payments for financial assets	—	0.0	—	—	—	—	—	—	—	—	—
Total	6 895.2	5 600.5	5 560.7	5 953.6	-4.8%	100.0%	6 059.1	5 074.9	5 270.6	-4.0%	100.0%
Proportion of total programme expenditure to vote expenditure	62.6%	55.2%	52.9%	54.1%	—	—	54.7%	50.3%	50.2%	—	—
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	256.0	84.0	—	—	-100.0%	1.4%	—	—	—	—	—
National Research Foundation	256.0	84.0	—	—	-100.0%	1.4%	—	—	—	—	—
Public corporations and private enterprises											
Private enterprises											
Other transfers to private enterprises											
Current	205.2	198.6	252.0	281.9	11.2%	3.9%	309.3	326.3	338.5	6.3%	5.6%
Various institutions: Export market and investment assistance	184.4	162.4	223.6	240.5	9.3%	3.4%	238.5	251.6	261.0	2.8%	4.4%
Various institutions: Support programme for industrial innovation	20.8	36.2	28.4	41.4	25.9%	0.5%	70.8	74.7	77.5	23.2%	1.2%
Capital	64.2	38.8	68.1	122.9	24.2%	1.2%	121.9	128.6	133.4	2.8%	2.3%
Various institutions: Critical infrastructure programme	64.2	38.8	68.1	122.9	24.2%	1.2%	121.9	128.6	133.4	2.8%	2.3%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	250.0	250.0	300.0	—	-100.0%	3.3%	—	—	—	—	—
Industrial Development Corporation: Industrial financing	250.0	250.0	300.0	—	-100.0%	3.3%	—	—	—	—	—
Capital	1 535.8	1 705.7	1 242.2	1 296.3	-5.5%	24.1%	1 316.2	1 655.6	1 718.3	9.8%	26.8%
Various institutions: Critical infrastructure programme	125.8	140.3	83.0	200.0	16.7%	2.3%	153.1	130.9	135.4	-12.2%	2.8%
Various institutions: Special economic zones	1 410.0	1 565.4	1 159.1	1 096.3	-8.0%	21.8%	1 163.2	1 524.7	1 582.9	13.0%	24.0%
Public corporations and private enterprises											
Private enterprises											
Private enterprises (subsidies on products and production)											
Current	4 441.7	3 171.1	3 532.6	4 063.6	-2.9%	63.3%	4 107.1	2 752.3	2 858.1	-11.1%	61.6%
Various institutions: Services sector development incentives	801.0	812.5	831.3	805.0	0.2%	13.5%	698.6	737.0	764.4	-1.7%	13.4%
Various institutions: Manufacturing development incentives	3 590.7	2 338.3	2 700.4	3 258.6	-3.2%	49.5%	3 408.5	2 015.3	2 093.7	-13.7%	48.2%
Various institutions: Industrial development zones - other	50.0	20.2	0.9	—	-100.0%	0.3%	—	—	—	—	—

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

Programme 7: Export Development, Promotion and Outward Investments

Programme purpose

Increase export capacity and support direct investment flows, through targeted strategies, and an effectively

managed network of foreign trade office.

Objectives

- Develop new and existing South African export capabilities to increase manufactured exports and create an export culture by providing appropriate information, financial support and practical assistance to sustain organic growth in traditional markets and penetrate new high-growth markets on an ongoing basis.
- Promote exports of South African value-added goods and services in targeted high-growth markets and sustain market share in traditional markets through implementing the integrated national export strategy and the market diversification strategy by conducting national exhibitions, and trade and investment missions on an ongoing basis.
- Facilitate deeper and broader bilateral trade and investment relations with African economies on an ongoing basis by:
 - undertaking scoping, technical and investment missions
 - supporting the deepening of regional integration through an outward investment-led trade approach.
- Enhance the promotion of exports and investment by placing and rotating foreign economic representatives in foreign missions to promote South Africa's comparative advantage in goods and services internationally on an ongoing basis.
- Facilitate markets for South African manufactured goods and services by convening and managing bilateral engagements with foreign countries through joint cooperation commissions, binational commissions or joint trade and investment committees on an ongoing basis.

Subprogrammes

- *Trade Invest Africa* facilitates deeper and broader bilateral African trade and investment relations with African economies, and supports the deepening of regional integration through an outward investment-led trade approach.
- *Export Promotion and Marketing* promotes the export of South African value-added goods and services to increase market share in targeted high-growth markets and sustain market share in traditional markets.
- *Trade and Investment Foreign Services Management Unit* promotes trade and investment, and administers and provides corporate services to the department's foreign office network of foreign economic representatives to enable South African businesses to access global markets.
- *Export Development and Support* manages the national exporter development programme, which is designed to contribute to positioning South Africa as a reliable trade partner, and improve and expand the country's exporter base.

Expenditure trends and estimates

Table 39.12 Export Development, Promotion and Outward Investments 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million					2016/17 - 2019/20					2019/20 - 2022/23	
Trade Invest Africa	20.1	20.2	21.3	24.1	6.3%	4.7%	26.8	29.2	29.1	6.5%	5.8%
Export Promotion and Marketing	40.8	44.4	44.8	48.1	5.6%	9.8%	46.3	49.3	50.1	1.4%	10.3%
Trade and Investment Foreign Services Management Unit	377.7	373.3	379.1	349.3	-2.6%	81.7%	366.6	390.0	402.7	4.9%	80.0%
Export Development and Support	16.0	18.3	15.0	19.2	6.3%	3.8%	16.9	18.1	20.5	2.2%	4.0%
Total	454.6	456.2	460.2	440.7	-1.0%	100.0%	456.7	486.6	502.4	4.5%	100.0%
Change to 2019				0.3			0.4	0.2	(2.2)		
Budget estimate											

Table 39.12 Export Development, Promotion and Outward Investments expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	279.9	266.5	275.6	244.8	-4.4%	58.9%	246.6	265.0	272.6	3.6%	54.5%
Compensation of employees	195.3	185.0	204.4	190.1	-0.9%	42.8%	192.2	207.6	213.0	3.9%	42.6%
Goods and services ¹	84.6	81.5	71.2	54.7	-13.5%	16.1%	54.4	57.4	59.6	2.9%	12.0%
of which:											
Communication	2.2	1.8	1.6	1.1	-20.1%	0.4%	1.2	1.3	1.3	5.5%	0.3%
Consultants: Business and advisory services	1.4	1.0	0.2	2.2	17.8%	0.3%	5.5	5.5	4.3	24.4%	0.9%
Operating leases	28.7	29.8	25.5	6.2	-39.9%	5.0%	7.5	7.9	8.2	9.4%	1.6%
Travel and subsistence	22.9	22.0	20.9	15.6	-11.9%	4.5%	16.3	17.2	17.9	4.5%	3.6%
Operating payments	14.7	11.6	8.7	15.3	1.2%	2.8%	10.9	11.6	16.1	1.7%	2.8%
Venues and facilities	4.8	3.8	3.9	7.0	13.2%	1.1%	6.8	7.2	6.6	-1.9%	1.5%
Transfers and subsidies ¹	171.7	188.6	184.4	193.6	4.1%	40.8%	207.6	219.0	227.1	5.5%	44.9%
Foreign governments and international organisations	—	—	—	—	—	—	3.4	3.6	3.8	—	0.6%
Public corporations and private enterprises	171.6	188.3	183.2	193.5	4.1%	40.7%	204.2	215.4	223.4	4.9%	44.3%
Households	0.1	0.4	1.1	0.1	-23.9%	0.1%	—	—	—	-100.0%	—
Payments for capital assets	3.0	1.0	0.2	2.3	-7.9%	0.4%	2.5	2.6	2.7	5.4%	0.5%
Machinery and equipment	3.0	1.0	0.2	2.3	-7.9%	0.4%	2.5	2.6	2.7	5.4%	0.5%
Payments for financial assets	0.0	0.0	0.0	0.0	-41.5%	—	—	—	—	-100.0%	—
Total	454.6	456.2	460.2	440.7	-1.0%	100.0%	456.7	486.6	502.4	4.5%	100.0%
Proportion of total programme expenditure to vote expenditure	4.1%	4.5%	4.4%	4.0%	—	—	4.1%	4.8%	4.8%	—	—
Details of selected transfers and subsidies											
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	171.6	188.3	183.2	193.5	4.1%	40.7%	204.2	215.4	223.4	4.9%	44.3%
Export Credit Insurance Corporation of South Africa	171.6	188.3	183.2	193.5	4.1%	40.7%	204.2	215.4	223.4	4.9%	44.3%

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

Programme 8: Inward Investment Attraction, Facilitation and Aftercare

Programme purpose

Support foreign direct investment flows and promote domestic investment by providing a one-stop shop for investment promotion, investor facilitation and aftercare support for investors.

Objectives

- Increase the quality and quantum of South Africa's fixed investments over the medium term by:
 - marketing and promoting the country to ensure investment opportunities through dedicated investment promotion, facilitation and aftercare support
 - coordinating and leading the establishment of one-stop shops on behalf of government to facilitate investment for all investors
 - coordinating and leading the investment climate reform with the World Bank on the ease of doing business
 - developing a pipeline of potential projects and contributing to South Africa being a preferred destination for investment
 - undertaking aftercare forums with investors to retain and expand investment.
- Provide a dedicated service to all investors over the medium term by:
 - facilitating the entire investment value chain
 - developing an investment pipeline of possible projects through lead creation, marketing, project development, facilitation and aftercare.

- Provide specialist advisory services and policy advocacy to improve the investment climate by fast-tracking and unblocking investors' issues to reduce bureaucratic red tape over medium term.

Subprogrammes

- *Investment Promotion* facilitates an increase in the quality and quantity of foreign direct investment, and domestic and outward investment by providing investment attraction, targeted lead generation and recruitment support.
- *Investment and Interdepartmental Clearing House* promotes and facilitates investment, and provides support services to the investment and interdepartmental clearing house. This subprogramme also provides a specialist advisory service, fast-tracks and unblocks processes, and reduces bureaucratic red tape for investors.
- *Investor Support and Aftercare* provides specialist advisory services through research, information marketing, aftercare and policy advocacy to facilitate new investment, and retain and expand existing investment.

Expenditure trends and estimates

Table 39.13 Inward Investment Attraction, Facilitation and Aftercare 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Investment Promotion	45.2	49.9	54.6	48.5	2.4%	73.0%	48.4	52.5	55.8	4.7%	80.0%
Investment and Interdepartmental Clearing House	24.0	14.5	14.7	15.6	-13.4%	25.3%	4.9	5.2	5.4	-29.6%	12.2%
Investor Support and Aftercare	—	0.0	0.0	4.6	—	1.7%	4.9	5.2	5.4	5.8%	7.9%
Total	69.2	64.5	69.4	68.7	-0.3%	100.0%	58.3	63.0	66.6	-1.0%	100.0%
Change to 2019				10.7			(2.5)	(2.4)	(1.2)		
Budget estimate											
Economic classification											
Current payments	44.8	50.1	55.2	57.3	8.5%	76.3%	57.8	62.5	66.1	4.9%	94.9%
Compensation of employees	27.5	34.9	41.0	39.8	13.1%	52.7%	41.2	44.9	47.8	6.3%	67.7%
Goods and services ¹	17.3	15.2	14.1	17.5	0.2%	23.6%	16.6	17.6	18.3	1.6%	27.3%
of which:											
Communication	0.1	0.0	0.1	0.1	8.4%	0.1%	0.2	0.2	0.2	31.5%	0.3%
Consultants: Business and advisory services	1.2	0.7	0.0	0.4	-29.9%	0.9%	0.8	1.0	1.1	37.5%	1.3%
Contractors	—	0.0	0.0	7.1	—	2.6%	4.9	5.2	5.4	-8.4%	8.8%
Travel and subsistence	8.5	10.1	10.5	6.9	-6.6%	13.3%	7.2	7.6	7.9	4.2%	11.5%
Operating payments	0.1	1.0	0.3	0.8	84.5%	0.8%	0.8	0.9	0.9	4.0%	1.3%
Venues and facilities	1.5	1.0	1.3	1.1	-10.1%	1.8%	1.9	2.0	2.1	24.8%	2.8%
Transfers and subsidies¹	24.1	14.1	14.2	11.0	-23.1%	23.4%	—	—	—	-100.0%	4.3%
Public corporations and private enterprises	24.0	14.0	14.0	11.0	-22.9%	23.2%	—	—	—	-100.0%	4.3%
Households	0.1	0.1	0.2	—	-100.0%	0.2%	—	—	—	—	—
Payments for capital assets	0.3	0.2	—	0.5	16.0%	0.4%	0.5	0.5	0.5	5.6%	0.8%
Machinery and equipment	0.3	0.2	—	0.5	16.0%	0.4%	0.5	0.5	0.5	5.6%	0.8%
Total	69.2	64.5	69.4	68.7	-0.3%	100.0%	58.3	63.0	66.6	-1.0%	100.0%
Proportion of total programme expenditure to vote expenditure	0.6%	0.6%	0.7%	0.6%	—	—	0.5%	0.6%	0.6%	—	—
Details of selected transfers and subsidies											
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	24.0	14.0	14.0	11.0	-22.9%	23.2%	—	—	—	-100.0%	4.3%
Various institutions: One-stop shop	24.0	14.0	14.0	11.0	-22.9%	23.2%	—	—	—	-100.0%	4.3%

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

Programme 9: Competition Policy and Economic Planning

Programme purpose

Develop and roll out policy interventions that promote competition issues through effective economic planning,

spatial implementation, and aligned investment and development policy tools.

Objectives

- Promote investment, expand industrial funding and entrepreneurship, and improve the performance of development finance institutions by ensuring that these institutions support the development of industrial and small, medium and micro enterprises over the medium term.
- Promote competition, trade and other economic regulation by ensuring the effective management of competition authorities and trade administration over the medium term.
- Preserve the public interest in market inquiries, mergers and acquisitions, and investigations regarding the prohibition of abuse of dominance by undertaking in-depth analysis on an ongoing basis.
- Maximise the impact of recommendations of market inquiries, mergers and acquisitions, and investigations regarding the prohibition of abuse of dominance by coordinating and monitoring the implementation of recommendations on an ongoing basis.

Subprogrammes

- *Economic Planning* develops coherent economic plans and promotes economic planning by organs of state.
- *Spatial Economic Development Action Plans* promotes spatial economic development.
- *Investment and Development* promotes public and private investment for development.
- *Provincial Economic Coordination* promotes the coherence of provincial economic development plans and other organs of state to ensure alignment with national plans or legislation.
- *Competition Oversight* provides support to the minister to carry out statutory responsibilities as required in terms of competition legislation.
- *Economic Regulatory Bodies* promotes synergy between economic development policy of government and the functioning of certain economic regulators.
- *Development Finance Institutions* promotes synergy between government's economic development policies and the functioning of associated financial institutions.
- *Sector and Workplace Dialogue and Capacity Building* promotes consensus at the sector and workplace levels, and builds capacity for social partners.
- *Market Inquiries, Mergers and Acquisitions, and Abuse of Dominance* participates in market inquiries; applications regarding mergers and acquisitions; and cases related to cartels, collusion and abuse of market dominance.

Expenditure trends and estimates

Table 39.14 Competition Policy and Economic Planning 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Economic Planning	—	—	—	—	—	—	6.2	7.9	9.3	—	0.6%
Spatial Economic Development Action Plan	8.1	124.7	219.0	83.4	117.5%	14.2%	99.1	99.5	100.0	6.2%	10.4%
Investment and Development	7.5	37.9	38.9	41.5	76.9%	4.1%	41.4	43.9	46.6	4.0%	4.7%
Provincial Economic Coordination	—	—	—	—	—	—	2.4	2.8	3.1	—	0.2%
Competition Oversight	—	—	—	—	—	—	2.5	2.8	3.1	—	0.2%
Economic Regulatory Bodies	318.1	395.9	425.5	449.4	12.2%	52.0%	485.5	511.3	534.8	6.0%	54.0%
Development Finance Institutions	213.1	223.8	228.8	241.5	4.2%	29.7%	251.0	265.0	275.1	4.4%	28.1%
Sector and Workplace Dialogue and Capacity Building	—	—	—	—	—	—	2.4	2.7	3.0	—	0.2%
Market Inquiries, Mergers and Acquisitions, and Abuse of Dominance	—	—	—	—	—	—	17.9	19.6	16.8	—	1.5%
Total	546.9	782.3	912.2	815.8	14.3%	100.0%	908.4	955.5	991.9	6.7%	100.0%
Change to 2019 Budget estimate				(102.2)			(41.9)	(72.6)	(69.6)		

Table 39.14 Competition Policy and Economic Planning expenditure trends and estimates by subprogramme and economic classification

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	18.1	18.9	16.1	27.5	15.1%	2.6%	49.2	55.2	56.5	27.1%	5.1%
Compensation of employees	15.0	16.0	14.3	24.6	18.0%	2.3%	26.2	27.9	30.4	7.3%	3.0%
Goods and services ¹	3.1	2.9	1.8	2.9	-2.1%	0.3%	23.0	27.3	26.1	108.6%	2.2%
of which:											
Advertising	0.0	0.0	0.0	0.5	133.4%	—	0.6	0.6	0.6	4.9%	0.1%
Consultants: Business and advisory services	1.3	1.9	0.2	0.7	-19.5%	0.1%	0.7	0.8	0.8	4.9%	0.1%
Contractors	—	—	—	0.4	—	—	0.4	0.4	0.4	4.9%	—
Inventory: Clothing material and accessories	—	—	—	0.1	—	—	0.1	0.1	0.1	4.5%	—
Consumables: Stationery, printing and office supplies	0.0	0.1	0.0	0.1	30.2%	—	0.1	0.1	0.1	4.5%	—
Travel and subsistence	0.8	0.6	0.9	0.7	-7.2%	0.1%	20.7	24.9	23.5	230.3%	1.9%
Transfers and subsidies ¹	528.8	763.3	896.1	788.3	14.2%	97.4%	859.0	900.1	935.1	5.9%	94.8%
Departmental agencies and accounts	315.7	392.5	423.5	443.1	12.0%	51.5%	481.3	506.8	529.9	6.1%	53.4%
Public corporations and private enterprises	213.1	370.8	472.5	345.2	17.4%	45.8%	377.6	393.3	405.2	5.5%	41.4%
Households	—	0.1	0.2	0.0	—	—	—	—	—	-100.0%	—
Payments for capital assets	0.0	0.0	—	—	-100.0%	—	0.2	0.2	0.2	—	—
Machinery and equipment	0.0	0.0	—	—	-100.0%	—	0.2	0.2	0.2	—	—
Total	546.9	782.3	912.2	815.8	14.3%	100.0%	908.4	955.5	991.9	6.7%	100.0%
Proportion of total programme expenditure to vote expenditure	5.0%	7.7%	8.7%	7.4%	—	—	8.2%	9.5%	9.5%	—	—
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	315.7	392.5	423.5	443.0	12.0%	51.5%	481.3	506.8	529.9	6.1%	53.4%
Competition Commission	208.5	263.4	281.8	295.4	12.3%	34.3%	331.6	348.7	360.9	6.9%	36.4%
Competition Tribunal	20.1	30.0	35.1	36.2	21.6%	4.0%	37.4	39.5	45.9	8.3%	4.3%
International Trade Administration Commission	87.0	99.1	106.6	111.4	8.6%	13.2%	112.4	118.6	123.0	3.4%	12.7%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	213.1	385.8	487.5	405.2	23.9%	48.8%	438.4	484.9	500.3	7.3%	49.8%
Industrial Development Corporation	—	162.0	258.6	163.8	—	19.1%	191.5	224.4	230.2	12.0%	22.1%
Small Enterprise Finance Agency	213.1	223.8	228.8	241.5	4.2%	29.7%	246.9	260.5	270.2	3.8%	27.8%

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

Programme 10: Economic Research and Coordination

Programme purpose

Develop and roll out legislative processes to facilitate an inclusive economy through interventions to increase competitiveness in the economy.

Objectives

- Coordinate job drivers, sector or spatial projects and the implementation of the new growth path for job creation, inclusive growth, industrialisation and social inclusion by ensuring regular reviews of systemic obstacles over the medium term.
- Increase employment at the sectoral and workplace levels through the facilitation of social dialogue and the implementation of social accords; and support productivity, innovation and entrepreneurship by engaging in public policy forums over the medium term.
- Promote development of evidence-based economic policy, industrial strategies and intervention measures by conducting in-depth research on an ongoing basis.

Subprogrammes

- *Economic Research and Policy Coordination* manages economic research and policy coordination.
- *Macroeconomic Policy* evaluates and develops macroeconomic policy options to promote decent work outcomes.
- *Microeconomic Policy* evaluates and develops microeconomic policy options to promote decent work outcomes.
- *Growth Path and Creation of Decent Work* develops the growth path options for South Africa and fosters the creation of decent work.
- *Productivity, Entrepreneurship and Innovation* promotes productivity, entrepreneurship and innovation.

Expenditure trends and estimates

Table 39.15 Economic Research and Coordination expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/ Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/ Total (%)
R million											
Economic Research and Policy Coordination	28.9	29.0	36.8	42.7	13.9%	51.8%	53.7	55.9	57.6	10.5%	59.9%
Macroeconomic Policy	—	—	—	—	—	—	8.0	8.3	9.0	—	7.2%
Microeconomic Policy	—	—	—	—	—	—	8.4	8.7	9.4	—	7.6%
Growth Path and Creation of Decent Work	19.7	22.3	22.7	24.2	7.1%	33.5%	9.4	10.4	11.3	-22.5%	15.8%
Productivity, Entrepreneurship and Innovation	8.1	8.8	8.5	13.6	19.0%	14.7%	6.1	6.5	7.1	-19.7%	9.5%
Total	56.7	60.1	68.0	80.5	12.4%	100.0%	85.7	89.9	94.4	5.4%	100.0%
Change to 2019 Budget estimate				43.5			1.0	(0.6)	(0.6)		
Economic classification											
Current payments	56.5	60.0	67.7	80.1	12.4%	99.6%	84.8	88.9	93.4	5.2%	99.0%
Compensation of employees	47.8	51.5	50.5	58.1	6.7%	78.3%	61.8	63.8	66.8	4.7%	71.4%
Goods and services ¹	8.7	8.6	17.2	22.0	36.6%	21.3%	23.0	25.1	26.6	6.5%	27.6%
of which:											
Computer services	1.0	0.6	0.2	0.7	-10.7%	1.0%	0.6	0.6	0.7	-4.1%	0.7%
Consultants: Business and advisory services	2.9	1.6	12.6	13.5	66.3%	11.6%	14.1	15.1	15.6	4.8%	16.6%
Consumables: Stationery, printing and office supplies	0.9	0.3	0.0	0.5	-18.2%	0.7%	0.6	0.7	0.6	8.5%	0.7%
Travel and subsistence	1.7	1.9	1.7	2.4	11.5%	2.9%	3.9	4.8	6.3	37.9%	5.0%
Operating payments	1.2	1.3	1.9	1.1	-2.3%	2.1%	1.9	2.0	1.7	15.3%	1.9%
Venues and facilities	0.0	0.1	0.0	0.5	128.2%	0.3%	0.6	0.6	0.6	3.9%	0.7%
Transfers and subsidies¹	0.0	0.1	0.2	0.1	77.8%	0.1%	—	—	—	-100.0%	—
Households	0.0	0.1	0.2	0.1	77.8%	0.1%	—	—	—	-100.0%	—
Payments for capital assets	0.2	0.0	0.1	0.3	13.2%	0.2%	1.0	1.0	1.0	49.5%	0.9%
Machinery and equipment	0.2	0.0	0.1	0.3	13.2%	0.2%	0.5	0.5	0.5	18.0%	0.5%
Software and other intangible assets	—	—	—	—	—	—	0.5	0.5	0.5	—	0.4%
Total	56.7	60.1	68.0	80.5	12.4%	100.0%	85.7	89.9	94.4	5.4%	100.0%
Proportion of total programme expenditure to vote expenditure	0.5%	0.6%	0.6%	0.7%	—	—	0.8%	0.9%	0.9%	—	—

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

Entities

Companies and Intellectual Property Commission

Selected performance indicators

Table 39.16 Companies and Intellectual Property Commission performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage of website performance for e-services 24/7	Administration	Priority 6: A capable, ethical and developmental state	96%	94%	95%	95%	95%	95%	95%
Average number of days to register a company from the date of receipt of a complete application	Business regulations and reputation		3	2	2	2	1	1	1
Average number of days to register a cooperative from the date of receipt of a complete application	Business regulations and reputation		2	2	3	2	1	1	1
Percentage of companies with an active business status to file annual returns by the end of the reporting period per year	Business regulations and reputation		48.5% (626 721/ 1 291 141)	47.5% (663 442/ 1 396 813)	44% (669 170/ 1 552 491)	52%	54%	54%	100%
Number of education and awareness events on intellectual property enforcement conducted by the commission	Innovation and creativity promotion		6	8	6	8	1	1	1

Entity overview

The Companies and Intellectual Property Commission was established in terms of section 185 of the Companies Act (2008) to register companies, close corporations, cooperatives, trademarks, patents, designs and copyright; and enforce rules and regulations. Over the medium term, the commission will focus on upgrading its ICT systems, and creating a reputable business environment by effectively regulating the behaviour of companies and the intellectual property system.

In its endeavour to provide its services globally and at all times, the commission plans to upgrade its ICT systems. The ICT upgrading project accounts for an estimated 15 per cent (R302 million) of expenditure over the MTEF period. The commission will further spend R302 million over the same period to create a reputable business environment.

Expenditure is expected to increase at an average annual rate of 6 per cent, from R596.5 million in 2019/20 to R710.4 million in 2022/23. Spending on compensation of employees accounts for 61.9 per cent (R1.3 billion) of the commission's total budget over the MTEF period. Revenue is expected to increase at an average annual rate of 6 per cent, from R596.5 million in 2019/20 to R710.4 million in 2022/23, as the upgraded ICT system is expected to simplify the process of submitting annual returns. An estimated 91.4 per cent (R1.8 billion) of the commission's projected revenue over the medium term is generated by fees charged for the registration of companies, cooperatives, trademarks, patents and copyrights.

Table 39.18 Companies and Intellectual Property Commission statements of historical financial performance, cash flow and financial position

Statement of financial position								Average: Outcome/ Budget (%)	
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	2016/17 - 2019/20
R million	2016/17		2017/18		2018/19		2019/20		
Carrying value of assets	391.7	55.3	418.0	63.8	75.0	73.5	414.7	414.7	46.7%
Acquisition of assets	(7.6)	(11.5)	(10.2)	(8.6)	(13.8)	(18.1)	(16.2)	(99.5)	288.4%
Investments	—	—	—	0.4	—	0.3	—	—	—
Inventory	—	0.1	—	0.1	—	0.4	—	—	—
Receivables and prepayments	1.5	8.3	1.0	12.9	10.3	8.7	10.9	10.9	172.4%
Cash and cash equivalents	1 087.9	1 551.8	1 080.9	666.5	679.9	761.2	693.5	693.5	103.7%
Total assets	1 481.1	1 615.6	1 500.0	743.7	765.2	844.1	1 119.0	1 119.0	88.8%
Accumulated surplus/(deficit)	1 330.8	1 255.5	1 342.0	585.0	550.2	421.2	871.3	866.8	76.4%
Trade and other payables	45.0	121.0	50.0	126.2	132.0	138.5	152.2	152.2	141.8%
Provisions	40.3	29.3	42.9	32.5	33.0	39.0	35.5	40.0	92.8%
Derivatives financial instruments	65.0	209.8	65.0	—	50.0	245.4	60.0	60.0	214.7%
Total equity and liabilities	1 481.1	1 615.6	1 500.0	743.7	765.2	844.1	1 119.0	1 119.0	88.8%

Statements of estimates of financial performance, cash flow and financial position**Table 39.19 Companies and Intellectual Property Commission statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance		Average growth rate (%)	Average: Expen- diture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expen- diture/ Total (%)
	Revised estimate			2020/21	2021/22	2022/23		
R million	2019/20	2016/17 - 2019/20					2019/20 - 2022/23	
Revenue								
Non-tax revenue	596.5	0.0%	100.0%	632.3	670.2	710.4	6.0%	100.0%
Sale of goods and services other than capital assets	548.5	5.4%	85.3%	576.3	610.9	647.6	5.7%	91.4%
Administrative fees	548.5	5.4%	85.3%	576.3	610.9	647.6	5.7%	91.4%
Other non-tax revenue	47.9	-27.9%	14.7%	55.9	59.3	62.8	9.5%	8.6%
Total revenue	596.5	0.0%	100.0%	632.3	670.2	710.4	6.0%	100.0%
Current expenses	596.5	13.2%	100.0%	632.3	670.2	710.4	6.0%	100.0%
Compensation of employees	358.8	12.3%	64.1%	388.1	418.1	451.9	8.0%	61.9%
Goods and services	216.1	13.5%	32.4%	220.8	226.9	231.2	2.3%	34.4%
Depreciation	21.6	26.6%	3.5%	23.4	25.2	27.2	8.0%	3.7%
Total expenses	596.5	13.2%	100.0%	632.3	670.2	710.4	6.0%	100.0%
Surplus/(Deficit)	—			—	—	—		
Cash flow statement								
Cash flow from operating activities	—	-100.0%	272.8%	—	—	—	92.2%	283.5%
Receipts								
Non-tax receipts	596.5	-0.7%	100.0%	632.3	670.2	710.4	6.0%	100.0%
Sales of goods and services other than capital assets	549.2	4.1%	86.4%	579.6	614.3	651.2	5.8%	91.8%
Administrative fees	548.5	4.5%	85.5%	576.3	610.9	647.6	5.7%	91.4%
Other sales	0.7	-51.9%	0.9%	3.2	3.4	3.7	74.7%	0.4%
Other tax receipts	47.2	-27.1%	13.6%	52.7	55.8	59.2	7.8%	8.2%
Total receipts	596.5	-0.7%	100.0%	632.3	670.2	710.4	6.0%	100.0%
Current payments	596.5	14.4%	96.6%	632.3	670.2	710.4	6.0%	100.0%
Compensation of employees	358.8	12.8%	63.4%	387.5	418.5	451.9	8.0%	61.9%
Goods and services	237.7	16.8%	33.2%	244.8	251.7	258.5	2.8%	38.1%
Total payment	596.5	14.4%	100.0%	632.3	670.2	710.4	6.0%	100.0%
Net cash flow from investing activities	(139.8)	73.5%	100.0%	(137.9)	(143.5)	(20.4)	-47.3%	100.0%
Acquisition of property, plant, equipment and intangible assets	(99.5)	105.5%	51.9%	(93.7)	(94.8)	(15.5)	-46.2%	70.3%
Acquisition of software and other intangible assets	(40.3)	37.0%	48.5%	(44.3)	(48.8)	(5.0)	-50.1%	29.9%
Proceeds from the sale of property, plant, equipment and intangible assets	—	-100.0%	-0.4%	0.1	0.1	0.1	—	-0.2%
Net increase/(decrease) in cash and cash equivalents	(139.8)	49.3%	100.0%	(137.9)	(143.5)	(20.4)	-47.3%	100.0%
Statement of financial position								
Carrying value of assets	414.7	95.7%	14.4%	443.9	450.0	510.0	7.1%	38.5%
Acquisition of assets	(99.5)	105.5%	-3.2%	(93.7)	(94.8)	(15.5)	-46.2%	-6.5%
Receivables and prepayments	10.9	9.4%	1.1%	11.5	12.1	12.6	4.9%	1.0%
Cash and cash equivalents	693.5	-23.5%	84.5%	707.3	721.5	730.0	1.7%	60.5%
Total assets	1 119.0	-11.5%	100.0%	1 162.7	1 183.6	1 252.6	3.8%	100.0%
Accumulated surplus/(deficit)	866.8	-11.6%	70.9%	891.5	894.2	948.1	3.0%	76.3%
Trade and other payables	152.2	7.9%	13.6%	157.2	159.4	161.5	2.0%	13.4%
Provisions	40.0	11.0%	3.6%	44.0	50.0	53.0	9.8%	4.0%
Derivatives financial instruments	60.0	-34.1%	11.9%	70.0	80.0	90.0	14.5%	6.3%
Total equity and liabilities	1 119.0	-11.5%	100.0%	1 162.7	1 183.6	1 252.6	3.8%	100.0%

Personnel information

Table 39.20 Companies and Intellectual Property Commission personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost	2021/22		Unit cost			2022/23		Unit cost	
		Number	Cost		Number	Cost		Number	Cost		Number	Cost				Number	Cost		
Companies and Intellectual Property Commission		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2019/20 - 2022/23		
Salary level	519	519	519	325.4	0.6	519	358.8	0.7	647	388.1	0.6	647	418.1	0.6	647	451.9	0.7	8.0%	100.0%
7 – 10	364	364	364	152.1	0.4	364	158.7	0.4	430	169.3	0.4	430	177.9	0.4	430	189.7	0.4	6.1%	67.4%
11 – 12	123	123	123	122.2	1.0	123	141.7	1.2	175	155.2	0.9	175	169.0	1.0	175	186.1	1.1	9.5%	26.2%
13 – 16	32	32	32	51.1	1.6	32	58.3	1.8	42	63.6	1.5	42	71.2	1.7	42	76.1	1.8	9.3%	6.4%

1. Rand million.

Export Credit Insurance Corporation of South Africa

Selected performance indicators

Table 39.21 Export Credit Insurance Corporation of South Africa performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Number of research projects to identify new opportunities per year	Improve business development	Priority 1: Economic transformation and job creation	2	3	3	2	3	3	3
Value of project approvals per year	Improve business development		US\$479m	US\$497m	US\$573.4m	US\$550m- US\$575m	US\$500m- US\$600m	US\$525m- US\$625m	US\$550m- US\$650m
Percentage increase/decrease in basic own funds per year	Increase capital base to underwrite more business to fulfil the corporation's mandate		-32% (-R1 677 981/ R5 247 857)	13% (R460 169/ R3 569 876)	24% (R983 557/ R4 030 045)	5 -10%	5 -10%	5 -10%	5 -10%

Entity overview

The Export Credit Insurance Corporation of South Africa was established in terms of the Export Credit and Foreign Investments Insurance Act (1957) to facilitate and encourage South Africa's export trade by underwriting export credit loans and investments outside South Africa. The corporation aims to assist South African exporters doing business in risky sectors or countries, thereby contributing to the expansion of exports, economic growth and the creation of local jobs. Over the medium term, the corporation will focus on reviewing its mandate to reposition it to play a broader role in facilitating local exports. The revised mandate is intended to extend the corporation's reinsurance flexibility within the private sector and other export credit agencies, and enable it to provide short-term trade finance reinsurance capacity to South African insurers in the private sector.

As the corporation continues its core functions of building and leveraging strategic partnerships in existing and new markets over the period ahead, it expects the value of approved projects to increase from US\$550 million in 2019/20 to US\$650 million in 2022/23.

Expenditure is expected to decrease at an average annual rate of 6.7 per cent, from R685.8 million in 2019/20 to R557.8 million in 2022/23, mainly due to a reduction in the claims provision as a result of the portfolio run-off (decrease in assets that are insured). Revenue is expected to decrease at an average annual rate of 2.4 per cent, from R1.4 billion in 2019/20 to R1.3 billion in 2022/23, mainly due to exchange rate fluctuations. The corporation derives its revenue mainly from insurance premiums and transfers from the department. As the corporation continues to implement the interest make-up liability scheme, which is a subsidised interest rate arrangement, transfers from the department for the scheme are expected to increase at an average annual rate of 4.9 per cent, from R193.5 million in 2019/20 to R223.4 million by 2022/23.

Programmes/Objectives/Activities**Table 39.22 Export Credit Insurance Corporation of South Africa Limited expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate	Average growth rate (%)		Average: Expenditure/ Total (%)			Medium-term expenditure estimate			Average growth rate (%)		Average: Expenditure/ Total (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	2019/20	2016/17 - 2019/20	2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23	2019/20 - 2022/23	2022/23
R million																
Administration	130.2	159.8	393.1	284.9	29.8%	24.6%	109.1	296.3	281.7	-0.4%	35.0%					
Improve knowledge and skills	17.7	13.5	12.6	17.4	-0.6%	1.5%	14.9	15.7	16.8	-1.2%	2.1%					
Advance transformation to draw from a diverse talent pool and build an inclusive economy	—	21.3	17.3	31.4	—	2.2%	31.3	14.8	34.7	3.3%	3.6%					
Build and leverage strategic partnerships to advance business	2.5	2.9	3.3	4.4	20.4%	0.3%	4.8	5.3	5.7	8.8%	0.7%					
Improve business process and systems	42.4	26.2	28.4	35.5	-5.7%	3.1%	41.6	43.0	44.6	7.9%	5.3%					
Improve communication to create better awareness and understanding of the corporation and its role	15.2	14.6	10.1	7.6	-20.8%	1.1%	11.1	12.4	13.8	22.2%	1.5%					
Contribute to trade facilitation	12.5	11.1	10.8	10.8	-4.8%	1.1%	11.8	12.9	13.7	8.2%	1.6%					
Improve stakeholder satisfaction (stakeholder engagement plan, customer management and employee engagement plan)	2 138.9	48.9	113.1	78.1	-66.8%	28.8%	39.4	34.0	26.4	-30.4%	5.7%					
Increase capital base to underwrite more business to fulfil the corporation's mandate	53.3	504.0	655.0	215.6	59.4%	37.3%	2 205.8	247.6	120.5	-17.6%	44.7%					
Total	2 412.9	802.5	1 243.8	685.8	-34.3%	100.0%	2 469.8	682.0	557.8	-6.7%	100.0%					

Statements of historical financial performance, cash flow and financial position**Table 39.23 Export Credit Insurance Corporation of South Africa Limited statements of historical financial performance, cash flow and financial position**

Statement of financial performance										Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
R million	2016/17		2017/18		2018/19		2019/20			2016/17 - 2019/20
Revenue										
Non-tax revenue	838.7	1 178.6	775.8	1 576.4	1 398.4	1 076.5	1 128.5	1 163.4		120.6%
Sale of goods and services other than capital assets	526.4	477.9	563.1	886.9	847.3	632.0	874.2	657.7		94.4%
of which:										
Sales by market establishment	526.4	477.9	563.1	886.9	847.3	632.0	874.2	657.7		94.4%
Other non-tax revenue	312.3	700.6	212.7	689.4	551.1	444.5	254.3	505.7		175.9%
Transfers received	171.6	—	177.6	188.3	183.2	183.2	193.5	193.5		77.8%
Total revenue	1 450.8	1 178.6	953.4	1 764.6	1 581.6	1 259.7	1 322.0	1 356.9		104.7%
Expenses										
Current expenses	2 411.9	2 282.6	847.9	642.7	174.9	850.7	891.9	400.9		96.5%
Compensation of employees	86.2	79.7	100.5	88.7	107.8	98.4	114.8	102.2		90.2%
Goods and services	2 323.0	2 200.5	744.7	551.3	64.3	749.5	773.9	296.3		97.2%
Depreciation	2.8	2.4	2.7	2.7	2.8	2.8	3.1	2.3		89.7%
Interest, dividends and rent on land	0.0	0.0	—	0.0	0.0	0.0	—	—		736.8%
Total expenses	2 411.9	2 412.9	901.6	802.5	562.4	1 243.8	1 026.8	685.8		104.9%
Surplus/(Deficit)	(961.1)	(1 234.3)	51.8	962.2	1 019.3	16.0	295.3	671.1		
Cash flow statement										
Cash flow from operating activities	35.6	0.2	280.1	404.5	(294.4)	(160.2)	1 093.3	(160.5)		7.5%
Receipts										
Non-tax receipts	633.0	784.4	836.6	938.6	536.0	706.5	1 594.6	752.6		88.4%
Sales of goods and services other than capital assets	457.0	583.6	704.3	700.7	281.5	426.4	1 343.7	472.0		78.3%
Sales by market establishment	457.0	583.6	704.3	700.7	281.5	426.4	1 343.7	472.0		78.3%
Other tax receipts	176.0	200.8	132.3	237.8	254.5	280.1	250.9	280.6		122.8%
Transfers received	171.6	—	177.6	188.3	183.2	183.2	193.5	193.5		77.8%
Total receipts	816.1	784.4	1 014.3	1 126.8	719.3	889.7	1 788.1	946.1		86.4%

Table 39.23 Export Credit Insurance Corporation of South Africa Limited statements of historical financial performance, cash flow and financial position

Cash flow statement									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Payment									
Current payments	608.9	715.7	624.9	503.4	638.8	651.0	557.4	822.5	110.8%
Compensation of employees	86.2	79.7	100.5	88.7	107.8	98.4	114.8	102.2	90.2%
Goods and services	522.8	636.0	524.4	414.7	531.0	552.5	442.5	720.3	115.0%
Interest and rent on land	0.0	0.0	—	0.0	0.0	0.0	—	—	700.0%
Transfers and subsidies	171.6	—	—	—	—	—	—	—	—
Total payments	780.5	784.2	734.1	722.3	1 013.7	1 049.9	694.8	1 106.6	113.6%
Net cash flow from investing activities	(473.6)	(123.5)	(561.6)	(505.0)	177.5	302.0	(1 093.3)	(33.4)	18.4%
Acquisition of property, plant, equipment and intangible assets	(1.8)	(0.9)	(3.4)	(0.5)	(1.0)	(1.1)	(1.1)	(0.1)	37.5%
Acquisition of software and other intangible assets	(1.0)	—	—	(0.6)	(0.4)	(0.1)	(1.8)	—	23.3%
Other flows from investing activities	(470.8)	(122.6)	(558.3)	(503.9)	178.9	303.3	(1 090.5)	(33.3)	18.4%
Net increase/(decrease) in cash and cash equivalents	(438.0)	(123.3)	(281.5)	(100.5)	(116.9)	141.8	0.0	(193.8)	
Statement of financial position									
Carrying value of assets	10.8	11.7	9.9	8.8	6.3	9.2	6.0	3.9	101.4%
Acquisition of assets	(1.8)	(0.9)	(3.4)	(0.5)	(1.0)	(1.1)	(1.1)	(0.1)	37.5%
Investments	7 731.7	6 685.9	7 296.3	6 715.8	7 260.1	7 461.2	8 703.5	7 674.0	92.1%
Receivables and prepayments	1 779.8	1 578.3	1 507.1	1 648.5	1 925.9	1 816.5	1 750.5	1 758.1	97.7%
Cash and cash equivalents	1.9	284.6	1.4	154.5	46.6	297.5	45.8	100.0	874.0%
Taxation	412.2	—	—	12.0	12.0	0.9	12.0	—	2.9%
Total assets	9 936.4	8 560.5	8 814.6	8 539.5	9 251.0	9 585.2	10 517.8	9 536.1	94.0%
Accumulated surplus/(deficit)	3 311.6	656.6	3 310.5	2 036.5	4 706.9	2 052.5	5 002.2	5 328.0	61.7%
Capital and reserves	814.8	2 913.3	316.1	1 993.6	343.6	2 961.1	343.6	355.9	452.3%
Deferred income	—	—	—	—	—	—	143.5	—	—
Trade and other payables	41.4	38.8	47.5	51.6	52.5	57.3	74.8	55.8	94.1%
Taxation	—	78.6	23.0	39.4	—	25.9	—	25.9	737.4%
Provisions	4 060.8	3 240.1	3 726.7	3 245.6	2 952.3	2 651.2	4 000.2	2 714.1	80.4%
Derivatives financial instruments	1 707.9	1 633.0	1 390.9	1 172.9	1 195.6	1 837.2	953.4	1 056.4	108.6%
Total equity and liabilities	9 936.4	8 560.5	8 814.6	8 539.5	9 251.0	9 585.2	10 517.8	9 536.1	94.0%

Statements of estimates of financial performance, cash flow and financial position**Table 39.24 Export Credit Insurance Corporation of South Africa Limited statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23		
Revenue									
Non-tax revenue	1 163.4	-0.4%	90.1%	2 517.4	1 205.9	1 039.5	-3.7%	86.3%	
Sale of goods and services other than capital assets	657.7	11.2%	47.4%	2 166.7	521.6	533.3	-6.8%	51.8%	
Sales by market establishment	657.7	11.2%	47.4%	2 166.7	521.6	533.3	-6.8%	51.8%	
Other non-tax revenue	505.7	-10.3%	42.8%	350.7	684.3	506.2	0.0%	34.6%	
Transfers received	193.5	—	9.9%	204.2	215.4	223.4	4.9%	13.7%	
Total revenue	1 356.9	4.8%	100.0%	2 721.5	1 421.3	1 262.9	-2.4%	100.0%	
Current expenses	400.9	-44.0%	75.4%	2 360.7	385.6	276.1	-11.7%	65.0%	
Compensation of employees	102.2	8.7%	9.3%	115.5	123.0	131.0	8.6%	15.3%	
Goods and services	296.3	-48.7%	65.8%	2 242.8	261.2	143.7	-21.4%	49.5%	
Depreciation	2.3	-1.1%	0.3%	2.4	1.5	1.5	-14.8%	0.2%	
Total expenses	685.8	-34.3%	100.0%	2 469.8	682.0	557.8	-6.7%	100.0%	
Surplus/(Deficit)	671.1			251.7	739.3	705.1			

Table 39.24 Export Credit Insurance Corporation of South Africa Limited statements of estimates of financial performance, cash flow and financial position

Cash flow statement		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate							
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Cash flow from operating activities	(160.5)	-993.3%	202.8%	2 496.4	253.3	709.9	56.0%	204.5%
Receipts								
Non-tax receipts	752.6	-1.4%	85.6%	2 933.5	832.2	1 232.9	17.9%	84.3%
Sales of goods and services other than capital assets	472.0	-6.8%	58.6%	2 663.0	534.4	796.9	19.1%	60.1%
Sales by market establishment	472.0	-6.8%	58.6%	2 663.0	534.4	796.9	19.1%	60.1%
Other tax receipts	280.6	11.8%	27.0%	270.5	297.7	436.0	15.8%	24.2%
Transfers received	193.5	—	14.4%	204.2	215.4	223.4	4.9%	15.7%
Total receipts	946.1	6.4%	100.0%	3 137.6	1 047.5	1 456.3	15.5%	100.0%
Current payments	822.5	4.7%	66.2%	532.1	497.9	464.7	-17.3%	70.6%
Compensation of employees	102.2	8.7%	9.3%	115.5	123.0	131.0	8.6%	15.1%
Goods and services	720.3	4.2%	56.9%	416.6	374.9	333.7	-22.6%	55.5%
Total payment	1 106.6	12.2%	100.0%	641.3	794.2	746.4	-12.3%	100.0%
Net cash flow from investing activities	(33.4)	-35.4%	100.0%	(2 496.4)	(253.3)	(709.9)	177.1%	100.0%
Acquisition of property, plant, equipment and intangible assets	(0.1)	-50.4%	0.2%	(2.0)	(1.1)	(1.2)	118.9%	0.3%
Other flows from investing activities	(33.3)	-35.3%	99.8%	(2 494.4)	(252.2)	(708.7)	177.3%	99.7%
Net increase/(decrease) in cash and cash equivalents	(193.8)	16.3%	100.0%	0.0	0.0	0.0	-103.5%	100.0%
Statement of financial position								
Carrying value of assets	3.9	-30.6%	0.1%	3.5	3.1	2.9	-9.6%	0.0%
Acquisition of assets	(0.1)	-50.4%	-0.0%	(2.0)	(1.1)	(1.2)	118.9%	-0.0%
Investments	7 674.0	4.7%	78.8%	9 710.4	10 554.1	11 262.8	13.6%	83.3%
Receivables and prepayments	1 758.1	3.7%	18.8%	1 754.0	2 039.0	1 784.6	0.5%	15.8%
Cash and cash equivalents	100.0	-29.4%	2.3%	94.1	101.5	101.5	0.5%	0.9%
Taxation	—	—	0.0%	—	—	0.0	—	0.0%
Total assets	9 536.1	3.7%	100.0%	11 562.0	12 697.8	13 151.9	11.3%	100.0%
Accumulated surplus/(deficit)	5 328.0	100.9%	27.2%	5 579.6	6 318.9	7 024.0	9.6%	51.8%
Capital and reserves	355.9	-50.4%	23.0%	355.9	355.9	355.9	—	3.1%
Deferred income	—	—	—	74.5	73.3	71.5	—	0.4%
Trade and other payables	55.8	12.9%	0.6%	38.2	91.6	83.1	14.2%	0.6%
Taxation	25.9	-30.9%	0.5%	25.9	25.9	25.9	—	0.2%
Provisions	2 714.1	-5.7%	33.0%	4 680.1	5 131.6	5 041.5	22.9%	36.9%
Derivatives financial instruments	1 056.4	-13.5%	15.8%	807.8	700.6	550.0	-19.6%	6.9%
Total equity and liabilities	9 536.1	3.7%	100.0%	11 562.0	12 697.8	13 151.9	11.3%	100.0%

Personnel information**Table 39.25 Export Credit Insurance Corporation of South Africa Limited personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost						
Export Credit Insurance Corporation of South Africa Limited																			
Salary level	90	90	84	98.4	1.2	90	102.2	1.1	95	115.5	1.2	95	123.0	1.3	95	131.0	1.4	8.6%	100.0%
1 – 6	8	8	7	1.6	0.2	8	1.8	0.2	13	1.9	0.1	13	2.0	0.2	13	2.1	0.2	4.9%	12.5%
7 – 10	41	41	43	26.6	0.6	41	27.4	0.7	41	28.7	0.7	41	30.6	0.7	41	32.6	0.8	5.9%	43.8%
11 – 12	15	15	16	18.9	1.2	15	13.9	0.9	15	17.8	1.2	15	18.9	1.3	15	20.2	1.3	13.2%	16.0%
13 – 16	22	22	15	32.7	2.2	22	40.6	1.8	22	45.1	2.1	22	48.0	2.2	22	51.2	2.3	8.0%	23.5%
17 – 22	4	4	3	18.6	6.2	4	18.5	4.6	4	22.0	5.5	4	23.5	5.9	4	25.0	6.2	10.6%	4.3%

1. Rand million.

Industrial Development Corporation

Selected performance indicators

Table 39.26 Industrial Development Corporation performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Value of funding disbursed per year	Administration	Priority 1: Economic transformation and job creation	R11bn	R15.4bn	R11.4bn	R16.6bn	R18.3bn	R22.6bn	R21.3bn
Number of jobs expected to be created or saved per year	Administration		20 155	29 885	17 887	32 501	35 767	39 361	39 361
Value of funding to black industrialists signed per year	Administration		R4.9bn	R5.2bn	R4.7bn	R5.5bn	R5.9bn	R6.2bn	R7.6bn
Funding for localisation initiatives signed per year	Administration		R4.8bn	R4.7bn	R4.7bn	R4.9bn	R5.2bn	R5.2bn	R7.4bn

Entity overview

The Industrial Development Corporation is a national development finance institution established in terms of the Industrial Development Act (1940) with the objective of leading industrial capacity development. The corporation drives the development of industrial capacity through investments in individual companies, and by indirectly acting as a catalyst for the creation or revitalisation of industries and the creation of employment in related businesses.

Disbursements are expected to increase by 28.3 per cent, from R16.6 billion in 2019/20 to R21.3 billion in 2022/23. The bulk of these disbursements is allocated to the department's priority value chains (chemicals and plastics, clothing and textiles, steel and metals fabrication, furniture, sugar production, and poultry), as per the department's master plans. Revenue is expected to increase at an annual average rate of 8.9 per cent, from R20.2 billion in 2019/20 to R26.1 billion 2022/23. The corporation's revenue is mainly derived from interest income from loans, accounting for 65.7 per cent (R46 billion) of total revenue over the medium term. Other revenue streams include dividends from equity investments and income received from fees.

Programmes/Objectives/Activities

Table 39.27 Industrial Development Corporation of South Africa 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	18 773.0	16 154.0	18 710.0	17 395.0	-2.5%	100.0%	17 376.3	20 260.8	22 139.0	8.4%	100.0%
Total	18 773.0	16 154.0	18 710.0	17 395.0	-2.5%	100.0%	17 376.3	20 260.8	22 139.0	8.4%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 39.28 Industrial Development Corporation of South Africa statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17	2017/18	2017/18	2018/19	2018/19	2019/20	2019/20	2020/21	2016/17 - 2019/20
Revenue	23 110.0	20 138.9	18 308.0	18 997.0	17 148.2	18 856.0	19 977.5	20 185.3	99.5%
Non-tax revenue	23 110.0	20 138.9	18 308.0	18 997.0	17 148.2	18 856.0	19 977.5	20 185.3	99.5%
Sale of goods and services other than capital assets	15 670.0	12 767.9	9 969.0	10 377.0	3 131.0	10 130.0	4 210.0	6 497.7	120.6%
of which:									
Administrative fees	—	—	—	7 994.0	—	10 062.0	—	6 497.7	—
Other sales	15 670.0	12 767.9	9 969.0	2 383.0	3 131.0	68.0	4 210.0	—	46.1%
Other non-tax revenue	7 440.0	7 371.0	8 339.0	8 620.0	14 017.2	8 726.0	15 767.5	13 687.6	84.3%
Transfers received	213.1	213.1	223.8	—	228.8	—	241.5	—	23.5%
Total revenue	23 276.1	20 973.0	18 531.8	19 378.0	17 377.0	19 430.0	20 219.0	20 185.3	100.7%
Expenses	21 447.8	18 773.0	17 035.0	16 154.0	12 781.7	18 710.0	16 729.6	17 005.0	103.9%
Current expenses	21 447.8	18 773.0	17 035.0	16 154.0	12 781.7	18 710.0	16 729.6	17 005.0	103.9%
Compensation of employees	887.4	3 229.0	1 260.7	2 377.0	1 132.0	1 012.2	1 204.6	1 061.1	171.2%
Goods and services	17 752.3	12 207.0	13 137.3	10 831.0	8 696.6	13 862.8	11 841.8	12 563.8	96.2%
Depreciation	618.2	730.0	730.0	513.0	1 010.0	1 010.0	1 060.0	843.0	90.6%
Interest, dividends and rent on land	2 190.0	2 607.0	1 907.0	2 433.0	1 943.1	2 825.0	2 623.2	2 537.1	120.1%
Total expenses	21 780.1	18 773.0	17 434.0	16 154.0	12 888.1	18 710.0	16 967.0	17 395.0	102.8%
Surplus/(Deficit)	1 496.0	2 200.0	1 097.8	3 224.0	4 488.9	720.0	3 252.0	2 790.3	

Table 39.28 Industrial Development Corporation of South Africa statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Cash flow statement									
Cash flow from operating activities	4 354.5	5 142.0	9 525.3	2 950.0	3 094.9	2 884.0	2 132.7	3 384.1	75.2%
Receipts									
Tax receipts	–	384.0	–	453.0	–	–	–	–	–
Non-tax receipts	24 373.8	20 773.0	30 429.0	8 945.0	12 821.0	8 986.5	13 200.0	15 095.7	66.6%
Sales of goods and services other than capital assets	16 313.8	–	23 394.0	–	–	–	–	–	–
Administrative fees	305.0	–	500.0	–	–	–	–	–	–
Other sales	16 008.8	–	22 894.0	–	–	–	–	–	–
Other tax receipts	8 060.0	20 773.0	7 035.0	8 945.0	12 821.0	8 986.5	13 200.0	15 095.7	130.8%
Transfers received	213.1	–	223.8	–	–	–	–	–	–
Total receipts	24 587.0	21 157.0	30 652.8	9 398.0	12 821.0	8 986.5	13 200.0	15 095.7	67.2%
Payment									
Current payments	20 029.5	15 631.0	20 978.5	6 448.0	9 541.1	6 071.5	10 705.3	11 374.0	64.5%
Compensation of employees	4 064.4	3 229.0	4 267.6	2 377.0	4 464.4	1 012.2	4 704.6	1 061.1	43.9%
Goods and services	15 915.1	10 422.0	16 710.8	1 753.0	3 133.5	2 234.3	3 377.6	7 775.8	56.7%
Interest and rent on land	50.0	1 980.0	–	2 318.0	1 943.1	2 825.0	2 623.2	2 537.1	209.3%
Total payments	20 232.5	16 015.0	21 127.5	6 448.0	9 726.1	6 102.5	11 067.3	11 711.6	64.8%
Net cash flow from advancing activities (Financial Institutions only)	1 576.3	(449.0)	(3 380.9)	(3 211.0)	(10 549.0)	2 483.0	(11 816.0)	(7 974.3)	37.9%
Loan disbursements	(4 165.7)	(6 740.0)	(9 268.9)	(10 972.0)	(11 646.0)	(7 822.0)	(11 365.0)	(9 048.7)	94.9%
Loan principal repayments	5 742.0	6 291.0	5 888.0	4 408.0	4 779.0	6 504.0	4 721.0	5 432.3	107.1%
Other	–	–	–	3 353.0	(3 682.0)	3 801.0	(5 172.0)	(4 357.9)	-31.6%
Net cash flow from investing activities	(6 272.8)	(3 904.0)	(5 625.4)	(1 148.0)	3 316.0	(1 694.0)	4 200.0	(277.2)	160.3%
Acquisition of property, plant, equipment and intangible assets	(1 757.8)	(905.0)	(1 844.4)	(1 803.0)	–	(1 512.0)	–	(1 186.1)	150.1%
Acquisition of software and other intangible assets	–	(29.0)	–	(4.0)	–	(2.0)	–	–	–
Proceeds from the sale of property, plant, equipment and intangible assets	–	369.0	–	355.0	–	398.0	–	–	–
Other flows from investing activities	(4 515.0)	(3 339.0)	(3 781.0)	304.0	3 316.0	(578.0)	4 200.0	908.9	346.7%
Net cash flow from financing activities	–	(20.0)	–	(50.0)	5 861.0	(50.0)	5 194.0	594.4	4.3%
Borrowing activities	–	–	–	–	5 861.0	–	5 194.0	594.4	5.4%
Other flows from financing activities	–	(20.0)	–	(50.0)	–	(50.0)	–	–	–
Net increase/(decrease) in cash and cash equivalents	(342.0)	769.0	519.0	(1 459.0)	1 722.9	3 623.0	(289.3)	(4 273.0)	
Statement of financial position									
Carrying value of assets	11 168.9	10 074.0	7 837.8	8 148.0	–	7 735.0	–	5 794.0	167.1%
Acquisition of assets	(1 757.8)	(905.0)	(1 844.4)	(1 803.0)	–	(1 512.0)	–	(1 186.1)	150.1%
Investments	103 052.3	104 669.0	110 645.5	112 148.0	101 935.5	118 952.0	101 813.5	87 922.1	101.5%
Inventory	4 461.5	2 771.0	2 201.2	1 748.0	–	2 051.0	–	–	98.6%
Loans	16 408.7	–	30 936.0	–	19 390.2	–	28 075.7	27 557.1	29.1%
Receivables and prepayments	4 414.0	2 702.0	1 664.8	3 351.0	16 011.8	3 865.0	16 822.2	8 613.9	47.6%
Cash and cash equivalents	9 810.0	7 699.0	8 749.0	6 156.0	7 026.3	9 809.0	6 935.9	5 780.1	90.5%
Non-current assets held for sale	–	1 676.0	–	4 508.0	–	36.0	–	–	–
Taxation	461.2	169.0	–	757.0	–	2 158.0	–	–	668.7%
Derivatives financial instruments	–	76.0	–	142.0	–	1.0	–	–	–
Total assets	149 776.5	129 836.0	162 034.3	136 958.0	144 363.9	144 607.0	153 647.3	135 667.3	89.7%
Accumulated surplus/(deficit)	42 537.3	43 729.0	45 438.7	90 714.0	89 563.5	93 910.0	91 566.8	97 323.7	121.0%
Capital and reserves	66 249.8	44 561.0	65 265.9	1 393.0	–	1 393.0	–	–	36.0%
Borrowings	29 233.9	103.0	39 466.0	33 236.0	38 880.3	39 535.0	45 268.7	28 076.2	66.0%
Trade and other payables	4 121.1	4 051.0	2 552.4	3 379.0	–	3 042.0	–	–	156.9%
Taxation	6 399.4	4 879.0	8 345.0	4 715.0	6 866.0	5 752.0	6 969.3	5 981.9	74.6%
Provisions	1 175.0	1 725.0	898.6	1 274.0	–	936.0	–	–	189.8%
Managed funds (e.g. poverty alleviation fund)	30.0	–	30.0	–	3 672.7	–	3 672.7	4 285.5	57.9%
Derivatives financial instruments	30.1	30 788.0	37.6	2 247.0	5 381.4	39.0	6 169.8	–	284.7%
Total equity and liabilities	149 776.5	129 836.0	162 034.3	136 958.0	144 363.9	144 607.0	153 647.3	135 667.3	89.7%

Statements of estimates of financial performance, cash flow and financial position

Table 39.29 Industrial Development Corporation of South Africa statements of estimates of financial performance, cash flow and financial position

Statement of financial performance	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Revenue								
Non-tax revenue	20 185.3	0.1%	97.8%	21 491.0	23 347.7	26 063.3	8.9%	100.0%
Sale of goods and services other than capital assets	6 497.7	-20.2%	49.7%	7 095.3	8 063.3	9 749.0	14.5%	34.3%
Administrative fees	6 497.7	—	31.3%	7 095.3	8 063.3	9 749.0	14.5%	34.3%
Other non-tax revenue	13 687.6	22.9%	48.1%	14 395.7	15 284.4	16 314.2	6.0%	65.7%
Total revenue	20 185.3	-1.3%	100.0%	21 491.0	23 347.7	26 063.3	8.9%	100.0%
Current expenses	17 005.0	-3.2%	99.4%	15 858.7	19 012.2	20 857.5	7.0%	94.3%
Compensation of employees	1 061.1	-31.0%	10.9%	1 117.3	1 169.8	1 228.1	5.0%	6.0%
Goods and services	12 563.8	1.0%	69.6%	11 445.9	13 996.9	15 337.3	6.9%	69.1%
Depreciation	843.0	4.9%	4.3%	885.2	929.4	975.9	5.0%	4.7%
Interest, dividends and rent on land	2 537.1	-0.9%	14.7%	2 410.3	2 916.0	3 316.2	9.3%	14.5%
Total expenses	17 395.0	-2.5%	100.0%	17 376.3	20 260.8	22 139.0	8.4%	100.0%
Surplus/(Deficit)	2 790.3			4 114.7	3 086.9	3 924.3		
Cash flow statement								
Cash flow from operating activities	3 384.1	-13.0%	100.0%	1 105.0	(289.0)	1 173.3	3.3%	100.0%
Receipts								
Non-tax receipts	15 095.7	-10.1%	98.3%	14 666.9	15 788.0	16 633.9	3.3%	100.0%
Other tax receipts	15 095.7	-10.1%	98.3%	14 666.9	15 788.0	16 633.9	3.3%	100.0%
Total receipts	15 095.7	-10.6%	100.0%	14 666.9	15 788.0	16 633.9	3.3%	100.0%
Current payments	11 374.0	-10.1%	55.3%	11 749.7	14 578.4	15 180.9	10.1%	93.2%
Compensation of employees	1 061.1	-31.0%	10.9%	1 117.3	1 169.8	1 228.1	5.0%	8.1%
Goods and services	7 775.8	-9.3%	30.8%	8 222.2	10 492.6	10 636.6	11.0%	65.3%
Interest and rent on land	2 537.1	8.6%	13.6%	2 410.3	2 916.0	3 316.2	9.3%	19.8%
Total payment	11 711.6	-9.9%	100.0%	13 561.9	16 077.0	15 460.6	9.7%	100.0%
Net cash flow from advancing activities (Financial Institutions only)	(7 974.3)	160.9%	100.0%	(7 980.8)	(7 930.0)	(8 293.1)	1.3%	66.5%
Loan disbursements	(9 048.7)	10.3%	410.3%	(9 454.1)	(10 131.0)	(10 802.4)	6.1%	79.7%
Loan principal repayments	5 432.3	-4.8%	-336.1%	6 199.3	7 326.3	8 067.6	14.1%	-52.9%
Other	(4 357.9)	—	25.8%	(4 726.0)	(5 125.3)	(5 558.2)	8.4%	39.7%
Net cash flow from investing activities	(277.2)	-58.6%	100.0%	2 000.0	2 600.0	3 200.0	-326.0%	100.0%
Acquisition of property, plant, equipment and intangible assets	(1 186.1)	9.4%	174.3%	—	—	—	-100.0%	107.0%
Other flows from investing activities	908.9	-164.8%	-58.7%	2 000.0	2 600.0	3 200.0	52.1%	-7.0%
Net cash flow from financing activities	594.4	-409.8%	100.0%	4 590.2	4 991.3	3 892.4	87.1%	100.0%
Borrowing Activities	594.4	—	25.0%	4 590.2	4 991.3	3 892.4	87.1%	100.0%
Net increase/(decrease) in cash and cash equivalents	(4 273.0)	-277.1%	100.0%	(285.6)	(627.7)	(27.4)	-81.4%	100.0%
Statement of financial position								
Carrying value of assets	5 794.0	-16.8%	5.8%	6 310.0	6 500.0	6 313.0	2.9%	4.3%
Acquisition of assets	(1 186.1)	9.4%	-1.0%	—	—	—	-100.0%	-0.2%
Investments	87 922.1	-5.6%	77.4%	89 349.9	91 397.8	92 443.5	1.7%	62.0%
Loans	27 557.1	—	5.1%	33 082.8	36 770.8	40 961.8	14.1%	23.6%
Receivables and prepayments	8 613.9	47.2%	3.4%	8 861.5	9 255.1	9 604.9	3.7%	6.2%
Cash and cash equivalents	5 780.1	-9.1%	5.4%	5 716.6	5 578.3	5 939.3	0.9%	4.0%
Total assets	135 667.3	1.5%	100.0%	143 320.8	149 502.0	155 262.4	4.6%	100.0%
Accumulated surplus/(deficit)	97 323.7	30.6%	59.1%	100 744.7	100 897.5	102 659.6	1.8%	68.9%
Borrowings	28 076.2	548.4%	18.1%	32 739.9	37 939.1	42 228.0	14.6%	24.0%
Taxation	5 981.9	7.0%	3.9%	5 550.7	6 379.9	6 089.3	0.6%	4.1%
Managed funds (e.g. poverty alleviation fund)	4 285.5	—	0.8%	4 285.5	4 285.5	4 285.5	—	2.9%
Total equity and liabilities	135 667.3	1.5%	100.0%	143 320.8	149 502.0	155 262.4	4.6%	100.0%

Personnel information

Table 39.30 Industrial Development Corporation of South Africa personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number		
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number			Cost	Unit cost
Industrial Development Corporation of South Africa			853	1 012.2	1.2	853	1 061.1	1.2	853	1 117.3	1.3	853	1 169.8	1.4	853	1 228.1	1.4	5.0%	100.0%
Salary level	853	853	853	1 012.2	1.2	853	1 061.1	1.2	853	1 117.3	1.3	853	1 169.8	1.4	853	1 228.1	1.4	5.0%	100.0%
1 – 6	43	43	43	75.2	1.7	43	78.9	1.8	43	83.0	1.9	43	87.0	2.0	43	91.3	2.1	5.0%	5.0%
7 – 10	275	275	275	139.5	0.5	275	146.2	0.5	275	153.9	0.6	275	161.2	0.6	275	169.2	0.6	5.0%	32.2%
11 – 12	177	177	177	179.7	1.0	177	188.4	1.1	177	198.4	1.1	177	207.7	1.2	177	218.1	1.2	5.0%	20.8%
13 – 16	337	337	337	546.7	1.6	337	573.2	1.7	337	603.5	1.8	337	631.9	1.9	337	663.4	2.0	5.0%	39.5%
17 – 22	21	21	21	71.0	3.4	21	74.4	3.5	21	78.4	3.7	21	82.1	3.9	21	86.2	4.1	5.0%	2.5%

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 **Companies Tribunal** was established in 2011 as a juristic entity in terms of the Companies Act (2008) and became operational in 2012. It is mandated to adjudicate and mediate disputes, and make orders. The tribunal is enjoined to deliver on this mandate in a manner that is simple, ethical, efficient, equitable, transparent, accountable and impartial, without fear, favour or prejudice. The tribunal's total budget for 2020/21 is R18.3 million.
- The **Competition Commission** is a statutory body constituted in terms of the Competition Act (1998), as amended. It is empowered to investigate, control and evaluate restrictive business practices, including the abuse of dominant positions and mergers; and promote the advocacy of competition issues to achieve equity and efficiency in the South African economy. The commission's total budget for 2020/21 is R417.2 million.
- The **Competition Tribunal** was established in 1999 in terms of the Competition Act (1998), as amended. All large corporate mergers and allegations of restrictive practices are brought before the tribunal by the Competition Commission and interested parties for adjudication. The tribunal's total budget for 2020/21 is R64.2 million.
- The **International Trade Administration Commission** is mandated to manage an efficient and effective trade administration system. It was established in terms of the International Trade Administration Act (2002). The commission's total budget for 2020/21 is R113.9 million.
- The **National Consumer Commission** was established in terms of section 85 of the Consumer Protection Act (2008), with jurisdiction across South Africa. The act seeks to promote a fair, accessible and sustainable marketplace for consumer products and services, and for that purpose to establish national norms and standards relating to consumer protection. It further seeks to provide for improved standards of consumer information, prohibit certain unfair marketing and business practices, promote responsible consumer behaviour, and promote a consistent legislative framework. The commission's total budget for 2020/21 is R63.3 million.
- The **National Consumer Tribunal** was established in terms of the National Credit Act (2005) as an independent adjudicative entity. It is mandated to review decisions made by the National Credit Regulator and the National Consumer Commission, as well as to adjudicate on applications and referrals in terms of the National Credit Act (2005) and the Consumer Protection Act (2008). The tribunal's total budget for 2020/21 is R66.4 million.
- The **National Credit Regulator** was established in terms of the National Credit Act (2005) and is responsible for the regulation of the South African credit industry. It enforces the act, and carries out education, research, policy development, the registration of industry participants and the investigation of complaints. The regulator is mandated to promote the development of an accessible credit market, particularly to address

the needs of historically disadvantaged and low-income individuals, and remote, isolated or low-density communities. The regulator's total budget for 2020/21 is R170.4 million.

- The **National Empowerment Fund** was established in terms of the National Empowerment Fund Act (1998) to promote and facilitate BEE and transformation. In providing financial and non-financial support to black businesses and structuring accessible retail savings products for black people, the fund is mandated to implement the empowerment codes of good practice for BEE. The fund has five core divisions: small, medium and micro enterprises; rural development; venture capital; corporate finance; and women empowerment funds. The fund's total budget for 2020/21 is R340.9 million.
- The **National Gambling Board** was established in terms of the National Gambling Act (2004), which makes provision for the coordination of concurrent national and provincial legislative competence over matters relating to casinos, racing, gambling and wagering; and provides for the regulation and development of uniform norms and standards. The board's mandate is derived from the National Gambling Act (2004), legislation that prohibits money laundering and the financing of terrorism, the Broad-Based Black Economic Empowerment Act (2003), the codes of good practice for BEE, and the Employment Equity Act (1998). The board's total budget for 2020/21 is R264.1 million.
- The **National Lotteries Commission** was established in terms of the National Lotteries Act (1997) and is mandated to regulate the national lottery and other lotteries, including fundraising society lotteries and promotional competitions. The commission also advises the Minister of Trade, Industry and Competition on policy matters relating to the national lottery and other lotteries. The commission ensures the protection of all participants, maximises revenue for good causes in a responsible manner, administers the National Lottery Distribution Trust Fund, and distributes funds for good causes to the distributing agencies in an equitable and expeditious manner. The commission's total budget for 2020/21 is R588.3 million.
- The **National Metrology Institute of South Africa** is mandated by the Measurement Units and Measurement Standards Act (2006) to ensure that South Africa has a scientifically valid and internationally comparable and accepted measurement system, and that the international system of units is correctly applied. This is of paramount importance for manufacturing, trade, health and safety, and law enforcement. To fulfil this mandate, the institute: develops and maintains national measurement standards for South Africa; ensures that these are traceable to the primary international system of units; benchmarks these measurement standards against the measurement standards of other countries; submits the calibration and measurement capabilities to the international database as the entry for South Africa; and distributes the national capability through calibration and certified reference materials to calibration and testing laboratories in Southern Africa. The institute's total budget for 2020/21 is R310 million.
- The **National Regulator for Compulsory Specifications** was established in terms of the Measurement Units and Measurement Standards Act (2006) as a public entity that administers compulsory specifications, otherwise known as technical regulations, on behalf of the Minister of Trade, Industry and Competition. The regulator is mandated to protect the health and safety of the public and the environment by administering and maintaining compulsory specifications, implementing a regulatory and compliance system, and engaging in market surveillance to ensure compliance. The regulator's total budget for 2020/21 is R551.6 million.
- The **Small Enterprise Finance Agency** was established in 2012 and combines the operations of Khula Enterprise Finance, the South African Micro-Finance Apex Fund and the Industrial Development Corporation's small business operations. The agency's total budget for 2020/21 is R1.7 billion.
- The **South African Bureau of Standards** was established as a statutory body in terms of the Standards Act (2008), and is part of South Africa's standardisation, quality assurance, accreditation and metrology technical infrastructure. The bureau is mandated to provide standardisation and conformity assessment services to protect the integrity of the South African market, protect consumers, create a competitive advantage for South African industry, and facilitate access by South Africans to local and international markets. The bureau is the sole publisher of South African national standards, and is responsible for the technical work of the industrial policy action plan. Its total budget for 2020/21 is R965.6 million.
- The **South African National Accreditation System** was established in terms of the Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act (2006). It is mandated to accredit or

monitor for compliance with good laboratory practice; promote accreditation as a means of facilitating international trade to enhance South Africa's economic performance and bring about economic transformation; promote the competence and equivalence of accredited bodies; and promote the competence and equivalence of good laboratory practice facilities compliant with the act. The entity's total budget for 2020/21 is R124.6 million.

Vote 40

Transport

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	491.8	475.0	13.9	3.0	521.6	542.7
Integrated Transport Planning	104.5	104.3	–	0.2	107.8	112.3
Rail Transport	13 195.2	50.9	13 144.1	0.1	19 148.9	21 702.2
Road Transport	33 816.7	134.5	33 681.4	0.8	34 035.8	34 309.6
Civil Aviation	240.7	219.1	21.1	0.5	255.4	263.9
Maritime Transport	149.4	107.9	41.0	0.4	152.6	159.0
Public Transport	14 038.0	358.6	13 679.1	0.3	14 812.4	15 138.4
Subtotal	62 036.3	1 450.4	60 580.6	5.3	69 034.6	72 228.0
Direct charge against the National Revenue Fund						
International Oil Pollution Compensation Fund	11.0	–	11.0	–	11.6	12.0
Total expenditure estimates	62 047.2	1 450.4	60 591.6	5.3	69 046.2	72 240.0
Executive authority	Minister of Transport					
Accounting officer	Director-General of Transport					
Website	www.transport.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Lead the provision of an integrated, sustainable, reliable and safe transport system through planning, developing, coordinating, promoting and implementing transport policies, regulations and strategies.

Mandate

The Constitution identifies the legislative responsibilities of different spheres of government with regards to all modes of transport and its associated infrastructure. The Department of Transport is responsible for the legislation and policies for rail, pipelines, roads, airports, ports and the intermodal operations of public transport and freight. The department conducts sector research, formulates legislation and policy to set the strategic direction of subsectors, assigns responsibilities to public entities, regulates through setting norms and standards, and monitors implementation.

Selected performance indicators

Table 40.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Lane kilometres of surfaced roads rehabilitated per year	Road Transport	Priority 1: Economic transformation and job creation	397	1 500	1 600	1 700	1 785	2 053	2 361
Lane kilometres of roads resealed per year	Road Transport		1 735	4 000	4 300	4 700	4 935	5 429	5 863
Kilometres of roads re-gravelled per year	Road Transport		1 664	543	5 800	5 900	6 195	6 695	7 215

Table 40.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Square kilometres of blacktop patching on roads (including pothole repairs) per year	Road Transport	Priority 1: Economic transformation and job creation	489 273	94 792	900 000	900 000	945 000	1 239 500	1 549 375
Kilometres of gravel roads bladed per year	Road Transport		146 631	42 967	485 000	500 000	525 000	604 250	694 888
Number of average weekday bus rapid transit passenger trips per year: Rea Vaya (Johannesburg)	Public Transport	Priority 4: Spatial integration, human settlements and local government	50 000	55 000	50 695	60 000	155 780	158 896	162 074
Total number of municipalities with integrated public transport networks facilitated at the construction phase	Public Transport		11	13	13	13	10	10	10
Number of average weekday bus rapid transit passenger trips per year: MyCiti (Cape Town)	Public Transport		71 153	74 171	62 860	78 441	116 089	118 411	120 779
Number of average weekday bus rapid transit passenger trips per year: Go George (George)	Public Transport		11 368	11 500	12 928	15 000	31 192	32 450	32 452
Number of average weekday bus rapid transit passenger trips per year: A Re Yeng (Tshwane)	Public Transport		4 200	4 500	11 289	25 000	34 869	38 023	41 289
Number of average weekday bus rapid transit passenger trips per year: Libhongoletu (Nelson Mandela Bay)	Public Transport		— ¹	4 600	10 047	15 000	15 500	16 000	20 000
Number of average weekday bus rapid transit passenger trips per year: Harambee (Ekurhuleni)	Public Transport		— ¹	— ¹	2 456	3 000	15 987	15 987	46 551

1. No historical data available.

Expenditure analysis

The work of the Department of Transport contributes to the realisation of the vision of improved social and economic development articulated in the National Development Plan, and priority 1 (economic transformation and job creation) and priority 4 (spatial integration, human settlements and local government) of government's 2019-2024 medium-term strategic framework. Over the medium term, the department plans to give effect to these guiding policies by focusing on: building and maintaining national and provincial road networks, providing passenger rail infrastructure and services, and facilitating the provision of integrated public transport networks.

The department's total expenditure is expected to increase at an average annual rate of 4 per cent, from R64.2 billion in 2019/20 to R72.2 billion in 2022/23. The majority of the department's expenditure is directed towards the Passenger Rail Agency of South Africa for investments in rail infrastructure, maintenance, operations and inventories; the South African National Roads Agency for the upgrading and maintenance of the national road network; and provinces and municipalities for the construction, operations and maintenance of transport infrastructure and services. Over the medium term, transfers account for an estimated 97.7 per cent (R198.7 billion) of the department's total budget.

Spending on compensation of employees is estimated at 0.9 per cent (R1.8 billion) of the department's total budget over the medium term, increasing from R504.9 million in 2019/20 to R635 million in 2022/23 at an average annual rate of 7.9 per cent. This relatively high increase is due to the implementation of job revaluation outcomes for upgrading salary levels 9 to 10 and 11 to 12, and the filling of critical posts.

Due to persistent underspending in previous years, Cabinet has approved total budget reductions of R17.6 billion over the medium term, mainly on capital transfers to the Passenger Rail Agency of South Africa and the *public transport network grant* to municipalities.

Building and preserving national and provincial roads

To carry out all departmental activities related to the maintenance of South Africa's road network, R102.2 billion is allocated over the medium term in the *Road Transport* programme. As the South African National Roads Agency plays a crucial role in the upgrading, maintenance and strengthening programmes of the toll and non-toll portfolios of national roads, transfers to the agency account for an estimated 31.8 per cent (R64.6 billion) of

the department's total budget over the medium term, and 63.3 per cent of the department's budget for road transport. Of the allocation to the agency, R35.4 billion over the MTEF period is allocated for maintenance on the national network of non-toll roads, which constitutes an estimated 85 per cent of the agency's national roads portfolio. As part of its planned projects for the non-toll road network, R3.4 billion over the medium term is set to be spent on the construction of the N2 Wild Coast highway and R2.5 billion on the upgrading of the R573 (Moloto Road). Transfers to fund reduced tariffs for the Gauteng freeway improvement project amount to R1.9 billion over the MTEF period.

About 49 000 kilometres of South Africa's tar road network are under the jurisdiction of provincial departments of transport. The bulk of maintenance operations carried out on provincial roads is funded through the *provincial roads maintenance grant*, which receives an estimated R36.0 billion in allocations over the medium term. Over the MTEF period, the department plans transfer funds to provinces to maintain the provincial road network by resealing 16 227 lane kilometres, rehabilitating 6 199 lane kilometres, and blacktop patching 3.7 million square kilometres. Factors such as the condition of roads, weather patterns and traffic volumes determine allocations for the maintenance of provincial roads.

Investing in passenger rail infrastructure and services

The department will continue its efforts to modernise South Africa's passenger rail services through the Passenger Rail Agency of South Africa, transfers to which account for an estimated 26.8 per cent (R53.7 billion) of the department's total budget over the medium term. These transfers are expected to subsidise 994 million passenger trips on Metrorail and 1.7 million passengers on long-distance mainline passenger services over the next three years. The modernisation of the agency's services is intended to improve the reliability of services and increase passenger ridership through focused expenditure on repairs and maintenance as part of the agency's rolling stock fleet renewal programme, as well as improved security. Transfers to the agency for the rolling stock fleet renewal programme are expected to increase from R5.8 billion in 2019/20 to R8.3 billion in 2022/23 at an average annual rate of 12.5 per cent as the agency intensifies its implementation of the modernisation programme. Total transfers to the agency, mainly for capital expenditure, are set to increase from R16.5 billion in 2019/20 to R21.6 billion in 2022/23 at an average annual rate of 9.4 per cent.

Towards an integrated public transport network

As hubs of economic activity and growth, South Africa's urban areas must maintain optimal functionality. It is important that integrated, sustainable, affordable and functional transport solutions within these hubs are tailored to suit the needs of present and future urban commuters. To this end, the department, through its *Public Transport* programme, makes allocations to the *public transport network grant*. These allocations are expected to increase from R6.5 billion in 2019/20 to R7.1 billion in 2022/23 at an average annual rate of 3.2 per cent. This relatively modest growth rate is reflective of a narrowing of the grant's focus, from 2020/21, to fund the infrastructure and operations of integrated public transport networks in 10 cities as opposed to 13. Included in this are the indirect costs of operating bus rapid transit services in Johannesburg, Tshwane, Cape Town, George, Nelson Mandela Bay and Ekurhuleni. In these cities, the grant is expected to lead to an increase in the number of weekday passenger trips from 196 441 in 2019/20 to 423 145 in 2022/23.

Expenditure trends and estimates

Table 40.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Integrated Transport Planning											
3. Rail Transport											
4. Road Transport											
5. Civil Aviation											
6. Maritime Transport											
7. Public Transport											
Programme					Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Adjusted appropriation			Medium-term expenditure estimate				
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	365.1	407.5	379.8	443.0	6.7%	0.7%	491.8	521.6	542.7	7.0%	0.7%
Programme 2	77.1	76.7	71.4	166.2	29.2%	0.2%	104.5	107.8	112.3	-12.3%	0.2%
Programme 3	18 992.0	14 515.2	15 873.7	16 573.8	-4.4%	28.1%	13 195.2	19 148.9	21 702.2	9.4%	26.4%
Programme 4	25 055.4	27 118.4	30 067.1	33 073.9	9.7%	49.2%	33 816.7	34 035.8	34 309.6	1.2%	50.5%
Programme 5	210.4	166.1	167.7	243.3	5.0%	0.3%	240.7	255.4	263.9	2.7%	0.4%
Programme 6	153.6	109.3	124.0	136.8	-3.8%	0.2%	149.4	152.6	159.0	5.1%	0.2%
Programme 7	11 550.0	12 277.6	12 509.8	13 568.1	5.5%	21.3%	14 038.0	14 812.4	15 138.4	3.7%	21.5%
Subtotal	56 403.7	54 670.7	59 193.5	64 205.1	4.4%	100.0%	62 036.3	69 034.6	72 228.0	4.0%	100.0%
Direct charge against the National Revenue Fund	4	6	3.0	10.4	39.7%	0.0%	11	12	12.0	4.9%	0.0%
International Oil Pollution Compensation Funds	3.8	5.6	3.0	10.4	39.7%	0.0%	11.0	11.6	12.0	4.9%	0.0%
Total	56 407.5	54 676.3	59 196.4	64 215.6	4.4%	100.0%	62 047.2	69 046.2	72 240.0	4.0%	100.0%
Change to 2019 Budget estimate				11.0			(6 051.7)	(5 467.4)	(6 053.9)		
Economic classification											
Current payments	1 235.7	1 013.7	933.8	1 414.4	4.6%	2.0%	1 450.4	1 534.3	1 593.8	4.1%	2.2%
Compensation of employees	392.8	427.2	440.1	504.9	8.7%	0.8%	571.4	608.5	635.0	7.9%	0.9%
Goods and services ¹	842.9	586.5	493.7	909.5	2.6%	1.2%	879.0	925.7	958.8	1.8%	1.4%
of which:											
Advertising	17.6	19.4	20.4	21.4	6.8%	0.0%	25.6	27.1	28.0	9.4%	0.0%
Communication	69.3	68.5	63.0	113.9	18.0%	0.1%	104.4	111.6	114.4	0.1%	0.2%
Consultants: Business and advisory services	472.4	209.3	147.6	461.3	-0.8%	0.6%	451.3	473.0	490.7	2.1%	0.7%
Infrastructure and planning services	64.2	46.8	62.2	50.1	-7.9%	0.1%	58.7	61.9	64.2	8.6%	0.1%
Operating leases	53.7	80.4	32.1	61.5	4.6%	0.1%	62.8	66.3	68.8	3.8%	0.1%
Travel and subsistence	68.8	69.3	89.9	84.7	7.2%	0.1%	82.0	86.0	89.1	1.7%	0.1%
Transfers and subsidies ¹	55 140.0	53 646.9	58 252.4	62 792.1	4.4%	98.0%	60 591.6	67 506.3	70 640.4	4.0%	97.8%
Provinces and municipalities	21 572.7	22 690.9	23 420.2	24 350.3	4.1%	39.2%	24 897.0	25 969.3	26 837.4	3.3%	38.1%
Departmental agencies and accounts	14 267.3	16 254.6	18 926.0	21 496.8	14.6%	30.3%	22 087.0	21 953.4	21 651.0	0.2%	32.6%
Foreign governments and international organisations	15.8	24.2	20.8	29.5	23.0%	0.0%	31.1	32.9	34.1	4.9%	0.0%
Public corporations and private enterprises	18 890.3	14 406.0	15 779.0	16 462.2	-4.5%	27.9%	13 077.1	19 024.0	21 571.6	9.4%	26.2%
Non-profit institutions	22.8	24.0	25.3	26.8	5.5%	0.0%	28.2	29.8	30.9	4.9%	0.0%
Households	371.1	247.3	81.1	426.5	4.8%	0.5%	471.1	497.0	515.5	6.5%	0.7%
Payments for capital assets	9.5	15.0	9.3	9.0	-1.9%	0.0%	5.3	5.6	5.8	-13.7%	0.0%
Machinery and equipment	9.5	14.6	9.3	9.0	-1.9%	0.0%	5.3	5.6	5.8	-13.7%	0.0%
Payments for financial assets	22.2	0.6	0.9	–	-100.0%	0.0%	–	–	–	0.0%	0.0%
Total	56 407.5	54 676.3	59 196.4	64 215.6	4.4%	100.0%	62 047.2	69 046.2	72 240.0	4.0%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 40.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
R thousand											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	4 937 876	5 142 210	11 993 701	6 465 929	9.4%	12.4%	7 839 888	8 250 307	8 280 223	8.6%	11.8%
Transport Education and Training Authority	1 054	1 161	1 228	1 297	7.2%	—	1 368	1 443	1 515	5.3%	—
Railway Safety Regulator	65 987	73 864	63 018	63 522	-1.3%	0.1%	67 017	70 702	74 205	5.3%	0.1%
Road Traffic Management Corporation	193 862	194 529	200 238	210 228	2.7%	0.3%	220 535	232 664	244 192	5.1%	0.3%
South African National Roads Agency: Gauteng freeway improvement project	425 100	463 359	6 255 061	550 516	9.0%	3.3%	600 062	633 066	664 436	6.5%	0.9%
South African National Roads Agency	4 161 060	4 369 112	5 436 815	5 595 822	10.4%	8.5%	6 903 887	7 262 818	7 243 804	9.0%	10.3%
Road Traffic Infringement Agency	10 092	17 696	11 722	7 770	-8.3%	—	8 197	8 648	9 076	5.3%	—
Air Traffic and Navigation Services Company	52 160	—	—	—	-100.0%	—	—	—	—	—	—
Ports Regulator of South Africa	28 561	22 489	25 619	36 774	8.8%	—	38 822	40 966	42 995	5.3%	0.1%
Capital	9 329 426	11 112 352	6 932 282	15 030 886	17.2%	18.5%	14 247 085	13 703 117	13 370 764	-3.8%	21.5%
South African National Roads Agency: Non-toll network	7 935 587	9 063 668	5 125 469	12 338 896	15.9%	15.0%	12 407 036	11 725 064	11 294 506	-2.9%	18.3%
South African National Roads Agency: Coal haulage road network	733 005	769 655	—	—	-100.0%	0.7%	—	—	—	—	—
South African National Roads Agency: Moloto Road upgrade	660 834	1 279 029	1 806 813	1 691 990	36.8%	2.4%	785 049	843 928	885 826	-19.4%	1.6%
South African National Roads Agency: N2 Wild Coast project	—	—	—	1 000 000	—	0.4%	1 055 000	1 134 125	1 190 432	6.0%	1.7%
Households											
Social benefits											
Current	1 784	4 087	1 696	210	-51.0%	—	222	234	245	5.3%	—
Employee social benefits	1 784	4 087	1 696	210	-51.0%	—	222	234	245	5.3%	—
Provinces and municipalities											
Municipal bank accounts											
Current	101 514	107 309	107 533	113 891	3.9%	0.2%	108 436	114 401	121 033	2.0%	0.2%
Rural roads asset management systems grant	101 514	107 309	107 533	113 891	3.9%	0.2%	108 436	114 401	121 033	2.0%	0.2%
Capital	5 592 691	6 107 057	6 286 669	6 468 248	5.0%	10.6%	6 445 848	6 796 572	7 119 154	3.2%	10.3%
Public transport network grant	5 592 691	6 107 057	6 286 669	6 468 248	5.0%	10.6%	6 445 848	6 796 572	7 119 154	3.2%	10.3%
Households											
Other transfers to households											
Current	369 266	243 218	79 410	426 314	4.9%	0.5%	470 859	496 757	515 220	6.5%	0.7%
Bursaries for non-employees	9 914	9 676	9 617	11 659	5.6%	—	12 300	12 977	13 457	4.9%	—
Other transfers to household	—	—	10	—	—	—	—	—	—	—	—
Taxi recapitalisation	359 352	233 542	69 783	414 655	4.9%	0.5%	458 559	483 780	501 763	6.6%	0.7%
Non-profit institutions											
Current	22 816	23 957	25 347	26 766	5.5%	—	28 236	29 791	30 893	4.9%	—
National Sea Rescue Institute	2 205	2 316	2 451	2 589	5.5%	—	2 731	2 882	2 987	4.9%	—
South African Radio League: National emergency communications division	84	88	93	98	5.3%	—	103	109	112	4.6%	—
Mountain Club of South Africa	84	88	93	98	5.3%	—	103	109	112	4.6%	—
Off Road Rescue Unit	84	88	93	98	5.3%	—	103	109	112	4.6%	—
K9 Search and Rescue Association of South Africa	84	88	93	98	5.3%	—	103	109	112	4.6%	—
South African National Taxi Council	20 275	21 289	22 524	23 785	5.5%	—	25 093	26 473	27 458	4.9%	—

Table 40.3 Vote transfers and subsidies trends and estimates

				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20	2022/23
Foreign governments and international organisations											
Current	15 845	24 193	20 823	29 514	23.0%	–	31 138	32 850	34 076	4.9%	–
African Civil Aviation Commission	5 842	5 189	5 342	5 564	-1.6%	–	5 870	6 193	6 424	4.9%	–
International Civil Aviation Organisation	4 686	3 830	4 081	4 808	0.9%	–	5 072	5 351	5 550	4.9%	–
International Maritime Organisation	549	600	659	1 711	46.1%	–	1 805	1 904	1 976	4.9%	–
Cospas-Sarsat search and rescue satellite programme	476	403	426	566	5.9%	–	597	629	653	4.9%	–
Southern African Development Community Aviation Safety Organisation	–	8 133	6 948	6 000	–	–	6 330	6 678	6 927	4.9%	–
Indian Ocean memorandum of understanding	393	346	328	377	-1.4%	–	399	421	437	5.0%	–
International Oil Pollution Compensation fund	3 821	5 559	2 976	10 424	39.7%	–	10 997	11 602	12 034	4.9%	–
Southern African Development Community: International Civil Aviation Organisation mission	78	133	63	64	-6.4%	–	68	72	75	5.4%	–
Public corporations and private enterprises											
Subsidies on products and production (pc)											
Current	4 281 666	5 037 771	4 614 613	6 252 592	13.5%	8.8%	6 694 285	7 096 149	7 455 024	6.0%	10.5%
Passenger Rail Agency of South Africa: Metrorail (operations)	3 809 769	3 666 839	1 763 415	4 376 575	4.7%	5.9%	4 617 179	4 862 460	5 108 209	5.3%	7.3%
Passenger Rail Agency of South Africa: Mainline passenger services (operations)	471 897	1 370 932	1 648 943	1 064 983	31.2%	2.0%	1 164 206	1 270 390	1 334 822	7.8%	1.8%
Passenger Rail Agency of South Africa: Rail maintenance operations and inventories	–	–	1 202 255	811 034	–	0.9%	912 900	963 299	1 011 993	7.7%	1.4%
Capital	14 608 601	9 368 189	11 164 355	10 209 621	-11.3%	19.7%	6 382 834	11 927 834	14 116 526	11.4%	16.3%
Passenger Rail Agency of South Africa: Other capital programmes	7 206 878	3 446 545	91 941	600 022	-56.3%	4.9%	395 172	1 439 864	1 707 516	41.7%	1.6%
Passenger Rail Agency of South Africa: Rolling stock fleet renewal programme	4 170 266	3 457 222	4 676 870	5 823 266	11.8%	7.9%	3 642 696	7 012 147	8 299 845	12.5%	9.5%
Passenger Rail Agency of South Africa: Signalling	1 844 184	1 437 530	2 023 779	2 137 111	5.0%	3.2%	1 326 153	1 965 689	2 323 865	2.8%	3.0%
Passenger Rail Agency of South Africa: Metrorail (refurbishment of coaches)	1 283 523	956 556	4 211 568	1 480 054	4.9%	3.5%	913 838	1 354 535	1 601 351	2.7%	2.0%
Passenger Rail Agency of South Africa: Mainline passenger service (refurbishment of coaches)	103 750	70 336	160 197	169 168	17.7%	0.2%	104 975	155 599	183 949	2.8%	0.2%
Provinces and municipalities											
Provincial revenue funds											
Current	5 400 292	5 722 871	5 990 298	6 325 755	5.4%	10.2%	6 749 581	7 120 808	7 090 432	3.9%	10.4%
Public transport operations grant	5 400 292	5 722 871	5 990 298	6 325 755	5.4%	10.2%	6 749 581	7 120 808	7 090 432	3.9%	10.4%
Capital	10 478 194	10 753 663	11 035 668	11 442 398	3.0%	19.0%	11 593 174	11 937 511	12 506 785	3.0%	18.2%
Provincial roads maintenance grant: Mpumalanga coal haulage roads maintenance	801 000	482 000	501 092	526 152	-13.1%	1.0%	–	–	–	-100.0%	0.2%
Provincial roads maintenance grant: Roads maintenance component	9 379 071	10 001 663	10 324 576	10 649 325	4.3%	17.6%	11 593 174	11 937 511	12 506 785	5.5%	17.9%
Provincial roads maintenance grant: Disaster relief component	298 123	270 000	210 000	266 921	-3.6%	0.5%	–	–	–	-100.0%	0.1%
Total	55 139 971	53 646 877	58 252 395	62 792 124	4.4%	100.0%	60 591 586	67 506 331	70 640 375	4.0%	100.0%

Personnel information

Table 40.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Integrated Transport Planning																			
3. Rail Transport																			
4. Road Transport																			
5. Civil Aviation																			
6. Maritime Transport																			
7. Public Transport																			
Number of posts estimated for 31 March 2020			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 (%)		
			2018/19			2019/20			2020/21		2021/22		2022/23						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2019/20 - 2022/23	
Transport			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	862	117	790	440.1	0.6	839	504.9	0.6	855	571.4	0.7	854	608.5	0.7	821	635.0	0.8	-0.7%	100.0%
1 – 6	159	8	152	38.6	0.3	159	46.3	0.3	153	48.0	0.3	153	51.5	0.3	147	53.0	0.4	-2.6%	18.2%
7 – 10	316	6	282	136.3	0.5	299	153.5	0.5	301	169.3	0.6	300	180.5	0.6	295	188.7	0.6	-0.4%	35.5%
11 – 12	149	6	137	114.1	0.8	147	129.3	0.9	149	141.6	1.0	149	150.6	1.0	148	158.8	1.1	0.2%	17.6%
13 – 16	148	9	117	139.6	1.2	132	163.5	1.2	149	199.3	1.3	149	211.9	1.4	147	221.4	1.5	3.7%	17.1%
Other	90	88	102	11.6	0.1	102	12.3	0.1	103	13.2	0.1	103	14.0	0.1	84	13.1	0.2	-6.3%	11.6%
Programme	862	117	790	440.1	0.6	839	504.9	0.6	855	571.4	0.7	854	608.5	0.7	821	635.0	0.8	-0.7%	100.0%
Programme 1	446	89	417	200.4	0.5	431	218.4	0.5	446	254.8	0.6	446	271.3	0.6	429	283.1	0.7	-0.2%	52.0%
Programme 2	75	–	69	49.7	0.7	71	54.4	0.8	74	61.1	0.8	74	65.1	0.9	71	67.9	1.0	–	8.6%
Programme 3	38	–	36	26.0	0.7	37	28.5	0.8	37	30.4	0.8	37	32.4	0.9	36	33.8	0.9	-0.9%	4.4%
Programme 4	93	1	84	55.2	0.7	94	70.6	0.8	94	80.6	0.9	93	85.8	0.9	91	89.5	1.0	-1.1%	11.0%
Programme 5	66	–	55	35.6	0.6	65	48.0	0.7	66	53.1	0.8	66	56.6	0.9	64	59.0	0.9	-0.5%	7.7%
Programme 6	40	–	31	21.4	0.7	37	24.9	0.7	34	26.2	0.8	34	27.9	0.8	33	29.2	0.9	-3.7%	4.1%
Programme 7	104	27	98	51.8	0.5	104	60.2	0.6	104	65.2	0.6	104	69.4	0.7	97	72.4	0.7	-2.3%	12.1%

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

2. Rand million.

Departmental receipts

Table 40.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
R thousand												
Departmental receipts	292 308	269 585	230 295	112 119	102 350	-29.5%	100.0%	92 514	92 653	92 739	-3.2%	100.0%
Sales of goods and services produced by department	1 138	1 401	1 325	1 561	1 638	12.9%	0.6%	1 688	1 729	1 755	2.3%	1.8%
Sales by market establishments	91	92	87	86	89	-0.7%	–	90	95	98	3.3%	0.1%
of which:												
Rental parking: Covered and open	91	92	87	86	89	-0.7%	–	90	95	98	3.3%	0.1%
Administrative fees	907	1 161	1 066	1 103	1 150	8.2%	0.5%	1 190	1 215	1 230	2.3%	1.3%
of which:												
Foreign operating permits	907	314	294	255	290	-31.6%	0.2%	300	315	320	3.3%	0.3%
Public driver permits	–	847	772	848	860	–	0.3%	890	900	910	1.9%	0.9%
Other sales	140	148	172	372	399	41.8%	0.1%	408	419	427	2.3%	0.4%
of which:												
Commission on insurance	140	144	156	134	156	3.7%	0.1%	160	165	170	2.9%	0.2%
Services rendered:	–	3	14	236	–	–	–	–	–	–	–	–
Transport fees	–	1	2	2	3	–	–	3	4	4	10.1%	–
Departmental publications	–	–	–	–	240	–	–	245	250	253	1.8%	0.3%
Services rendered: Approval of plans	–	–	–	–	–	–	–	–	–	–	–	–
Sales of scrap, waste, arms and other used current goods	1	1	3	2	3	44.2%	–	3	4	4	10.1%	–
of which:												
Wastepaper	1	1	3	2	3	44.2%	–	3	4	4	10.1%	–

Table 40.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
Interest, dividends and rent on land	256 745	266 954	110 144	110 036	100 100	-26.9%	82.0%	90 120	90 130	90 135	-3.4%	97.4%
Interest	1 074	100	155	36	100	-54.7%	0.2%	120	130	135	10.5%	0.1%
Dividends	255 671	266 854	109 989	110 000	100 000	-26.9%	81.9%	90 000	90 000	90 000	-3.5%	97.3%
of which:												
Special restructuring proceeds from Airports Company of South Africa	255 671	266 854	109 989	110 000	100 000	-26.9%	81.9%	90 000	90 000	90 000	-3.5%	97.3%
Transactions in financial assets and liabilities	34 424	1 229	118 823	520	609	-73.9%	17.3%	703	790	845	11.5%	0.8%
Total	292 308	269 585	230 295	112 119	102 350	-29.5%	100.0%	92 514	92 653	92 739	-3.2%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 40.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million											
Ministry	44.5	48.4	45.2	41.1	-2.6%	11.2%	39.8	42.2	43.9	2.2%	8.4%
Management	44.7	46.6	61.5	70.5	16.4%	14.0%	90.0	95.6	99.6	12.2%	17.8%
Corporate Services	197.5	209.0	212.5	234.6	5.9%	53.5%	259.5	275.4	286.8	6.9%	52.8%
Communications	28.0	24.6	28.0	37.9	10.6%	7.4%	40.2	42.6	44.2	5.3%	8.2%
Office Accommodation	50.4	78.8	32.6	59.0	5.4%	13.8%	62.3	65.7	68.2	4.9%	12.8%
Total	365.1	407.5	379.8	443.0	6.7%	100.0%	491.8	521.6	542.7	7.0%	100.0%
Change to 2019				(20.0)			(1.5)	(1.6)	–		
Budget estimate											
Economic classification											
Current payments	347.4	381.9	361.9	425.0	7.0%	95.0%	475.0	503.8	524.2	7.2%	96.4%
Compensation of employees	175.3	191.8	200.4	218.4	7.6%	49.3%	254.8	271.3	283.1	9.0%	51.4%
Goods and services ¹	172.1	190.1	161.4	206.6	6.3%	45.8%	220.2	232.4	241.1	5.3%	45.0%
of which:											
Advertising	10.6	8.4	15.1	19.2	22.1%	3.3%	22.4	23.7	24.5	8.4%	4.5%
Audit costs: External	5.8	7.1	6.3	11.4	25.4%	1.9%	12.1	12.8	13.3	5.2%	2.5%
Computer services	10.5	14.3	8.3	12.6	6.1%	2.9%	13.3	14.1	14.7	5.2%	2.7%
Consultants: Business and advisory services	1.9	2.5	4.6	11.4	81.1%	1.3%	12.8	13.6	14.1	7.2%	2.6%
Operating leases	50.4	78.8	30.2	59.0	5.4%	13.7%	62.3	65.7	68.2	4.9%	12.8%
Travel and subsistence	33.8	33.3	51.2	38.3	4.3%	9.8%	40.5	42.8	44.3	5.0%	8.3%
Transfers and subsidies¹	11.2	13.6	11.6	13.2	5.5%	3.1%	13.9	14.7	15.2	4.9%	2.8%
Provinces and municipalities	–	–	0.0	–	–	–	–	–	–	–	–
Departmental agencies and accounts	1.1	1.2	1.2	1.3	7.2%	0.3%	1.4	1.4	1.5	5.3%	0.3%
Households	10.1	12.5	10.4	11.9	5.4%	2.8%	12.5	13.2	13.7	4.9%	2.6%
Payments for capital assets	6.5	11.9	5.6	4.9	-9.1%	1.8%	3.0	3.1	3.3	-12.6%	0.7%
Machinery and equipment	6.5	11.5	5.6	4.9	-9.1%	1.8%	3.0	3.1	3.3	-12.6%	0.7%
Software and other intangible assets	–	0.4	–	–	–	–	–	–	–	–	–
Payments for financial assets	0.0	0.0	0.8	–	-100.0%	0.1%	–	–	–	–	–
Total	365.1	407.5	379.8	443.0	6.7%	100.0%	491.8	521.6	542.7	7.0%	100.0%
Proportion of total programme expenditure to vote expenditure	0.6%	0.7%	0.6%	0.7%	–	–	0.8%	0.8%	0.8%	–	–

Table 40.6 Administration expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Households											
Other transfers to households											
Current	9.9	9.7	9.6	11.7	5.6%	2.6%	12.3	13.0	13.5	4.9%	2.5%
Bursaries for non-employees	9.9	9.7	9.6	11.7	5.6%	2.6%	12.3	13.0	13.5	4.9%	2.5%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1.1	1.2	1.2	1.3	7.2%	0.3%	1.4	1.4	1.5	5.3%	0.3%
Transport Education and Training Authority	1.1	1.2	1.2	1.3	7.2%	0.3%	1.4	1.4	1.5	5.3%	0.3%

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

Programme 2: Integrated Transport Planning

Programme purpose

Integrate and harmonise macro-transport sector policies, strategies and legislation. Coordinate and develop sector-related policies, research activities, and regional and intersphere relations. Facilitate sector transformation and provide sector economic modelling and analysis.

Objectives

- Facilitate an integrated and efficient transport network by developing and reviewing macro systems and multimodal planning frameworks on an ongoing basis.
- Increase competitiveness and access to transport networks by:
 - establishing the Transport Economic Regulator by March 2023
 - developing regulations for autonomous vehicle technologies by March 2023
 - developing and implementing the regional integration strategy by March 2023.
- Facilitate a reduction in greenhouse gas emissions in the transport sector by developing a carbon emission transition plan by March 2023.

Subprogrammes

- *Macro Sector Planning* examines land use and transport planning in all spheres of government from a multimodal perspective, and manages and facilitates the implementation of the planning provisions contained in the National Land Transport Act (2009).
- *Freight Logistics* develops and coordinates the implementation of freight logistics strategies aimed at unblocking bottlenecks in the freight logistics system and related supply chains, with particular emphasis on integrating elements of the system across all modes of transport.
- *Modelling and Economic Analysis* undertakes economic studies, provides innovative and enabling funding options for transport infrastructure that respond to the socioeconomic needs of the national agenda, and applies economic analysis tools for the development of policy in the transport sector.
- *Regional Integration* manages, coordinates and facilitates the development of strategies for engagements in the Southern African Development Community region and the rest of Africa.
- *Research and Innovation* ensures research in, innovation in and monitoring of the transport sector for sustainability.
- *Integrated Transport Planning Administration Support* provides strategic leadership and administrative support to the programme.

Expenditure trends and estimates

Table 40.7 Integrated Transport Planning 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Macro Sector Planning	12.4	13.9	11.8	14.4	5.1%	13.4%	18.1	19.3	20.1	11.7%	14.7%
Freight Logistics	13.6	12.1	11.5	20.1	14.0%	14.6%	21.6	22.9	23.8	5.7%	18.0%
Modelling and Economic Analysis	24.0	20.0	15.6	93.4	57.3%	39.1%	24.2	22.6	23.6	-36.8%	33.4%
Regional Integration	6.1	10.7	11.9	14.6	34.0%	11.0%	14.3	15.2	15.8	2.8%	12.2%
Research and Innovation	12.7	13.3	15.9	16.8	9.8%	15.0%	17.4	18.5	19.2	4.7%	14.7%
Integrated Transport Planning Administration Support	8.3	6.9	4.7	7.0	-5.7%	6.9%	8.8	9.4	9.8	11.8%	7.1%
Total	77.1	76.7	71.4	166.2	29.2%	100.0%	104.5	107.8	112.3	-12.3%	100.0%
Change to 2019				(3.0)			(0.4)	(0.4)	-		
Budget estimate											
Economic classification											
Current payments	76.0	75.8	70.4	165.6	29.6%	99.1%	104.3	107.6	112.0	-12.2%	99.7%
Compensation of employees	44.7	48.3	49.7	54.4	6.7%	50.3%	61.1	65.1	67.9	7.7%	50.6%
Goods and services ¹	31.3	27.5	20.7	111.3	52.6%	48.8%	43.2	42.5	44.1	-26.5%	49.1%
of which:											
Advertising	4.6	4.0	1.9	0.5	-52.3%	2.8%	0.6	0.6	0.7	9.5%	0.5%
Communication	0.6	0.6	0.6	0.8	10.4%	0.7%	0.7	0.8	0.8	-0.4%	0.6%
Consultants: Business and advisory services	10.3	10.3	5.6	104.3	116.7%	33.3%	35.7	34.6	35.9	-29.9%	42.9%
Travel and subsistence	6.9	6.3	5.8	3.4	-20.8%	5.7%	4.1	4.3	4.4	9.0%	3.3%
Training and development	0.3	0.4	0.2	0.6	29.4%	0.4%	0.5	0.6	0.6	-0.9%	0.5%
Venues and facilities	7.1	2.1	2.9	1.1	-46.4%	3.4%	0.7	0.8	0.8	-9.8%	0.7%
Transfers and subsidies¹	0.2	0.0	0.1	-	-100.0%	0.1%	-	-	-	-	-
Households	0.2	0.0	0.1	-	-100.0%	0.1%	-	-	-	-	-
Payments for capital assets	0.9	0.7	0.8	0.6	-11.1%	0.8%	0.2	0.2	0.2	-26.4%	0.3%
Machinery and equipment	0.9	0.7	0.8	0.6	-11.1%	0.8%	0.2	0.2	0.2	-26.4%	0.3%
Payments for financial assets	0.0	0.1	0.1	-	-100.0%	0.1%	-	-	-	-	-
Total	77.1	76.7	71.4	166.2	29.2%	100.0%	104.5	107.8	112.3	-12.3%	100.0%
Proportion of total programme expenditure to vote expenditure	0.1%	0.1%	0.1%	0.3%	-	-	0.2%	0.2%	0.2%	-	-

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

Programme 3: Rail Transport

Programme purpose

Facilitate and coordinate the development of sustainable rail transport policies, rail economic and safety regulation, and infrastructure development strategies that reduce system costs and improve customer service. Oversee rail public entities and the implementation of integrated rail services.

Objectives

- Enhance the performance, efficiency and reliability of the rail sector by:
 - developing the national rail strategy policy for submission to Cabinet by March 2021
 - developing the National Rail Bill for submission to Cabinet by March 2022
 - developing the branch line framework model for private sector participation by March 2022
- Regulate and enhance rail safety and security by completing the Railway Safety Bill for submission to Cabinet by March 2021.

Subprogrammes

- Rail Regulation* is responsible for the development of rail policies, safety and economic regulations.
- Rail Infrastructure and Industry Development* coordinates the development of, maintenance of and investment in rail infrastructure.
- Rail Operations* coordinates the implementation of integrated rail services, and monitors and analyses service delivery challenges facing the rail industry.

- *Rail Oversight* manages and tracks the performance of the Passenger Rail Agency of South Africa and the Railway Safety Regulator, and manages transfer payments to these entities.
- *Rail Administration Support* provides strategic leadership and administrative support to the programme.

Expenditure trends and estimates

Table 40.8 Rail Transport 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Rail Regulation	15.4	13.0	11.9	20.1	9.3%	0.1%	21.4	22.7	23.6	5.6%	0.1%
Rail Infrastructure and Industry Development	9.6	6.2	7.0	7.4	-8.2%	—	7.6	8.1	8.4	4.3%	—
Rail Operations	7.7	12.7	9.5	16.4	28.8%	0.1%	15.7	16.7	17.3	1.8%	0.1%
Rail Oversight	18 956.3	14 479.8	15 842.0	16 525.7	-4.5%	99.8%	13 144.1	19 094.7	21 645.8	9.4%	99.7%
Rail Administration Support	3.1	3.5	3.4	4.1	10.1%	—	6.4	6.8	7.1	19.4%	—
Total	18 992.0	14 515.2	15 873.7	16 573.8	-4.4%	100.0%	13 195.2	19 148.9	21 702.2	9.4%	100.0%
Change to 2019 Budget estimate				—			(4 469.1)	(2 779.7)	(1 351.0)		
Economic classification											
Current payments	35.5	35.1	31.3	47.8	10.5%	0.2%	50.9	54.1	56.3	5.6%	0.3%
Compensation of employees	21.6	24.4	26.0	28.5	9.7%	0.2%	30.4	32.4	33.8	5.8%	0.2%
Goods and services ¹	13.9	10.7	5.3	19.3	11.7%	0.1%	20.5	21.7	22.5	5.2%	0.1%
of which:											
Advertising	0.0	0.2	0.1	0.1	17.3%	—	0.1	0.1	0.1	3.8%	—
Communication	0.4	0.4	0.3	0.4	0.6%	—	0.4	0.5	0.5	9.8%	—
Consultants: Business and advisory services	11.6	8.0	2.6	16.9	13.3%	0.1%	18.3	19.3	20.0	5.8%	0.1%
Consumables: Stationery, printing and office supplies	0.1	0.1	0.2	0.2	35.6%	—	0.2	0.2	0.2	0.9%	—
Travel and subsistence	1.4	1.6	1.5	1.4	-1.3%	—	1.4	1.5	1.6	4.6%	—
Venues and facilities	0.1	0.3	0.3	0.1	-1.3%	—	0.0	0.1	0.1	1.3%	—
Transfers and subsidies¹	18 956.3	14 479.8	15 842.0	16 525.7	-4.5%	99.8%	13 144.1	19 094.7	21 645.8	9.4%	99.7%
Departmental agencies and accounts	66.0	73.9	63.0	63.5	-1.3%	0.4%	67.0	70.7	74.2	5.3%	0.4%
Public corporations and private enterprises	18 890.3	14 406.0	15 779.0	16 462.2	-4.5%	99.4%	13 077.1	19 024.0	21 571.6	9.4%	99.3%
Payments for capital assets	0.3	0.2	0.4	0.2	-7.6%	—	0.1	0.1	0.1	-13.3%	—
Machinery and equipment	0.3	0.2	0.4	0.2	-7.6%	—	0.1	0.1	0.1	-13.3%	—
Payments for financial assets	—	0.0	—	—	—	—	—	—	—	—	—
Total	18 992.0	14 515.2	15 873.7	16 573.8	-4.4%	100.0%	13 195.2	19 148.9	21 702.2	9.4%	100.0%
Proportion of total programme expenditure to vote expenditure	33.7%	26.6%	26.8%	25.8%	—	—	21.3%	27.7%	30.0%	—	—
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	66.0	73.9	63.0	63.5	-1.3%	0.4%	67.0	70.7	74.2	5.3%	0.4%
Railway Safety Regulator	66.0	73.9	63.0	63.5	-1.3%	0.4%	67.0	70.7	74.2	5.3%	0.4%
Public corporations and private enterprises											
Public corporations											
Public corporations (subsidies on products and production)											
Current	4 281.7	5 037.8	4 614.6	6 252.6	13.5%	30.6%	6 694.3	7 096.1	7 455.0	6.0%	38.9%
Passenger Rail Agency of South Africa: Metrorail (operations)	3 809.8	3 666.8	1 763.4	4 376.6	4.7%	20.6%	4 617.2	4 862.5	5 108.2	5.3%	26.9%
Passenger Rail Agency of South Africa: Mainline passenger services (operations)	471.9	1 370.9	1 648.9	1 065.0	31.2%	6.9%	1 164.2	1 270.4	1 334.8	7.8%	6.8%
Passenger Rail Agency of South Africa: Rail maintenance operations and inventories	—	—	1 202.3	811.0	—	3.1%	912.9	963.3	1 012.0	7.7%	5.2%
Capital	14 608.6	9 368.2	11 164.4	10 209.6	-11.3%	68.8%	6 382.8	11 927.8	14 116.5	11.4%	60.4%
Passenger Rail Agency of South Africa: Other capital programmes	7 206.9	3 446.5	91.9	600.0	-56.3%	17.2%	395.2	1 439.9	1 707.5	41.7%	5.9%
Passenger Rail Agency of South Africa: Rolling stock fleet renewal programme	4 170.3	3 457.2	4 676.9	5 823.3	11.8%	27.5%	3 642.7	7 012.1	8 299.8	12.5%	35.1%
Passenger Rail Agency of South Africa: Signalling	1 844.2	1 437.5	2 023.8	2 137.1	5.0%	11.3%	1 326.2	1 965.7	2 323.9	2.8%	11.0%
Passenger Rail Agency of South Africa: Metrorail (refurbishment of coaches)	1 283.5	956.6	4 211.6	1 480.1	4.9%	12.0%	913.8	1 354.5	1 601.4	2.7%	7.6%
Passenger Rail Agency of South Africa: Mainline passenger service (refurbishment of coaches)	103.8	70.3	160.2	169.2	17.7%	0.8%	105.0	155.6	183.9	2.8%	0.9%

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

Programme 4: Road Transport

Programme purpose

Develop and manage an integrated road infrastructure network, regulate road transport and ensure safer roads. Oversee road public entities.

Objectives

- Ensure a sustainable transport infrastructure network by:
 - monitoring the overall implementation of the S'hamba Sonke programme in line with the budget of the *provincial roads maintenance grant* on an ongoing basis
 - implementing the access road development plan by March 2022
 - monitoring and implementing the road safety strategy on an ongoing basis.
- Enhance transport regulation, safety and security by submitting the draft National Road Traffic Amendment Bill to Cabinet by March 2021.

Subprogrammes

- *Road Regulation* synchronises legislation for road safety and traffic management, and exercises oversight of the inspectorate for driving licences and vehicle testing stations.
- *Road Infrastructure and Industry Development* facilitates and coordinates the planning, development and implementation of a sustainable and reliable integrated road infrastructure network, and the enhancement of capacity in the industry.
- *Road Oversight* reviews and analyses the performance of road transport public entities, and monitors their compliance with regulations and legislation. This subprogramme also transfers funds to the South African National Roads Agency, the Road Traffic Management Corporation, the Road Traffic Infringement Agency and the *provincial roads maintenance grant* to provinces.
- *Road Administration Support* provides strategic leadership and administrative support to the programme.
- *Road Engineering Standards* develops and implements road engineering standards, and coordinates the development of an asset management system for safe and resilient road infrastructure.

Expenditure trends and estimates

Table 40.9 Road Transport 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Road Regulation	309.6	59.9	46.0	46.5	-46.8%	0.4%	47.8	50.7	52.8	4.3%	0.1%
Road Infrastructure and Industry Development	24.9	18.4	16.6	32.6	9.4%	0.1%	38.4	40.8	42.4	9.2%	0.1%
Road Oversight	24 699.7	27 018.4	29 979.8	32 955.2	10.1%	99.4%	33 691.5	33 903.0	34 171.4	1.2%	99.6%
Road Administration Support	7.1	7.5	7.9	11.8	18.4%	—	9.6	10.1	10.6	-3.6%	—
Road Engineering Standards	14.1	14.1	16.8	27.7	25.4%	0.1%	29.4	31.1	32.4	5.3%	0.1%
Total	25 055.4	27 118.4	30 067.1	33 073.9	9.7%	100.0%	33 816.7	34 035.8	34 309.6	1.2%	100.0%
Change to 2019 Budget estimate				55.7			(512.5)	(1 096.8)	(2 661.4)		
Economic classification											
Current payments	355.4	98.9	86.6	121.6	-30.1%	0.6%	134.5	142.8	148.6	6.9%	0.4%
Compensation of employees	50.1	55.9	55.2	70.6	12.1%	0.2%	80.6	85.8	89.5	8.3%	0.2%
Goods and services ¹	305.3	43.0	31.4	51.0	-44.9%	0.4%	54.0	57.0	59.1	5.0%	0.2%
of which:											
Advertising	1.9	5.4	2.1	1.5	-5.9%	—	2.2	2.3	2.4	15.2%	—
Catering: Departmental activities	0.9	1.9	0.8	1.7	21.7%	—	2.3	2.5	2.5	14.8%	—
Communication	0.8	4.8	0.7	1.0	7.3%	—	1.4	1.4	1.5	13.7%	—
Computer services	1.6	1.6	1.7	1.2	-8.7%	—	1.3	1.4	1.4	5.0%	—
Consultants: Business and advisory services	284.4	14.0	9.6	26.6	-54.6%	0.3%	28.8	30.4	31.6	5.9%	0.1%
Travel and subsistence	11.9	12.4	12.4	14.9	7.7%	—	15.2	15.6	16.1	2.7%	—

Table 40.9 Road Transport expenditure trends and estimates by subprogramme and economic classification

Economic classification						Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Adjusted appropriation				Medium-term expenditure estimate				
R million	2016/17	2017/18	2018/19	2019/20	2016/17	2019/20		2020/21	2021/22	2022/23	2019/20	2022/23
Transfers and subsidies ¹	24 699.4	27 018.1	29 979.9	32 951.5	10.1%	99.4%		33 681.4	33 892.2	34 160.1	1.2%	99.6%
Provinces and municipalities	10 579.7	10 861.0	11 143.2	11 556.3	3.0%	38.3%		11 701.6	12 051.9	12 627.8	3.0%	35.4%
Departmental agencies and accounts	14 119.5	16 157.0	18 836.1	21 395.2	14.9%	61.1%		21 979.8	21 840.3	21 532.3	0.2%	64.1%
Households	0.1	0.1	0.6	–	-100.0%	–		–	–	–	–	–
Payments for capital assets	0.6	0.9	0.6	0.8	7.4%	–		0.8	0.8	0.9	5.0%	–
Machinery and equipment	0.6	0.9	0.6	0.8	7.4%	–		0.8	0.8	0.9	5.0%	–
Payments for financial assets	0.0	0.4	0.0	–	-100.0%	–		–	–	–	–	–
Total	25 055.4	27 118.4	30 067.1	33 073.9	9.7%	100.0%		33 816.7	34 035.8	34 309.6	1.2%	100.0%
Proportion of total programme expenditure to vote expenditure	44.4%	49.6%	50.8%	51.5%	–	–		54.5%	49.3%	47.5%	–	–
Details of selected transfers and subsidies												
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	4 790.1	5 044.7	11 903.8	6 364.3	9.9%	24.4%		7 732.7	8 137.2	8 161.5	8.6%	22.5%
Road Traffic Management Corporation	193.9	194.5	200.2	210.2	2.7%	0.7%		220.5	232.7	244.2	5.1%	0.7%
South African National Roads Agency: Gauteng freeway improvement project	425.1	463.4	6 255.1	550.5	9.0%	6.7%		600.1	633.1	664.4	6.5%	1.8%
South African National Roads Agency	4 161.1	4 369.1	5 436.8	5 595.8	10.4%	17.0%		6 903.9	7 262.8	7 243.8	9.0%	20.0%
Road Traffic Infringement Agency	10.1	17.7	11.7	7.8	-8.3%	–		8.2	8.6	9.1	5.3%	–
Capital	9 329.4	11 112.4	6 932.3	15 030.9	17.2%	36.8%		14 247.1	13 703.1	13 370.8	-3.8%	41.7%
South African National Roads Agency: Non-toll network	7 935.6	9 063.7	5 125.5	12 338.9	15.9%	29.9%		12 407.0	11 725.1	11 294.5	-2.9%	35.3%
South African National Roads Agency: Coal haulage road network	733.0	769.7	–	–	-100.0%	1.3%		–	–	–	–	–
South African National Roads Agency: Moloto Road upgrade	660.8	1 279.0	1 806.8	1 692.0	36.8%	4.7%		785.0	843.9	885.8	-19.4%	3.1%
South African National Roads Agency: N2 Wild Coast project	–	–	–	1 000.0	–	0.9%		1 055.0	1 134.1	1 190.4	6.0%	3.2%
Provinces and municipalities												
Municipalities												
Municipal bank accounts												
Current	101.5	107.3	107.5	113.9	3.9%	0.4%		108.4	114.4	121.0	2.0%	0.3%
Rural roads asset management systems grant	101.5	107.3	107.5	113.9	3.9%	0.4%		108.4	114.4	121.0	2.0%	0.3%
Provinces and municipalities												
Provinces												
Provincial revenue funds												
Capital	10 478.2	10 753.7	11 035.7	11 442.4	3.0%	37.9%		11 593.2	11 937.5	12 506.8	3.0%	35.1%
Provincial roads maintenance grant: Mpumalanga coal haulage roads maintenance	801.0	482.0	501.1	526.2	-13.1%	2.0%		–	–	–	-100.0%	0.4%
Provincial roads maintenance grant: Roads maintenance component	9 379.1	10 001.7	10 324.6	10 649.3	4.3%	35.0%		11 593.2	11 937.5	12 506.8	5.5%	34.5%
Provincial roads maintenance grant: Disaster relief component	298.1	270.0	210.0	266.9	-3.6%	0.9%		–	–	–	-100.0%	0.2%

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

Programme 5: Civil Aviation

Programme purpose

Facilitate the development of an economically viable air transport industry that is safe, secure, efficient, environmentally friendly and compliant with international standards through regulation and investigations. Oversee aviation entities.

Objectives

- Improve competitiveness, efficiency and effectiveness in the civil aviation sector by:
 - developing the Civil Aviation Amendment Bill and its related regulations by March 2023
 - submitting the Air Services Licensing Amendment Bill to Parliament for approval by March 2023
 - developing a maritime and aeronautical search and rescue amendment bill for submission to Cabinet by March 2023.

Subprogrammes

- *Aviation Policy and Regulations* develops and maintains the civil aviation regulatory regime to respond to national imperatives and international standards, norms and protocols.
- *Aviation Economic Analysis and Industry Development* provides aviation economic analysis and develops relevant frameworks for industry development and airfreight logistics activities.
- *Aviation Safety, Security, Environment, and Search and Rescue* develops and monitors South Africa's aviation safety, security, environment, and search and rescue regime; and manages the investigation of aviation accidents and serious incidents to identify deficiencies and make safety recommendations on mechanisms to address them.
- *Aviation Oversight* monitors the performance of Airports Company South Africa, the Air Traffic and Navigation Services Company and the South African Civil Aviation Authority, in line with legislative frameworks.
- *Aviation Administration Support* provides strategic leadership and administrative support to the programme.

Expenditure trends and estimates

Table 40.10 Civil Aviation 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Aviation Policy and Regulations	27.5	29.9	28.0	25.5	-2.5%	14.1%	29.7	31.5	32.9	8.9%	11.9%
Aviation Economic Analysis and Industry Development	7.4	8.2	10.3	14.5	25.5%	5.1%	15.9	16.9	17.6	6.5%	6.5%
Aviation Safety, Security, Environment, and Search and Rescue	73.2	66.8	66.4	121.5	18.4%	41.6%	112.5	120.3	123.4	0.5%	47.6%
Aviation Oversight	96.3	57.2	58.5	72.9	-8.9%	36.2%	76.5	80.2	83.2	4.5%	31.2%
Aviation Administration Support	6.1	4.1	4.5	9.0	13.7%	3.0%	6.2	6.6	6.9	-8.6%	2.9%
Total	210.4	166.1	167.7	243.3	5.0%	100.0%	240.7	255.4	263.9	2.7%	100.0%
Change to 2019 Budget estimate				(1.8)			(18.3)	(17.8)	(19.6)		
Economic classification											
Current payments	143.0	144.3	147.0	222.5	15.9%	83.4%	219.1	232.7	240.3	2.6%	91.1%
Compensation of employees	37.2	37.3	35.6	48.0	8.9%	20.1%	53.1	56.6	59.0	7.1%	21.6%
Goods and services ¹	105.8	106.9	111.4	174.5	18.1%	63.3%	166.0	176.1	181.2	1.3%	69.6%
of which:											
Communication	60.5	57.7	55.7	104.5	20.0%	35.4%	94.2	100.8	103.2	-0.4%	40.1%
Consultants: Business and advisory services	34.4	40.8	45.7	57.1	18.4%	22.6%	58.0	60.6	62.9	3.3%	23.8%
Consumables: Stationery, printing and office supplies	0.8	0.8	0.3	0.8	-0.4%	0.3%	0.9	0.9	1.0	7.1%	0.4%
Operating leases	2.0	0.7	0.6	0.7	-28.7%	0.5%	0.5	0.6	0.6	-8.0%	0.2%
Travel and subsistence	6.0	5.3	5.5	8.4	12.1%	3.2%	9.2	9.8	10.2	6.5%	3.7%
Venues and facilities	0.2	0.6	0.2	1.4	93.7%	0.3%	1.5	1.6	1.7	5.1%	0.6%
Transfers and subsidies¹	66.8	21.3	19.8	20.0	-33.1%	16.2%	21.1	22.2	23.1	4.9%	8.6%
Departmental agencies and accounts	52.2	—	—	—	-100.0%	6.6%	—	—	—	—	—
Foreign governments and international organisations	11.1	17.7	16.9	17.0	15.3%	8.0%	17.9	18.9	19.6	4.9%	7.3%
Non-profit institutions	2.5	2.7	2.8	3.0	5.5%	1.4%	3.1	3.3	3.4	4.8%	1.3%
Households	1.1	0.9	0.1	—	-100.0%	0.3%	—	—	—	—	—
Payments for capital assets	0.6	0.6	0.9	0.9	13.3%	0.4%	0.5	0.5	0.5	-15.7%	0.2%
Machinery and equipment	0.6	0.6	0.9	0.9	13.3%	0.4%	0.5	0.5	0.5	-15.7%	0.2%
Payments for financial assets	0.0	0.0	0.0	—	-100.0%	—	—	—	—	—	—
Total	210.4	166.1	167.7	243.3	5.0%	100.0%	240.7	255.4	263.9	2.7%	100.0%
Proportion of total programme expenditure to vote expenditure	0.4%	0.3%	0.3%	0.4%	—	—	0.4%	0.4%	0.4%	—	—

Table 40.10 Civil Aviation expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20				2019/20 - 2022/23		
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	52.2	–	–	–	-100.0%	6.6%	–	–	–	–	
Air Traffic and Navigation Services Company	52.2	–	–	–	-100.0%	6.6%	–	–	–	–	
Non-profit institutions											
Current	2.2	2.3	2.5	2.6	5.5%	1.2%	2.7	2.9	3.0	4.9%	
National Sea Rescue Institute	2.2	2.3	2.5	2.6	5.5%	1.2%	2.7	2.9	3.0	4.9%	
Foreign governments and international organisations											
Current	11.0	17.6	16.8	16.9	15.5%	7.9%	17.9	18.9	19.6	4.9%	
African Civil Aviation Commission	5.8	5.2	5.3	5.6	-1.6%	2.8%	5.9	6.2	6.4	4.9%	
International Civil Aviation Organisation	4.7	3.8	4.1	4.8	0.9%	2.2%	5.1	5.4	5.6	4.9%	
COSPAS-SARSAT search and rescue satellite programme	0.5	0.4	0.4	0.6	5.9%	0.2%	0.6	0.6	0.7	4.9%	
Southern African Development Community Aviation Safety Organisation	–	8.1	6.9	6.0	–	2.7%	6.3	6.7	6.9	4.9%	

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

Programme 6: Maritime Transport

Programme purpose

Promote a safe, reliable and economically viable maritime transport sector through the development and implementation of policies and strategies. Oversee maritime public entities.

Objectives

- Enhance the performance, efficiency and reliability of the maritime transport sector by:
 - finalising the Southern Africa Development Community coastal shipping agreement by March 2022
 - submitting the Merchant Shipping Bill to Parliament for approval by March 2022
 - submitting the framework for a national shipping carrier to Parliament for approval by March 2023.

Subprogrammes

- Maritime Policy Development* develops and maintains a maritime regulatory regime that is responsive to national imperatives and international standards, norms and protocols. This subprogramme is also responsible for the development and maintenance of maritime policies and strategies.
- Maritime Infrastructure and Industry Development* facilitates the development of integrated maritime infrastructure and a maritime industry.
- Implementation, Monitoring and Evaluation* ensures that legislation, policies and strategies pertaining to maritime safety, security and environmental protection are implemented.
- Maritime Oversight* makes transfers to the South African Maritime Safety Authority and the Ports Regulator of South Africa, and oversees these entities' compliance with relevant regulations and legislation.
- Maritime Administration Support* provides strategic leadership and administrative support to the programme.

Expenditure trends and estimates

Table 40.11 Maritime Transport 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Maritime Policy Development	9.5	10.3	11.6	16.2	19.7%	9.1%	13.0	13.8	14.3	-4.1%	9.6%
Maritime Infrastructure and Industry Development	8.7	11.4	7.6	12.9	14.2%	7.7%	19.5	15.3	16.0	7.4%	10.6%
Implementation, Monitoring and Evaluation	77.1	53.8	71.8	59.1	-8.5%	50.0%	68.3	72.2	74.9	8.2%	45.9%
Maritime Oversight	54.1	29.4	28.6	41.5	-8.5%	29.3%	43.8	46.2	48.5	5.3%	30.1%
Maritime Administration Support	4.3	4.5	4.5	7.1	18.2%	3.9%	4.8	5.1	5.3	-9.1%	3.8%
Total	153.6	109.3	124.0	136.8	-3.8%	100.0%	149.4	152.6	159.0	5.1%	100.0%
Change to 2019 Budget estimate				-			4.8	(0.2)	-		
Economic classification											
Current payments	101.4	85.6	97.0	97.5	-1.3%	72.9%	107.9	108.9	113.2	5.1%	71.5%
Compensation of employees	19.9	21.3	21.4	24.9	7.7%	16.7%	26.2	27.9	29.2	5.4%	18.1%
Goods and services ¹	81.5	64.3	75.6	72.7	-3.8%	56.2%	81.7	81.0	84.0	5.0%	53.4%
of which:											
Communication	0.3	0.2	0.3	0.4	17.8%	0.2%	0.4	0.5	0.5	5.7%	0.3%
Consultants: Business and advisory services	7.4	7.1	2.8	11.9	16.9%	5.6%	16.2	11.8	12.2	0.9%	8.7%
Infrastructure and planning services	64.2	46.8	62.2	50.1	-7.9%	42.6%	58.7	62.0	64.3	8.6%	39.3%
Travel and subsistence	5.3	5.8	5.8	4.0	-9.0%	4.0%	5.6	5.9	6.1	15.1%	3.6%
Operating payments	0.2	0.6	0.3	0.1	-13.1%	0.2%	0.3	0.3	0.3	29.8%	0.2%
Venues and facilities	1.2	0.7	1.5	2.9	34.7%	1.2%	0.3	0.3	0.3	-54.7%	0.6%
Transfers and subsidies¹	29.6	23.5	26.7	38.9	9.5%	22.7%	41.0	43.3	45.4	5.3%	28.2%
Departmental agencies and accounts	28.6	22.5	25.6	36.8	8.8%	21.7%	38.8	41.0	43.0	5.3%	26.7%
Foreign governments and international organisations	0.9	0.9	1.0	2.1	30.4%	0.9%	2.2	2.3	2.4	4.9%	1.5%
Households	0.1	0.1	0.1	-	-100.0%	-	-	-	-	-	-
Payments for capital assets	0.3	0.3	0.3	0.4	1.7%	0.2%	0.4	0.4	0.4	4.9%	0.3%
Machinery and equipment	0.3	0.3	0.3	0.4	1.7%	0.2%	0.4	0.4	0.4	4.9%	0.3%
Payments for financial assets	22.2	-	-	-	-100.0%	4.2%	-	-	-	-	-
Total	153.6	109.3	124.0	136.8	-3.8%	100.0%	149.4	152.6	159.0	5.1%	100.0%
Proportion of total programme expenditure to vote expenditure	0.3%	0.2%	0.2%	0.2%	-	-	0.2%	0.2%	0.2%	-	-
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	28.6	22.5	25.6	36.8	8.8%	21.7%	38.8	41.0	43.0	5.3%	26.7%
Ports Regulator of South Africa	28.6	22.5	25.6	36.8	8.8%	21.7%	38.8	41.0	43.0	5.3%	26.7%
Foreign governments and international organisations											
Current	0.9	0.9	1.0	2.1	30.4%	0.9%	2.2	2.3	2.4	4.9%	1.5%
International Maritime Organisation	0.5	0.6	0.7	1.7	46.1%	0.7%	1.8	1.9	2.0	4.9%	1.2%
Indian Ocean memorandum of understanding	0.4	0.3	0.3	0.4	-1.4%	0.3%	0.4	0.4	0.4	5.0%	0.3%

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

Programme 7: Public Transport

Programme purpose

Provide and regulate safe, secure, reliable, cost-effective and sustainable public transport services in South Africa through legislation, policies and strategies.

Objectives

- Promote sustainable public transport and improve access and reliability by:
 - monitoring the implementation of integrated public transport networks in 10 cities on an ongoing basis
 - reviewing the regulations on integrated fare systems by March 2021, and drafting revised regulations by March 2022.

Subprogrammes

- *Public Transport Regulation* manages the development and maintenance of policy, legislation and regulation; and coordinates and facilitates implementation. The subprogramme's responsibilities include managing public transport information and standards on public transport systems developed in terms of the National Land Transport Act (2009).
- *Rural and Scholar Transport* develops and reviews rural, scholar and non-motorised transport strategies, and coordinates and evaluates their implementation.
- *Public Transport Industry Development* oversees and facilitates the implementation of public transport policy, legislation and strategy; develops public transport empowerment schemes; manages the taxi recapitalisation programme; and facilitates stakeholder relations and conflict resolution in the industry.
- *Public Transport Oversight* oversees the use of public transport subsidies and grants, and monitors compliance with the annual Division of Revenue Act in terms of the transferring of funds, reporting, allocations and adjustments.
- *Public Transport Administration Support* provides strategic leadership and administrative support to the programme.
- *Public Transport Network Development* develops norms and standards for integrated public transport systems to assist in providing accessible, reliable and affordable integrated public transport network services in municipalities.

Expenditure trends and estimates

Table 40.12 Public Transport 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Public Transport Regulation	15.4	19.5	25.1	53.3	51.3%	0.2%	62.1	65.8	68.4	8.7%	0.4%
Rural and Scholar Transport	14.6	21.1	11.5	40.5	40.6%	0.2%	45.4	48.0	49.9	7.2%	0.3%
Public Transport Industry Development	129.9	135.8	84.8	203.2	16.1%	1.1%	217.5	235.0	243.9	6.3%	1.6%
Public Transport Oversight	11 372.6	12 084.8	12 369.3	13 232.4	5.2%	98.3%	13 679.1	14 427.6	14 738.8	3.7%	97.4%
Public Transport Administration Support	9.6	7.7	8.7	17.7	22.4%	0.1%	12.6	13.4	13.9	-7.7%	0.1%
Public Transport Network Development	8.0	8.7	10.3	21.0	38.1%	0.1%	21.3	22.6	23.5	3.8%	0.2%
Total	11 550.0	12 277.6	12 509.8	13 568.1	5.5%	100.0%	14 038.0	14 812.4	15 138.4	3.7%	100.0%
Change to 2019 Budget estimate				(20.0)			(1 054.7)	(1 570.8)	(2 021.9)		
Economic classification											
Current payments	177.0	192.1	139.7	334.4	23.6%	1.7%	358.6	384.5	399.3	6.1%	2.6%
Compensation of employees	44.0	48.3	51.8	60.2	11.0%	0.4%	65.2	69.4	72.4	6.3%	0.5%
Goods and services ¹	133.0	143.9	87.9	274.2	27.3%	1.3%	293.4	315.1	326.8	6.0%	2.1%
of which:											
Advertising	0.0	0.2	0.0	—	-100.0%	—	0.4	0.4	0.4	—	—
Communication	0.6	0.6	0.6	1.3	31.0%	—	1.0	1.0	1.1	-7.3%	—
Consultants: Business and advisory services	122.4	126.7	76.6	233.1	24.0%	1.1%	281.5	302.7	314.0	10.4%	2.0%
Contractors	0.0	0.0	0.2	—	-100.0%	—	0.8	0.8	0.9	—	—
Travel and subsistence	3.5	4.6	7.7	14.3	59.4%	0.1%	6.0	6.2	6.4	-23.5%	0.1%
Venues and facilities	0.7	0.6	1.4	0.8	4.0%	—	3.0	3.0	3.2	56.1%	—
Transfers and subsidies¹	11 372.7	12 085.0	12 369.3	13 232.4	5.2%	98.3%	13 679.1	14 427.6	14 738.8	3.7%	97.4%
Provinces and municipalities	10 993.0	11 829.9	12 277.0	12 794.0	5.2%	96.0%	13 195.4	13 917.4	14 209.6	3.6%	94.0%
Non-profit institutions	20.3	21.3	22.5	23.8	5.5%	0.2%	25.1	26.5	27.5	4.9%	0.2%
Households	359.5	233.8	69.8	414.7	4.9%	2.2%	458.6	483.8	501.8	6.6%	3.2%
Payments for capital assets	0.3	0.4	0.7	1.3	60.5%	—	0.3	0.3	0.3	-38.0%	—
Machinery and equipment	0.3	0.4	0.7	1.3	60.5%	—	0.3	0.3	0.3	-38.0%	—
Payments for financial assets	0.0	0.0	0.0	—	-100.0%	—	—	—	—	—	—
Total	11 550.0	12 277.6	12 509.8	13 568.1	5.5%	100.0%	14 038.0	14 812.4	15 138.4	3.7%	100.0%
Proportion of total programme expenditure to vote expenditure	20.5%	22.5%	21.1%	21.1%	—	—	22.6%	21.5%	21.0%	—	—

Table 40.12 Public Transport expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome							2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23		
Households											
Other transfers to households											
Current	359.4	233.5	69.8	414.7	4.9%	2.2%	458.6	483.8	501.8	6.6%	3.2%
Taxi recapitalisation	359.4	233.5	69.8	414.7	4.9%	2.2%	458.6	483.8	501.8	6.6%	3.2%
Non-profit institutions											
Current	20.3	21.3	22.5	23.8	5.5%	0.2%	25.1	26.5	27.5	4.9%	0.2%
South African National Taxi Council	20.3	21.3	22.5	23.8	5.5%	0.2%	25.1	26.5	27.5	4.9%	0.2%
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Capital	5 592.7	6 107.1	6 286.7	6 468.2	5.0%	49.0%	6 445.8	6 796.6	7 119.2	3.2%	46.6%
Public transport network grant	5 592.7	6 107.1	6 286.7	6 468.2	5.0%	49.0%	6 445.8	6 796.6	7 119.2	3.2%	46.6%
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	5 400.3	5 722.9	5 990.3	6 325.8	5.4%	47.0%	6 749.6	7 120.8	7 090.4	3.9%	47.4%
Public transport operations grant	5 400.3	5 722.9	5 990.3	6 325.8	5.4%	47.0%	6 749.6	7 120.8	7 090.4	3.9%	47.4%

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

Entities

Air Traffic and Navigation Services Company

Selected performance indicators

Table 40.13 Air Traffic and Navigation Services Company performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of incidents per 100 000 movements	Communication	Entity mandate	2	2	2	2	2	2	2
Number of aircraft on OR Tambo International Airport runway per hour	Navigation		53	53	53	53	53	53	53
Number of aircraft on King Shaka International Airport runway per hour	Navigation		24	24	24	24	24	24	24
Number of aircraft on Cape Town International Airport runway per hour	Navigation		30	30	30	30	30	30	30
Number of aircraft within OR Tambo International Airport airspace per hour	Navigation		60	60	60	60	60	60	60
Number of aircraft within King Shaka International Airport airspace per hour	Navigation		24	24	24	24	24	24	24
Number of aircraft within Cape Town International Airport airspace per hour	Navigation		30	30	30	30	30	30	30
Average delay per delayed flight per year	Navigation		120 seconds	120 seconds	120 seconds	120 seconds	120 seconds	120 seconds	120 seconds
Average navigation service availability percentage per year	Navigation		99%	98.7%	98.7%	98.7%	98.7%	98.7%	98.7%
Average surveillance service availability percentage per year	Surveillance		100%	99.7%	99.7%	99.8%	99.8%	99.8%	99.8%

Entity overview

The Air Traffic and Navigation Services Company was established in terms of the Air Traffic and Navigation Services Act (1993) with the mandate of providing safe, orderly and efficient air traffic navigational and associated services, in accordance with the standards of the International Civil Aviation Organisation, to the air traffic management community.

The company will, over the medium term, continue to focus on providing safe, efficient and cost-effective air traffic management solutions and related services as it expands its footprint to cover the rest of Africa and the Indian Ocean region. As a result of this focus, an estimated 69.6 per cent (R4 billion) of the company's total expenditure over the medium term is earmarked for investment in communication and simulation systems, which are essential to ensuring safety and improved capacity at airports. Total expenditure is expected to increase from R1.7 billion in 2019/20 to R2 billion in 2022/23 at an average annual rate of 6.9 per cent.

The company generates revenue by providing aeronautical services to the aviation industry. Total revenue is expected to increase from R1.8 billion in 2019/20 to R2.1 billion in 2022/23 at an average annual rate of 6.2 per cent as a result of a projected increase in tariff fees.

Programmes/Objectives/Activities

Table 40.14 Air Traffic and Navigation Services Company 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	231.8	236.7	259.5	264.5	4.5%	16.0%	284.5	302.3	320.6	6.6%	15.9%
Communication	728.4	744.1	810.8	826.6	4.3%	50.0%	894.4	950.1	1 007.9	6.8%	50.0%
Navigation	76.6	78.3	81.1	82.7	2.6%	5.1%	94.1	99.9	106.0	8.7%	5.2%
Surveillance	119.8	122.8	129.7	132.3	3.3%	8.1%	148.1	157.3	166.9	8.1%	8.2%
Display systems	16.2	16.7	16.2	16.5	0.6%	1.1%	20.1	21.3	22.6	11.0%	1.1%
Simulator and systems	282.5	290.5	324.3	330.6	5.4%	19.7%	349.1	370.9	393.4	6.0%	19.6%
Total	1 455.3	1 489.2	1 621.6	1 653.1	4.3%	100.0%	1 790.3	1 901.8	2 017.5	6.9%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 40.15 Air Traffic and Navigation Services Company statements of historical financial performance

Statement of financial performance									
R million	Audited outcome		Audited outcome		Audited outcome		Revised estimate		Average: Outcome/Budget (%)
	Budget	2016/17	Budget	2017/18	Budget	2018/19	Budget estimate	2019/20	
Revenue									
Non-tax revenue	1 605.8	1 639.8	1 722.8	1 680.2	1 775.2	1 809.9	1 880.7	1 778.1	98.9%
Sale of goods and services other than capital assets	1 462.3	1 470.0	1 546.1	1 496.9	1 594.7	1 567.3	1 685.8	1 586.4	97.3%
of which:									
Sales by market establishment	1 462.3	1 470.0	1 546.1	1 496.9	1 594.7	1 567.3	1 685.8	1 586.4	97.3%
En-route and approach fees	1 377.1	1 376.5	1 433.6	1 402.4	1 497.9	1 476.3	1 587.0	1 492.6	97.5%
Very small aperture terminal and North-Eastern African: Indian Ocean revenue	74.9	91.0	103.5	82.2	90.3	88.0	91.8	86.6	96.5%
Aeronautical information services/rental received	10.3	2.5	9.0	12.2	6.5	3.0	7.0	7.1	75.8%
Other sales	—	—	—	—	0.0	—	0.0	—	—
Other non-tax revenue	143.4	169.8	176.7	183.3	180.5	242.6	195.0	191.7	113.2%
Transfers received	—	—	—	—	(0.0)	—	0.0	0.0	147 919.8%
Total revenue	1 605.8	1 639.8	1 722.8	1 680.2	1 775.2	1 809.9	1 880.7	1 778.1	98.9%
Expenses									
Current expenses	1 368.5	1 313.5	1 532.6	1 413.7	1 657.0	1 559.2	1 757.9	1 608.5	93.3%
Compensation of employees	855.8	816.5	948.7	884.8	1 032.7	949.4	1 110.8	975.4	91.8%
Goods and services	385.5	391.3	440.2	397.4	465.2	438.5	460.9	447.8	95.6%
Depreciation	112.2	105.4	125.8	129.9	140.6	170.2	143.2	176.9	111.6%
Interest, dividends and rent on land	15.0	0.2	18.0	1.6	18.5	1.1	43.1	8.4	12.0%
Total expenses	1 434.9	1 455.3	1 585.9	1 489.2	1 690.1	1 621.6	1 792.9	1 653.1	95.6%
Surplus/(Deficit)	170.9	184.5	136.9	191.1	85.1	188.3	87.9	125.0	

Table 40.15 Air Traffic and Navigation Services Company statements of historical financial performance

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Cash flow statement									
Cash flow from operating activities	543.9	420.2	113.4	351.8	257.9	389.2	240.0	275.0	124.3%
Receipts									
Non-tax receipts	1 822.5	1 714.8	1 557.7	1 717.2	1 778.5	1 713.3	1 871.3	1 757.9	98.2%
Sales of goods and services other than capital assets	1 749.3	1 631.4	1 478.5	1 631.4	1 688.6	1 624.7	1 773.3	1 662.7	97.9%
<i>Sales by market establishment</i>	1 749.3	1 631.4	1 478.5	1 631.4	1 688.6	1 624.7	1 773.3	1 662.7	97.9%
Other tax receipts	73.1	83.4	79.2	85.8	89.9	88.6	98.0	95.2	103.7%
Total receipts	1 822.5	1 714.8	1 557.7	1 717.2	1 778.5	1 713.3	1 871.3	1 757.9	98.2%
Payment									
Current payments	1 212.1	1 200.5	1 389.9	1 266.7	1 479.8	1 226.6	1 596.5	1 432.3	90.3%
Compensation of employees	904.5	910.9	948.3	884.8	1 032.7	949.4	1 109.7	975.4	93.1%
Goods and services	292.6	289.4	423.6	380.3	428.6	276.1	443.8	448.6	87.8%
Interest and rent on land	15.0	0.2	18.0	1.6	18.5	1.1	43.0	8.4	12.0%
Total payments	1 278.6	1 294.7	1 444.2	1 365.5	1 520.6	1 324.1	1 631.4	1 482.9	93.1%
Net cash flow from investing activities	(210.5)	(306.6)	(248.3)	(304.9)	(263.4)	(255.5)	(391.0)	(219.4)	97.6%
Acquisition of property, plant, equipment and intangible assets	(208.5)	(306.4)	(248.3)	(280.4)	(260.9)	(253.0)	(391.0)	(219.4)	95.5%
Acquisition of software and other intangible assets	(2.0)	(0.3)	—	(24.0)	(2.5)	(2.7)	—	—	600.1%
Proceeds from the sale of property, plant, equipment and intangible assets	—	0.1	—	0.0	—	0.1	—	—	—
Other flows from investing activities	—	—	—	(0.4)	—	0.1	—	—	—
Net cash flow from financing activities	435.6	(1.1)	(2.0)	(1.1)	131.0	(4.4)	167.5	75.2	9.4%
Borrowing activities	435.6	—	—	—	131.0	—	169.5	83.6	11.4%
Repayment of finance leases	—	(1.1)	(2.0)	(1.1)	—	(4.4)	(2.0)	(8.4)	380.5%
Net increase/(decrease) in cash and cash equivalents	769.0	112.4	(136.9)	45.8	125.6	129.4	16.5	130.7	
Statement of financial position									
Carrying value of assets	1 087.7	774.2	1 301.7	1 036.4	1 424.5	1 180.1	1 672.3	1 250.8	77.3%
<i>Acquisition of assets</i>	<i>(208.5)</i>	<i>(306.4)</i>	<i>(248.3)</i>	<i>(280.4)</i>	<i>(260.9)</i>	<i>(253.0)</i>	<i>(391.0)</i>	<i>(219.4)</i>	<i>95.5%</i>
Investments	—	502.4	—	408.8	—	319.2	0.0	325.7	147 921 974.6%
Inventory	0.3	—	—	—	—	—	—	—	—
Loans	17.2	16.2	17.1	14.2	18.3	16.7	19.8	19.8	92.2%
Receivables and prepayments	282.9	198.7	293.3	253.4	288.9	215.9	296.8	247.4	78.8%
Cash and cash equivalents	1 796.6	1 326.7	1 189.9	1 342.7	1 315.4	1 520.5	1 329.7	1 651.2	103.7%
Taxation	—	0.7	—	24.6	—	26.8	—	36.2	—
Total assets	3 184.7	2 818.9	2 802.0	3 080.0	3 047.1	3 279.2	3 318.7	3 531.1	102.9%
Accumulated surplus/(deficit)	1 896.1	2 236.5	2 322.3	2 422.0	2 422.4	2 639.2	2 509.9	2 747.9	109.8%
Capital and reserves	190.6	190.6	190.6	190.6	190.6	190.6	190.6	190.6	100.0%
Borrowings	378.3	—	—	—	138.9	—	302.5	—	—
Finance lease	—	6.3	5.6	12.7	—	8.3	2.8	92.0	1 432.8%
Trade and other payables	383.3	195.2	141.7	234.3	147.7	312.4	158.2	338.9	130.1%
Taxation	73.0	91.0	36.6	91.6	34.8	58.7	33.1	61.7	170.7%
Provisions	263.4	99.3	105.2	128.8	112.6	59.7	121.6	100.0	64.3%
Derivatives financial instruments	—	—	—	—	—	10.1	—	—	—
Total equity and liabilities	3 184.7	2 818.9	2 802.0	3 080.0	3 047.1	3 279.2	3 318.7	3 531.1	102.9%

Statements of estimates of financial performance, cash flow and financial position**Table 40.16 Air Traffic and Navigation Services Company statements of estimates financial performance**

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Revenue								
Non-tax revenue	1 778.1	2.7%	100.0%	1 890.3	2 006.8	2 130.6	6.2%	100.0%
Sale of goods and services other than capital assets	1 586.4	2.6%	88.6%	1 692.5	1 798.4	1 911.1	6.4%	89.5%
<i>Sales by market establishment</i>	1 586.4	2.6%	88.6%	1 692.5	1 798.4	1 911.1	6.4%	89.5%
<i>En-route and approach fees</i>	1 492.6	2.7%	83.2%	1 588.6	1 689.3	1 796.5	6.4%	84.1%
<i>Very small aperture terminal and North-Eastern African: Indian Ocean revenue</i>	86.6	-1.6%	5.0%	96.4	101.2	106.3	7.0%	5.0%
<i>Aeronautical information services/rental received</i>	7.1	41.1%	0.4%	7.6	7.9	8.3	5.3%	0.4%
Other non-tax revenue	191.7	4.1%	11.4%	197.8	208.4	219.5	4.6%	10.5%
Transfers received	0.0	—	0.0%	—	—	—	-100.0%	0.0%
Total revenue	1 778.1	2.7%	100.0%	1 890.3	2 006.8	2 130.6	6.2%	100.0%
Current expenses	1 608.5	7.0%	94.7%	1 751.4	1 861.0	1 973.5	7.1%	97.7%
Compensation of employees	975.4	6.1%	58.3%	1 115.6	1 182.6	1 253.5	8.7%	61.4%
Goods and services	447.8	4.6%	26.9%	471.6	501.9	534.3	6.1%	26.6%
Depreciation	176.9	18.8%	9.3%	159.6	171.6	180.2	0.6%	9.4%
Interest, dividends and rent on land	8.4	235.9%	0.2%	4.5	5.0	5.5	-13.3%	0.3%
Total expenses	1 653.1	4.3%	100.0%	1 790.3	1 901.8	2 017.5	6.9%	100.0%
Surplus/(Deficit)	125.0			100.0	105.0	113.1		

Table 40.16 Air Traffic and Navigation Services Company statements of estimates financial performance

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate								
2019/20		2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
R million								
Cash flow statement								
Cash flow from operating activities	275.0	-13.2%	289.8%	227.1	246.3	470.2	19.1%	289.4%
Receipts								
Non-tax receipts	1 757.9	0.8%	100.0%	1 853.5	1 883.6	2 112.4	6.3%	100.0%
Sales of goods and services other than capital assets	1 662.7	0.6%	94.9%	1 757.3	1 781.2	2 003.6	6.4%	94.7%
Sales by market establishment	1 662.7	0.6%	94.9%	1 757.3	1 781.2	2 003.6	6.4%	94.7%
Other tax receipts	95.2	4.5%	5.1%	96.2	102.3	108.9	4.6%	5.3%
Total receipts	1 757.9	0.8%	100.0%	1 853.5	1 883.6	2 112.4	6.3%	100.0%
Current payments	1 432.3	6.1%	82.5%	1 587.6	1 596.4	1 598.3	3.7%	97.3%
Compensation of employees	975.4	2.3%	59.9%	1 109.6	1 176.2	1 246.7	8.5%	70.4%
Goods and services	448.6	15.7%	22.4%	473.5	415.3	346.1	-8.3%	26.4%
Interest and rent on land	8.4	235.9%	0.2%	4.5	5.0	5.5	-13.3%	0.4%
Total payment	1 482.9	4.6%	100.0%	1 626.5	1 637.2	1 642.3	3.5%	100.0%
Net cash flow from investing activities	(219.4)	-10.5%	100.0%	(197.3)	(293.7)	(285.2)	9.1%	100.0%
Acquisition of property, plant, equipment and intangible assets	(219.4)	-10.5%	97.7%	(197.3)	(291.1)	(285.2)	9.1%	99.8%
Acquisition of software and other intangible assets	—	-100.0%	2.3%	—	(2.6)	—	—	0.2%
Net cash flow from financing activities	75.2	-506.2%	100.0%	132.1	386.5	68.8	-2.9%	100.0%
Borrowing Activities	83.6	—	27.8%	134.7	386.6	69.3	-6.1%	103.5%
Repayment of finance leases	(8.4)	95.7%	72.2%	(2.6)	(0.1)	(0.5)	-62.1%	-3.5%
Net increase/(decrease) in cash and cash equivalents	130.7	5.1%	100.0%	161.9	339.1	253.8	24.8%	100.0%
Statement of financial position								
Carrying value of assets	1 250.8	17.3%	33.1%	1 290.7	1 416.6	1 452.2	5.1%	36.3%
Acquisition of assets	(219.4)	-10.5%	-8.5%	(197.3)	(291.1)	(285.2)	9.1%	-6.6%
Investments	325.7	-13.5%	12.5%	447.4	418.0	434.8	10.1%	10.9%
Loans	19.8	7.1%	0.5%	19.5	20.7	22.1	3.6%	0.6%
Receivables and prepayments	247.4	7.6%	7.2%	272.6	290.0	308.6	7.6%	7.5%
Cash and cash equivalents	1 651.2	7.6%	45.9%	1 561.7	1 665.9	1 751.8	2.0%	44.5%
Taxation	36.2	268.7%	0.7%	—	—	—	-100.0%	0.3%
Total assets	3 531.1	7.8%	100.0%	3 592.0	3 811.3	3 969.4	4.0%	100.0%
Accumulated surplus/(deficit)	2 747.9	7.1%	79.1%	2 767.9	2 872.9	2 981.9	2.8%	76.3%
Capital and reserves	190.6	—	6.0%	190.6	190.6	190.6	—	5.1%
Borrowings	—	—	—	134.7	220.3	238.9	—	3.9%
Finance lease	92.0	144.5%	0.9%	24.9	25.3	25.8	-34.6%	1.2%
Trade and other payables	338.9	20.2%	8.4%	276.4	297.1	319.4	-2.0%	8.3%
Taxation	61.7	-12.2%	2.4%	40.3	43.2	46.2	-9.2%	1.3%
Provisions	100.0	0.2%	3.1%	157.1	161.8	166.7	18.6%	3.9%
Total equity and liabilities	3 531.1	7.8%	100.0%	3 592.0	3 811.3	3 969.4	4.0%	100.0%

Personnel information

Table 40.17 Air Traffic and Navigation Services Company personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number				
Number of funded posts		Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/Total (%)			
			2018/19			2019/20			2020/21			2021/22			2022/23							
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			2019/20 - 2022/23		
Air Traffic and Navigation Services Company			1 379	1 379	1 333	949.4	0.7	1 300	975.4	0.8	1 376	1 115.6	0.8	1 379	1 182.6	0.9	1 379	1 253.5	0.9	8.7%	100.0%	
Salary level																						
1 – 6	114	114	99	53.7	0.5	75	48.7	0.6	112	63.1	0.6	112	66.9	0.6	112	70.9	0.6	112	70.9	0.6	13.3%	7.5%
7 – 10	1 183	1 183	1 152	763.5	0.7	1 137	773.4	0.7	1 182	893.0	0.8	1 185	946.6	0.8	1 185	1 003.4	0.8	1 185	1 003.4	0.8	9.1%	86.3%
13 – 16	67	67	67	91.4	1.4	75	113.1	1.5	67	107.5	1.6	67	113.9	1.7	67	120.8	1.8	67	120.8	1.8	2.2%	5.1%
17 – 22	15	15	15	40.9	2.7	13	40.2	3.1	15	52.1	3.5	15	55.2	3.7	15	58.5	3.9	15	58.5	3.9	13.3%	1.1%

1. Rand million.

Airports Company South Africa

Selected performance indicators

Table 40.18 Airports Company South Africa performance indicators by programme/objective/activity and related priority

Table 10:20: Airport Company South Africa performance indicators by programme/objective/activity and related priority									
Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Cost efficiency ratio (total cost to total revenue) per year	Airport management	Entity mandate	79%	89%	97%	90%	89%	86%	86%

Table 40.18 Airports Company South Africa performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of departing passengers accommodated at national airports per year	Airport management	Entity mandate	20 million	20.4 million	21.1 million	21 million	21.7 million	22.5 million	23.5 million
Number of arrival aircraft accommodated at all airports per year	Airport management		281 703	285 163	259 169	261 286	269 314	275 614	282 653
Aeronautical revenue per departing passenger per year	Airport management		R269	R176	R180	R183	R183	R197	R211
Non-aeronautical revenue per departing passenger per year	Airport management		R159	R156	R157	R173	R183	R189	R199

Entity overview

Airports Company South Africa was established terms of the Airports Company Act (1993) and the Companies Act (2008). Listed as a schedule 2 entity in terms of the Public Finance Management Act (1999), the company owns and operates 9 of South Africa's principal airports, including OR Tambo International Airport, Cape Town International Airport and King Shaka International Airport.

Over the medium term, the company will continue to focus on airport development, management and maintenance. It anticipates that 67.7 million passengers will depart from these 9 airports and 827 581 aircraft will arrive at them over the MTEF period. To support this, total expenditure is expected to increase from R6.7 billion in 2019/20 to R8.8 billion in 2022/23, at an average annual rate of 9.5 per cent. The company's spending of R13.9 billion over the medium term on capital and infrastructure is expected to be financed through a combination of borrowings (R7.4 billion) and cash reserves.

Total revenue over the MTEF period is expected to amount to R27.2 billion, with aeronautical and non-aeronautical revenue comprising 97.6 per cent of this amount. Aeronautical revenue, which includes income from passenger facilitation and airline services, such as charges and tariffs for aircraft parking and landing fees, is expected to amount to R13.4 billion; and non-aeronautical revenue from property rentals, advertising and parking fees is expected to amount to R12.9 billion.

Programmes/Objectives/Activities

Table 40.19 Airports Company of South Africa expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/ Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/ Total (%)
Administration	5 538.3	4 375.2	4 653.0	3 838.5	-11.5%	65.0%	4 097.2	4 490.3	5 194.0	10.6%	57.7%
Airport infrastructure and asset management	779.6	1 263.1	1 271.8	1 388.2	21.2%	16.8%	1 511.9	1 646.8	1 793.8	8.9%	20.8%
Airport security and safety	545.7	7.3	7.3	23.1	-65.2%	2.0%	24.8	26.6	28.6	7.4%	0.3%
Airport management	583.6	1 232.2	1 267.8	1 445.0	35.3%	16.2%	1 547.2	1 656.2	1 773.2	7.1%	21.1%
Total	7 447.3	6 877.8	7 199.9	6 694.8	-3.5%	100.0%	7 181.1	7 819.9	8 789.6	9.5%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 40.20 Airports Company of South Africa statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Revenue									
Non-tax revenue	6 727.4	9 453.1	7 185.2	7 720.3	7 840.6	7 426.7	8 550.5	7 425.8	105.7%
Sale of goods and services other than capital assets	6 628.8	8 636.2	7 042.0	6 924.8	7 675.1	7 125.5	8 426.0	7 468.8	101.3%
<i>of which:</i>									
<i>Sales by market establishment</i>	<i>6 628.8</i>	<i>8 636.2</i>	<i>7 042.0</i>	<i>6 924.8</i>	<i>7 675.1</i>	<i>7 125.5</i>	<i>8 426.0</i>	<i>7 468.8</i>	<i>101.3%</i>
<i>Aeronautical revenue</i>	<i>3 424.1</i>	<i>5 389.9</i>	<i>3 516.4</i>	<i>3 583.9</i>	<i>3 974.7</i>	<i>3 809.1</i>	<i>4 398.1</i>	<i>3 835.8</i>	<i>108.5%</i>
<i>Non-aeronautical revenue</i>	<i>3 204.8</i>	<i>3 175.4</i>	<i>3 525.6</i>	<i>3 322.2</i>	<i>3 700.4</i>	<i>3 316.5</i>	<i>4 027.8</i>	<i>3 633.0</i>	<i>93.0%</i>
<i>Other income</i>	<i>—</i>	<i>70.9</i>	<i>—</i>	<i>18.8</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>
Other non-tax revenue	98.6	817.0	143.2	795.4	165.6	301.1	124.5	(43.0)	351.7%
Total revenue	6 727.4	9 453.1	7 185.2	7 720.3	7 840.6	7 426.7	8 550.5	7 425.8	105.7%
Expenses									
Current expenses	6 087.6	6 853.4	6 014.8	6 418.8	6 314.0	6 812.2	6 547.8	6 395.8	106.1%
Compensation of employees	1 117.9	1 345.6	1 363.9	1 401.8	1 588.4	1 546.2	1 727.7	1 465.5	99.3%
Goods and services	2 577.4	3 235.0	2 617.3	2 922.3	2 732.5	2 964.6	2 873.3	3 061.5	112.8%
Depreciation	1 314.8	1 268.5	1 208.2	1 247.5	1 210.8	1 422.2	1 312.2	1 233.0	102.5%
Interest, dividends and rent on land	1 077.5	1 004.2	825.4	847.2	782.2	879.2	634.6	635.8	101.4%
Total expenses	6 285.4	7 447.3	6 380.1	6 877.8	6 783.4	7 199.9	7 160.0	6 694.8	106.1%
Surplus/(Deficit)	442.0	2 005.9	805.1	842.5	1 057.2	226.8	1 390.5	731.0	
Cash flow statement									
Cash flow from operating activities	2 865.4	4 160.0	4 871.0	2 860.0	914.0	2 934.7	3 634.7	2 687.1	102.9%
Receipts									
Non-tax receipts	6 871.8	8 888.7	9 317.0	6 963.7	7 841.0	7 523.9	8 614.4	7 657.4	95.1%
Sales of goods and services other than capital assets	6 773.2	8 755.7	9 173.7	6 839.3	7 675.0	7 392.8	8 426.0	7 469.0	95.0%
<i>Sales by market establishment</i>	<i>6 773.2</i>	<i>8 755.7</i>	<i>7 043.3</i>	<i>6 839.3</i>	<i>7 675.0</i>	<i>7 392.8</i>	<i>8 426.0</i>	<i>7 469.0</i>	<i>101.8%</i>
<i>Other sales</i>	<i>—</i>	<i>—</i>	<i>2 130.5</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>	<i>—</i>
Other tax receipts	98.6	133.0	143.2	124.4	166.0	131.1	188.4	188.4	96.7%
Total receipts	6 871.8	8 888.7	9 317.0	6 963.7	7 841.0	7 523.9	8 614.4	7 657.4	95.1%
Payment									
Current payments	3 700.4	3 702.9	3 979.1	3 618.7	6 486.1	4 157.7	4 377.2	4 740.4	87.5%
Compensation of employees	1 117.9	1 345.6	1 363.0	1 401.8	1 530.2	1 445.2	1 666.8	1 465.5	99.7%
Goods and services	2 582.5	2 357.3	2 616.1	2 216.9	4 955.8	2 712.5	2 710.3	3 274.9	82.1%
Total payments	4 006.4	4 728.6	4 446.0	4 103.7	6 927.0	4 589.2	4 979.7	4 970.4	90.3%
Net cash flow from investing activities	(966.3)	(1 780.5)	(760.3)	(1 489.7)	(1 120.2)	2.5	(3 979.9)	(1 156.6)	64.8%
Acquisition of property, plant, equipment and intangible assets	(966.3)	(821.4)	(760.3)	(825.2)	(1 120.2)	(1 012.5)	(3 979.9)	(1 156.6)	55.9%
Investment property	—	(55.1)	—	(4.1)	—	(37.9)	—	—	—
Acquisition of software and other intangible assets	—	(1.3)	—	(21.1)	—	(6.4)	—	—	—
Proceeds from the sale of property, plant, equipment and intangible assets	—	1.0	—	20.6	—	2.7	—	—	—
Other flows from investing activities	—	(903.7)	—	(659.9)	—	1 056.6	—	—	—
Net cash flow from financing activities	(1 273.4)	(2 028.0)	(2 952.5)	(1 717.5)	(960.0)	(3 187.4)	(716.0)	(1 608.0)	144.7%
Borrowing activities	(1 273.4)	(638.5)	(2 952.5)	(555.2)	(960.0)	(2 296.4)	(716.0)	(930.0)	74.9%
Other flows from financing activities	—	(1 389.5)	—	(1 162.2)	—	(891.0)	—	(678.0)	—
Net increase/(decrease) in cash and cash equivalents	625.7	351.5	1 158.2	(347.2)	(1 166.2)	(250.2)	(1 061.2)	(77.6)	
Statement of financial position									
Carrying value of assets	22 692.9	25 483.1	23 679.1	25 595.1	24 484.8	26 108.2	27 155.7	25 273.0	104.5%
<i>Acquisition of assets</i>	<i>(966.3)</i>	<i>(821.4)</i>	<i>(760.3)</i>	<i>(825.2)</i>	<i>(1 120.2)</i>	<i>(1 012.5)</i>	<i>(3 979.9)</i>	<i>(1 156.6)</i>	<i>55.9%</i>
Investments	1 942.8	2 940.3	1 909.1	3 786.5	1 547.8	2 271.8	1 547.8	1 960.0	157.7%
Inventory	1.4	2.2	1.4	1.7	2.2	1.6	2.2	2.2	106.3%
Receivables and prepayments	1 089.7	1 099.5	1 158.1	1 166.3	1 261.7	1 702.3	1 385.1	1 262.0	106.9%
Cash and cash equivalents	2 731.4	1 721.0	3 695.1	1 373.8	2 483.8	1 123.6	1 421.1	425.8	45.0%
Taxation	5.0	4.3	61.2	4.3	4.3	340.1	4.3	4.3	472.2%
Total assets	28 463.2	31 250.4	30 504.2	31 927.6	29 784.5	31 547.6	31 516.2	28 927.3	102.8%

Table 40.20 Airports Company of South Africa statements of historical financial performance, cash flow and financial position

Statement of financial position								Average: Outcome/ Budget (%)	
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	2016/17 - 2019/20
R million	2016/17		2017/18		2018/19		2019/20		
Accumulated surplus/(deficit)	15 262.3	18 596.6	18 785.6	19 617.2	20 163.8	21 342.3	21 553.3	21 040.0	106.4%
Capital and reserves	750.0	750.0	750.0	750.0	750.0	750.0	750.0	750.0	100.0%
Borrowings	10 732.8	9 331.5	9 273.8	8 840.8	7 051.6	6 615.2	6 849.1	5 219.1	88.5%
Deferred income	141.2	64.9	74.3	61.5	62.1	58.3	62.1	64.3	73.3%
Trade and other payables	766.3	782.7	779.1	854.1	894.4	907.3	1 410.6	1 024.0	92.7%
Taxation	779.7	1 504.6	813.3	1 611.5	834.0	1 671.8	862.6	799.1	169.8%
Provisions	30.8	214.4	28.1	186.6	28.5	199.0	28.5	30.6	544.1%
Derivatives financial instruments	—	5.7	—	6.0	—	3.8	—	—	—
Total equity and liabilities	28 463.2	31 250.4	30 504.2	31 927.6	29 784.5	31 547.6	31 516.2	28 927.3	102.8%

Statements of estimates of financial performance, cash flow and financial position**Table 40.21 Airports Company of South Africa statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance		Average: growth rate (%)		Average: Expen- diture/ Total (%)		Average: growth rate (%)		Average: Expen- diture/ Total (%)	
	Revised estimate								
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23		
Revenue									
Non-tax revenue	7 425.8	-7.7%	100.0%	8 041.0	9 082.8	10 066.9	10.7%	100.0%	
Sale of goods and services other than capital assets	7 468.8	-4.7%	94.4%	7 945.0	8 687.8	9 609.2	8.8%	97.6%	
<i>Sales by market establishment</i>	<i>7 468.8</i>	<i>-4.7%</i>	<i>94.4%</i>	<i>7 945.0</i>	<i>8 687.8</i>	<i>9 609.2</i>	<i>8.8%</i>	<i>97.6%</i>	
<i>Aeronautical revenue</i>	<i>3 835.8</i>	<i>-10.7%</i>	<i>51.6%</i>	<i>3 977.9</i>	<i>4 434.1</i>	<i>4 949.9</i>	<i>8.9%</i>	<i>49.8%</i>	
<i>Non-aeronautical revenue</i>	<i>3 633.0</i>	<i>4.6%</i>	<i>42.6%</i>	<i>3 967.1</i>	<i>4 253.7</i>	<i>4 659.3</i>	<i>8.6%</i>	<i>47.8%</i>	
Other non-tax revenue	(43.0)	-137.5%	5.6%	96.0	395.0	457.7	-320.0%	2.4%	
Total revenue	7 425.8	-7.7%	100.0%	8 041.0	9 082.8	10 066.9	10.7%	100.0%	
Current expenses	6 395.8	-2.3%	93.9%	6 877.8	7 473.9	8 462.0	9.8%	95.8%	
Compensation of employees	1 465.5	2.9%	20.5%	1 582.7	1 709.4	1 846.1	8.0%	21.7%	
Goods and services	3 061.5	-1.8%	43.2%	3 287.4	3 529.5	3 765.0	7.1%	44.9%	
Depreciation	1 233.0	-0.9%	18.3%	1 321.0	1 458.0	1 559.6	8.1%	18.3%	
Interest, dividends and rent on land	635.8	-14.1%	11.9%	686.7	777.0	1 291.3	26.6%	10.9%	
Total expenses	6 694.8	-3.5%	100.0%	7 181.1	7 819.9	8 789.6	9.5%	100.0%	
Surplus/(Deficit)	731.0			859.9	1 262.9	1 277.3			
Cash flow statement									
Cash flow from operating activities	2 687.1	-13.6%	296.3%	3 152.0	3 198.5	3 750.4	26.8%	292.8%	
Receipts									
Non-tax receipts	7 657.4	-4.8%	100.0%	8 256.7	9 063.2	10 003.0	9.3%	100.0%	
Sales of goods and services other than capital assets	7 469.0	-5.2%	98.1%	7 945.0	8 688.0	9 609.0	8.8%	96.4%	
<i>Sales by market establishment</i>	<i>7 469.0</i>	<i>-5.2%</i>	<i>98.1%</i>	<i>7 945.0</i>	<i>8 688.0</i>	<i>9 609.0</i>	<i>8.8%</i>	<i>96.4%</i>	
Other tax receipts	188.4	12.3%	1.9%	311.7	375.2	394.0	27.9%	3.6%	
Total receipts	7 657.4	-4.8%	100.0%	8 256.7	9 063.2	10 003.0	9.3%	100.0%	
Current payments	4 740.4	8.6%	57.7%	4 756.8	5 422.7	5 786.6	6.9%	93.4%	
Compensation of employees	1 465.5	2.9%	20.1%	1 582.7	1 709.4	1 846.1	8.0%	29.8%	
Goods and services	3 274.9	11.6%	37.6%	3 174.0	3 713.3	3 940.5	6.4%	63.6%	
Total payment	4 970.4	1.7%	100.0%	5 104.8	5 864.7	6 252.5	7.9%	100.0%	
Net cash flow from investing activities	(1 156.6)	-13.4%	100.0%	(3 909.5)	(5 482.7)	(4 570.1)	58.1%	100.0%	
Acquisition of property, plant, equipment and intangible assets	(1 156.6)	12.1%	-10 123.4%	(3 909.5)	(5 482.7)	(4 570.1)	58.1%	100.0%	
Net cash flow from financing activities	(1 608.0)	-7.4%	100.0%	818.0	3 405.0	1 364.0	-194.7%	100.0%	
Borrowing Activities	(930.0)	13.4%	48.4%	1 408.5	3 787.0	2 198.0	-233.2%	125.6%	
Other flows from financing activities	(678.0)	-21.3%	51.6%	(590.5)	(382.0)	(834.0)	7.1%	-25.6%	
Net increase/(decrease) in cash and cash equivalents	(77.6)	-160.4%	100.0%	60.5	1 120.8	544.3	-291.4%	100.0%	
Statement of financial position									
Carrying value of assets	25 273.0	-0.3%	83.0%	27 949.0	33 168.0	38 020.3	14.6%	88.8%	
<i>Acquisition of assets</i>	<i>(1 156.6)</i>	<i>12.1%</i>	<i>-3.1%</i>	<i>(3 909.5)</i>	<i>(5 482.7)</i>	<i>(4 570.1)</i>	<i>58.1%</i>	<i>-10.5%</i>	
Investments	1 960.0	-12.6%	8.8%	1 960.0	1 960.0	1 960.0	—	5.7%	
Inventory	2.2	—	0.0%	2.2	2.2	1.7	-9.5%	0.0%	
Receivables and prepayments	1 262.0	4.7%	4.2%	1 305.0	1 427.0	1 579.6	7.8%	4.0%	
Cash and cash equivalents	425.8	-37.2%	3.7%	564.8	515.8	480.5	4.1%	1.4%	
Taxation	4.3	—	0.3%	4.3	4.3	4.3	0.6%	0.0%	
Total assets	28 927.3	-2.5%	100.0%	31 785.3	37 077.3	42 046.3	13.3%	100.0%	

Table 40.21 Airports Company of South Africa statements of estimates of financial performance, cash flow and financial position

Statement of financial position		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	Revised estimate	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
R million	2019/20							
Accumulated surplus/(deficit)	21 040.0	4.2%	65.3%	21 934.0	23 205.0	24 482.2	5.2%	65.6%
Capital and reserves	750.0	—	2.4%	750.0	750.0	750.0	—	2.2%
Borrowings	5 219.1	-17.6%	24.1%	6 626.1	10 413.1	14 239.5	39.7%	25.2%
Deferred income	64.3	-0.3%	0.2%	64.3	64.3	64.3	—	0.2%
Trade and other payables	1 024.0	9.4%	2.9%	1 579.0	1 809.0	1 673.6	17.8%	4.3%
Taxation	799.1	-19.0%	4.5%	801.1	805.1	806.1	0.3%	2.3%
Provisions	30.6	-47.7%	0.5%	30.6	30.6	30.6	—	0.1%
Total equity and liabilities	28 927.3	-2.5%	100.0%	31 785.3	37 077.3	42 046.3	13.3%	100.0%

Personnel information

Table 40.22 Airports Company of South Africa personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number	
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/Total (%)
			2018/19			2019/20			2020/21			2021/22			2022/23				
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Airports Company of South Africa																			
Salary level	3 381	3 381	3 702	1 546.2	0.4	3 381	1 465.5	0.4	3 382	1 582.7	0.5	3 380	1 709.4	0.5	3 380	1 846.1	0.5	8.0%	100.0%
1 – 6	1 063	1 063	1 527	242.5	0.2	1 063	167.1	0.2	886	132.7	0.1	770	111.9	0.1	678	95.8	0.1	-16.9%	25.1%
7 – 10	1 895	1 895	1 788	778.3	0.4	1 895	770.6	0.4	2 031	847.6	0.4	2 082	898.1	0.4	2 106	942.4	0.4	6.9%	60.0%
11 – 12	205	205	202	193.9	1.0	205	181.3	0.9	207	183.7	0.9	236	209.1	0.9	267	237.2	0.9	9.4%	6.8%
13 – 16	198	198	168	262.4	1.6	198	287.8	1.5	228	331.9	1.5	249	365.8	1.5	278	417.7	1.5	13.2%	7.0%
17 – 22	20	20	17	69.0	4.1	20	58.8	2.9	30	86.9	2.9	43	124.4	2.9	51	153.1	3.0	37.6%	1.1%

1. Rand million.

Passenger Rail Agency of South Africa

Selected performance indicators

Table 40.23 Passenger Rail Agency of South Africa performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of new train sets delivered for Metrorail per year	Metrorail	Priority 4: Spatial integration, human settlements and local government	11	7	6	40	42	62	62
Number of Metrorail passenger trips per year	Metrorail		372 million	270 million	209 million	246 million	270 million	314 million	410 million
Trains on time as a percentage of trains scheduled per year	Metrorail		71% (459 327/ 646 211)	74% (408 114/ 638 676)	55% (254 164/ 563 350)	63%	85%	85%	94%
Percentage of train service availability (trains not cancelled) per year	Metrorail		92% (592 902/ 646 285)	86.5% (552 667/ 638 921)	83% (467 635/ 563 350)	85%	87%	91%	96%
Metrorail customer satisfaction rating per year	Metrorail		57%	52%	49%	60%	65%	73%	80%
Number of mainline passenger service passengers per year	Main line passenger services (Shosholozza Meyl)		565 414	465 647	387 500	463 000	510 000	561 000	630 000
Mainline passenger service customer satisfaction rating per year	Main line passenger services (Shosholozza Meyl)		70%	0	0	60%	75%	80%	82%
Number of national station improvement projects completed per year	Passenger Rail Agency of South Africa: Corporate real estate solutions		45	17	3	30	35	40	45

Table 40.23 Passenger Rail Agency of South Africa performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of national station upgrade projects completed per year	Passenger Rail Agency of South Africa: Corporate real estate solutions	Priority 4: Spatial integration, human settlements and local government	16	12	5	6	8	10	12
Number of Autopax passengers per year	Autopax		2.3 million	1.9 million	1.7 million	3 million	3.6 million	4 million	4.3 million
Autopax customer satisfaction rating per year	Autopax		62%	62%	59%	80%	85%	90%	90%
Number of mainline passenger service coaches refurbished per year	Main line passenger service (Shosholoza Meyl)		81	56	44	30	38	38	38
Number of Metrorail coaches refurbished per year	Metrorail		461	409	351	350	400	400	400

Entity overview

The Passenger Rail Agency of South Africa was established in terms of the Legal Succession to the South African Transport Services Amendment Act (2008), with the primary mandate of providing rail commuter services within, to and from South Africa in the public interest. The agency also provides long-haul passenger rail and bus services within, to and from South Africa.

In its efforts to stabilise operations, over the medium term, the agency will focus on responding to its historic challenge of underspending on capital programmes with the aim of reducing its persistent operating deficits. Accordingly, to increase the number of passengers using Metrorail and mainline passenger services, the agency plans to continue its modernisation programme. Over the MTEF period, this entails: refurbishing a targeted 1 314 train coaches; upgrading and improving 150 stations; upgrading signalling infrastructure; improving depots; acquiring 166 new train sets; and securing the agency's assets, including all stations.

As a result of historic underspending on capital programmes, the agency had a cash balance of R18.3 billion at the end of 2018/19, which it plans to use over the medium term on infrastructure for Metrorail and mainline passenger services. An estimated 66.3 per cent (R36 billion) of the agency's total expenditure of R54.4 billion over the medium term is earmarked for spending on the Metrorail and mainline passenger services programmes, including the modernisation programme.

Total revenue over the MTEF period is expected to be R44.4 billion, of which transfers from the department account for an estimated 70.1 per cent (R30.4 billion). Other sources of revenue include the sale of train and bus tickets, rental income from the leasing of properties, on-board sales, and interest earned. Partly due to the non-payment of fares by passengers, total revenue is expected to increase at an average annual rate of 4.1 per cent, from R14 billion in 2019/20 to R15.8 billion in 2022/23. As a result, the agency's operating deficit is set to increase from R2 billion in 2019/20 to R4.1 billion in 2020/21. Persistent operating deficits are expected to result in the agency's trade and other payables increasing from R11.9 billion in 2019/20 to a projected R29.3 billion in 2022/23, at an average annual rate of 34.9 per cent.

Programmes/Objectives/Activities

Table 40.24 Passenger Rail Agency of South Africa expenditure trends and estimates by programme/objective/activity

Table 4B12-4 Passenger Rail Agency of South Africa expenditure trends and estimates by programme/objective/activity											
					Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Revised estimate							
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Administration	2 117.1	2 523.2	3 261.1	2 917.3	11.3%	18.6%	4 028.1	3 277.3	3 519.1	6.5%	19.5%
Metrorail	7 740.2	7 392.1	7 687.6	9 518.1	7.1%	55.8%	9 941.5	10 622.7	11 284.5	5.8%	58.7%
Main line passenger service	1 007.8	1 094.9	2 568.0	1 239.4	7.1%	10.0%	1 294.9	1 378.3	1 452.7	5.4%	7.6%
Corporate real estate solutions	1 067.7	991.4	1 158.8	1 337.6	7.8%	7.8%	1 399.1	1 504.8	1 623.2	6.7%	8.3%
Intersite	33.6	31.2	22.8	34.4	0.8%	0.2%	31.9	33.6	35.2	0.8%	0.2%
Autopax	1 164.2	889.0	908.1	923.6	-7.4%	6.8%	943.1	996.0	1 050.7	4.4%	5.6%
Technical	230.0	12.9	37.9	114.6	-20.7%	0.7%	—	—	—	-100.0%	0.2%
Total	13 360.5	12 934.8	15 644.3	16 084.9	6.4%	100.0%	17 638.4	17 812.8	18 965.3	5.6%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 40.25 Passenger Rail Agency of South Africa statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Revenue									
Non-tax revenue	3 957.1	4 048.0	4 429.0	3 828.1	4 344.4	3 910.8	4 348.1	3 524.6	89.7%
Sale of goods and services other than capital assets	3 605.6	3 106.3	3 873.7	2 647.0	3 833.8	2 598.2	3 840.3	3 017.2	75.0%
<i>of which:</i>									
<i>Sales by market establishment</i>	<i>3 392.6</i>	<i>2 877.7</i>	<i>3 545.1</i>	<i>2 476.8</i>	<i>3 691.3</i>	<i>2 289.7</i>	<i>3 673.4</i>	<i>2 720.0</i>	<i>72.5%</i>
<i>Rental income</i>	<i>640.7</i>	<i>531.1</i>	<i>772.0</i>	<i>674.7</i>	<i>739.0</i>	<i>773.3</i>	<i>762.4</i>	<i>728.8</i>	<i>92.9%</i>
<i>Fare revenue</i>	<i>1 946.4</i>	<i>1 680.3</i>	<i>1 974.2</i>	<i>1 272.1</i>	<i>2 009.4</i>	<i>1 038.5</i>	<i>2 007.0</i>	<i>1 216.7</i>	<i>65.6%</i>
<i>Autopax fare revenue</i>	<i>805.6</i>	<i>666.3</i>	<i>799.0</i>	<i>530.0</i>	<i>942.9</i>	<i>477.9</i>	<i>904.0</i>	<i>774.5</i>	<i>70.9%</i>
<i>Other sales</i>	<i>212.9</i>	<i>228.6</i>	<i>328.6</i>	<i>170.2</i>	<i>142.5</i>	<i>308.5</i>	<i>166.9</i>	<i>297.2</i>	<i>118.1%</i>
Other non-tax revenue	351.5	941.7	555.3	1 181.1	510.5	1 312.6	507.9	507.3	204.8%
Transfers received	6 978.1	8 385.0	7 947.6	10 548.4	9 504.6	10 048.4	8 829.2	10 516.6	118.8%
Total revenue	10 935.2	12 433.0	12 376.7	14 376.5	13 849.0	13 959.2	13 177.4	14 041.2	108.9%
Expenses									
Current expenses	11 961.6	13 360.5	12 983.0	12 934.8	14 968.9	15 644.3	16 037.7	16 084.9	103.7%
Compensation of employees	5 345.0	5 734.3	5 608.3	5 398.1	5 807.8	5 654.6	6 097.3	6 468.8	101.7%
Goods and services	4 609.6	5 311.9	5 163.2	5 271.2	6 922.6	7 798.5	7 186.7	6 942.6	106.0%
Depreciation	1 998.8	2 301.8	2 211.5	2 253.0	2 231.7	2 168.9	2 741.8	2 665.0	102.2%
Interest, dividends and rent on land	8.2	12.5	—	12.5	6.7	22.3	11.9	8.4	207.9%
Total expenses	11 961.6	13 360.5	12 983.0	12 934.8	14 968.9	15 644.3	16 037.7	16 084.9	103.7%
Surplus/(Deficit)	(1 026.5)	(927.5)	(606.4)	1 441.7	(1 119.9)	(1 685.1)	(2 860.3)	(2 043.7)	
Cash flow statement									
Cash flow from operating activities	(483.6)	(2 420.9)	(616.0)	(1 649.0)	1 290.9	59.3	0.0	(3 093.0)	-3 713.2%
Receipts									
Non-tax receipts	3 704.2	3 716.7	4 278.7	3 396.6	4 250.8	2 700.4	4 166.8	3 418.1	80.7%
Sales of goods and services other than capital assets	3 508.0	2 995.7	3 725.5	2 428.6	3 740.3	1 687.9	3 659.0	2 910.8	68.5%
<i>Sales by market establishment</i>	<i>3 316.5</i>	<i>2 872.9</i>	<i>3 648.8</i>	<i>2 327.2</i>	<i>3 629.5</i>	<i>1 528.9</i>	<i>3 492.1</i>	<i>2 683.6</i>	<i>66.8%</i>
<i>Other sales</i>	<i>191.4</i>	<i>122.8</i>	<i>76.7</i>	<i>101.3</i>	<i>110.8</i>	<i>159.0</i>	<i>166.9</i>	<i>227.2</i>	<i>111.8%</i>
Other tax receipts	196.2	721.0	553.2	968.0	510.5	1 012.5	507.9	507.3	181.5%
Transfers received	5 156.9	5 081.7	5 876.6	5 037.8	7 416.7	7 416.7	6 252.6	7 939.8	103.1%
Total receipts	8 861.1	8 798.4	10 155.3	8 434.4	11 667.6	10 117.2	10 419.4	11 357.9	94.2%
Payment									
Current payments	9 344.7	11 219.3	10 771.3	10 083.4	10 376.7	10 057.9	10 419.4	13 351.0	109.3%
Compensation of employees	5 279.8	5 697.4	5 585.1	5 388.1	5 890.9	5 587.5	6 097.3	6 396.4	100.9%
Goods and services	4 061.0	5 510.3	5 186.1	4 683.7	4 473.4	4 448.0	4 310.1	6 942.6	119.7%
Interest and rent on land	3.9	11.5	—	11.6	12.3	22.3	11.9	11.9	204.0%
Transfers and subsidies	—	—	—	—	—	—	—	1 100.0	—
Total payments	9 344.7	11 219.3	10 771.3	10 083.4	10 376.7	10 057.9	10 419.4	14 451.0	112.0%
Net cash flow from investing activities	(12 831.4)	(5 165.9)	(9 662.0)	(6 183.6)	(3 069.2)	(3 983.6)	(11 842.3)	(12 491.1)	74.4%
Acquisition of property, plant, equipment and intangible assets	(12 525.8)	(4 964.5)	(9 483.0)	(5 858.1)	(2 852.9)	(3 925.3)	(11 412.4)	(12 189.4)	74.3%
Investment property	—	(281.3)	(213.4)	(262.5)	(273.5)	(141.8)	(305.7)	(306.0)	125.1%
Acquisition of software and other intangible assets	(305.6)	(25.9)	(32.6)	(63.1)	(2.9)	(24.5)	(194.2)	(65.7)	33.5%
Proceeds from the sale of property, plant, equipment and intangible assets	—	105.8	67.0	—	60.0	107.9	70.0	70.0	144.0%
Net cash flow from financing activities	13 808.6	13 812.6	9 368.2	9 368.2	6 174.1	8 362.2	10 209.6	8 522.4	101.3%
Deferred income	13 808.6	13 814.1	9 368.2	9 368.2	6 174.1	8 362.2	10 209.6	8 522.4	101.3%
Borrowing activities	—	(1.5)	—	—	—	—	—	—	—
Net increase/(decrease) in cash and cash equivalents	493.6	6 225.7	(909.8)	1 535.5	4 395.8	4 437.9	(1 632.7)	(7 061.7)	
Statement of financial position									
Carrying value of assets	43 279.0	41 115.4	49 754.0	45 158.9	50 289.3	47 729.3	74 691.6	58 247.0	88.2%
<i>Acquisition of assets</i>	<i>(12 525.8)</i>	<i>(4 964.5)</i>	<i>(9 483.0)</i>	<i>(5 858.1)</i>	<i>(2 852.9)</i>	<i>(3 925.3)</i>	<i>(11 412.4)</i>	<i>(12 189.4)</i>	<i>74.3%</i>
Inventory	303.7	453.9	233.4	502.0	340.9	536.6	378.4	509.7	159.4%
Receivables and prepayments	13 635.6	13 046.2	16 252.3	13 961.5	15 718.5	11 926.2	13 644.5	12 695.2	87.1%
Cash and cash equivalents	7 495.8	12 342.5	12 342.5	13 878.1	6 329.6	18 316.0	4 626.9	15 964.5	196.5%
Defined benefit plan assets	4.2	2.8	3.0	—	2.7	—	2.4	—	23.1%
Total assets	64 718.3	66 960.9	78 585.2	73 500.4	72 681.1	78 508.0	93 343.8	87 416.4	99.0%

Table 40.25 Passenger Rail Agency of South Africa statements of historical financial performance, cash flow and financial position

Statement of financial performance									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Accumulated surplus/(deficit)	(3 873.8)	(4 164.0)	(4 135.0)	20 454.9	(5 400.5)	18 773.4	(8 180.1)	19 331.2	-252.0%
Capital and reserves	4 248.3	4 248.3	4 248.3	4 248.3	4 248.3	4 248.3	4 248.3	4 248.3	100.0%
Capital reserve fund	60 186.8	58 657.9	69 958.1	40 125.3	63 447.9	45 017.1	84 169.7	51 887.9	70.5%
Trade and other payables	3 464.4	7 209.4	7 503.9	7 383.6	8 808.7	8 347.0	11 364.3	11 940.0	112.0%
Taxation	—	—	—	8.5	—	1.9	—	1.9	—
Provisions	692.6	1 009.3	1 009.8	1 279.8	1 576.7	2 120.4	1 741.7	7.1	88.0%
Total equity and liabilities	64 718.3	66 960.9	78 585.2	73 500.4	72 681.1	78 508.0	93 343.8	87 416.4	99.0%

Statements of estimates of financial performance, cash flow and financial position**Table 40.26 Passenger Rail Agency of South Africa statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance		Average growth rate (%)	Average: Expen- diture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expen- diture/ Total (%)
	Revised estimate			2020/21	2021/22	2022/23	2019/20 - 2022/23	
R million	2019/20	2016/17 - 2019/20						
Revenue								
Non-tax revenue	3 524.6	-4.5%	28.1%	4 095.8	4 756.9	5 151.0	13.5%	29.9%
Sale of goods and services other than capital assets	3 017.2	-1.0%	20.9%	3 587.5	4 248.4	4 642.0	15.4%	26.4%
Sales by market establishment	2 720.0	-1.9%	19.0%	3 322.4	3 971.5	4 351.9	17.0%	24.5%
Rental income	728.8	11.1%	4.9%	781.4	838.3	905.3	7.5%	5.6%
Fare revenue	1 216.7	-10.2%	9.6%	2 231.6	2 058.6	2 283.4	23.3%	13.3%
Autopax fare revenue	774.5	5.1%	4.5%	1 074.6	1 074.6	1 163.2	14.5%	7.0%
Other sales	297.2	9.1%	1.8%	265.1	276.9	290.1	-0.8%	1.9%
Other non-tax revenue	507.3	-18.6%	7.2%	508.3	508.6	509.0	0.1%	3.5%
Transfers received	10 516.6	7.8%	71.9%	9 490.2	10 182.1	10 689.1	0.5%	70.1%
Total revenue	14 041.2	4.1%	100.0%	13 586.0	14 939.0	15 840.1	4.1%	100.0%
Current expenses	16 084.9	6.4%	100.0%	17 638.4	17 812.8	18 965.3	5.6%	100.0%
Compensation of employees	6 468.8	4.1%	40.3%	6 501.3	6 918.8	7 341.9	4.3%	38.7%
Goods and services	6 942.6	9.3%	43.4%	8 205.1	7 671.5	8 263.4	6.0%	44.1%
Depreciation	2 665.0	5.0%	16.3%	2 919.6	3 209.5	3 346.4	7.9%	17.2%
Interest, dividends and rent on land	8.4	-12.3%	0.1%	12.5	13.1	13.7	17.5%	0.1%
Total expenses	16 084.9	6.4%	100.0%	17 638.4	17 812.8	18 965.3	5.6%	100.0%
Surplus/(Deficit)	(2 043.7)			(4 052.4)	(2 873.9)	(3 125.2)		
Cash flow statement								
Cash flow from operating activities	(3 093.0)	8.5%	87.4%	(3 968.1)	(2 786.9)	(3 051.6)	45.1%	101.6%
Receipts								
Non-tax receipts	3 418.1	-2.8%	34.8%	3 986.7	4 645.0	5 032.4	13.8%	36.8%
Sales of goods and services other than capital assets	2 910.8	-1.0%	26.3%	3 478.4	4 136.4	4 523.4	15.8%	32.4%
Sales by market establishment	2 683.6	-2.2%	24.7%	3 283.3	3 929.6	4 306.6	17.1%	30.6%
Other sales	227.2	22.8%	1.5%	195.1	206.9	216.8	-1.6%	1.8%
Other tax receipts	507.3	-11.1%	8.5%	508.3	508.6	509.0	0.1%	4.4%
Transfers received	7 939.8	16.0%	65.2%	6 694.3	7 096.1	7 455.0	-2.1%	63.2%
Total receipts	11 357.9	8.9%	100.0%	10 681.0	11 741.1	12 487.4	3.2%	100.0%
Current payments	13 351.0	6.0%	77.3%	14 649.1	14 528.0	15 539.0	5.2%	98.1%
Compensation of employees	6 396.4	3.9%	39.9%	6 431.5	6 843.5	7 261.9	4.3%	45.5%
Goods and services	6 942.6	8.0%	37.3%	8 205.1	7 671.5	8 263.4	6.0%	52.5%
Interest and rent on land	11.9	1.2%	0.1%	12.5	13.1	13.7	4.7%	0.1%
Transfers and subsidies	1 100.0	—	1.7%	—	—	—	-100.0%	1.9%
Total payment	14 451.0	8.8%	100.0%	14 649.1	14 528.0	15 539.0	2.4%	100.0%
Net cash flow from investing activities	(12 491.1)	34.2%	100.0%	(13 312.8)	(18 857.8)	(21 046.5)	19.0%	100.0%
Acquisition of property, plant, equipment and intangible assets	(12 189.4)	34.9%	96.7%	(12 994.3)	(18 420.2)	(20 563.8)	19.0%	97.6%
Investment property	(306.0)	2.8%	3.9%	(244.7)	(319.6)	(348.0)	4.4%	1.9%
Acquisition of software and other intangible assets	(65.7)	36.4%	0.7%	(143.9)	(188.0)	(204.7)	46.1%	0.9%
Proceeds from the sale of property, plant, equipment and intangible assets	70.0	-12.9%	-1.3%	70.0	70.0	70.0	—	-0.4%

Table 40.26 Passenger Rail Agency of South Africa statements of estimates of financial performance, cash flow and financial position

Cash flow statement		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	Revised estimate			2020/21	2021/22	2022/23		
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Net cash flow from financing activities	8 522.4	-14.9%	100.0%	6 382.8	11 927.8	14 116.5	18.3%	100.0%
Deferred Income	8 522.4	-14.9%	100.0%	6 382.8	11 927.8	14 116.5	18.3%	100.0%
Net increase/(decrease) in cash and cash equivalents	(7 061.7)	-204.3%	100.0%	(10 898.1)	(9 716.9)	(9 981.6)	12.2%	100.0%
Statement of financial position								
Carrying value of assets	58 247.0	12.3%	62.6%	69 345.3	86 048.0	104 849.7	21.6%	80.3%
Acquisition of assets	(12 189.4)	34.9%	-8.6%	(12 994.3)	(18 420.2)	(20 563.8)	19.0%	-16.2%
Inventory	509.7	3.9%	0.7%	484.3	466.3	443.0	-4.6%	0.5%
Receivables and prepayments	12 695.2	-0.9%	17.0%	11 579.3	9 773.4	7 882.4	-14.7%	10.9%
Cash and cash equivalents	15 964.5	9.0%	19.7%	13 433.4	5 357.3	(4 907.5)	-167.5%	8.3%
Total assets	87 416.4	9.3%	100.0%	94 842.2	101 644.9	108 267.6	7.4%	100.0%
Accumulated surplus/(deficit)	19 331.2	-266.8%	16.9%	18 943.7	20 307.1	21 708.5	3.9%	20.5%
Capital and reserves	4 248.3	-0.0%	5.6%	4 248.3	4 248.3	4 248.3	-	4.4%
Capital reserve fund	51 887.9	-4.0%	64.7%	55 704.9	51 015.5	53 008.7	0.7%	54.3%
Trade and other payables	11 940.0	18.3%	11.3%	15 936.6	26 065.5	29 292.9	34.9%	20.8%
Taxation	1.9	-	0.0%	2.0	2.1	2.3	5.0%	0.0%
Provisions	7.1	-80.8%	1.5%	6.7	6.4	7.0	-0.4%	0.0%
Total equity and liabilities	87 416.4	9.3%	100.0%	94 842.2	101 644.9	108 267.6	7.4%	100.0%

Personnel information

Table 40.27 Passenger Rail Agency of South Africa personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number		
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Passenger Rail Agency of South Africa			16 367	5 654.6	0.3	17 068	6 468.8	0.4	17 068	6 501.3	0.4	17 068	6 918.8	0.4	17 068	7 341.9	0.4	4.3%	100.0%
Salary level	17 068	17 068	16 367	5 654.6	0.3	17 068	6 468.8	0.4	17 068	6 501.3	0.4	17 068	6 918.8	0.4	17 068	7 341.9	0.4	4.3%	100.0%
1 – 6	5 101	5 101	4 962	915.7	0.2	5 101	1 015.9	0.2	5 101	1 020.0	0.2	5 101	1 088.2	0.2	5 101	1 157.4	0.2	4.4%	29.9%
7 – 10	11 318	11 318	10 783	3 994.3	0.4	11 318	4 644.5	0.4	11 318	4 660.6	0.4	11 318	4 967.6	0.4	11 318	5 279.5	0.5	4.4%	66.3%
11 – 12	239	239	221	193.9	0.9	239	223.3	0.9	239	221.5	0.9	239	233.3	1.0	239	244.9	1.0	3.1%	1.4%
13 – 16	373	373	364	451.8	1.2	373	485.3	1.3	373	495.3	1.3	373	520.6	1.4	373	545.8	1.5	4.0%	2.2%
17 – 22	37	37	37	98.9	2.7	37	99.8	2.7	37	103.9	2.8	37	109.1	2.9	37	114.3	3.1	4.6%	0.2%

1. Rand million.

The Road Accident Fund

Selected performance indicators

Table 40.28 Road Accident Fund performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Legal costs as a percentage of claims payments	Payment of claims to accident victims	Entity mandate	25% (R7.9bn/ R31bn)	25% (R8.8bn/ R34.6bn)	24% (R10.3bn/ R42.6bn)	— ¹	— ¹	— ¹	— ¹
Number of open claims received but not finalised per year	Payment of claims to accident victims		173 740	207 461	234 244	— ¹	— ¹	— ¹	— ¹
Personal claims: Average value per claim	Payment of claims to accident victims		219 047	235 716	266 762	— ¹	— ¹	— ¹	— ¹
Loss of earnings: Average value per claim	Payment of claims to accident victims		645 832	691 459	767 506	— ¹	— ¹	— ¹	— ¹
General damages: Average value per claim	Payment of claims to accident victims		390 005	429 486	462 130	— ¹	— ¹	— ¹	— ¹

Table 40.28 Road Accident Fund performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage increase in claims processed within 120 days	Payment of claims to accident victims	Entity mandate	.. ²	.. ²	.. ²	.. ²	10%	10%	10%

1. No projections available.
2. No historical data available.

Entity overview

The Road Accident Fund Act (1996) provides for the establishment of the Road Accident Fund, which is mandated to compensate South African road users for losses or damages caused by motor vehicle accidents within the borders of South Africa.

The fund receives its revenue from the road accident fund fuel levy, in terms of the Customs and Excise Act (1964). Over the medium term, revenue from the fuel levy is expected to increase at an average annual rate of 1.2 per cent, from R43.9 billion in 2019/20 to R45.4 billion in 2022/23. Due to the fund operating on a pay-as-you-go model and paying out what it is able to with the revenue it has, it has insufficient revenue to meet its liabilities, thereby increasing its indebtedness. Claims against the fund increased from R66 billion in 2016/17 to R108.3 billion in 2019/20, and are expected to increase to R145.6 billion in 2022/23. As a result, the accumulated deficit is expected to increase from R329.7 billion in 2019/20 to R593.1 billion in 2022/23.

To address this systemic challenge, the Road Accident Benefit Scheme Bill proposes to transform the fund from a liability insurance scheme to a system based on social security principles. This is expected to result in a more equitable and affordable road accident compensation scheme. In the meantime, the fund is developing a turnaround plan to prioritise, amongst others, reducing legal fees and transforming the claims management systems and processes.

Programmes/Objectives/Activities

Table 40.29 Road Accident Fund 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	2 128.7	2 346.9	2 614.4	3 303.6	15.8%	3.1%	3 677.4	3 972.9	4 216.0	8.5%	3.0%
Payment of claims to accident victims	65 954.6	61 345.6	96 404.8	108 272.8	18.0%	96.9%	113 270.0	128 447.6	145 593.7	10.4%	97.0%
Total	68 083.4	63 692.5	99 019.2	111 576.4	17.9%	100.0%	116 947.4	132 420.5	149 809.6	10.3%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 40.30 Road Accident Fund statements of historical financial performance, cash flow and financial position

Statement of financial performance		Budget		Audited outcome		Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/Budget (%)	
		2016/17		2017/18		2018/19		2019/20		2019/20		2019/20		2016/17 - 2019/20	
Revenue															
Non-tax revenue		91.1		112.3		81.3		90.5		95.0		100.6		98.9	
<i>of which:</i>															
Other non-tax revenue		91.1		112.3		81.3		90.5		95.0		100.6		98.9	
Transfers received		35 198.8		33 229.5		35 425.3		37 250.8		42 214.3		43 138.8		45 442.8	
Total revenue		35 289.9		33 341.9		35 506.6		37 341.3		42 309.3		43 239.3		45 541.7	
Expenses															
Current expenses		2 366.6		2 128.7		2 619.4		2 346.9		2 914.0		2 614.4		3 276.0	
Compensation of employees		1 349.0		1 261.6		1 362.5		1 605.1		1 800.3		1 655.0		2 070.4	
Goods and services		765.0		614.9		971.1		476.7		795.8		617.7		847.6	
Depreciation		52.4		42.9		49.2		41.4		50.6		50.5		55.9	
Interest, dividends and rent on land		200.3		209.4		236.6		223.7		267.4		291.1		302.1	
Transfers and subsidies		70 357.9		65 954.6		68 435.9		61 345.6		74 746.5		96 404.8		84 304.2	
Total expenses		72 724.6		68 083.4		71 055.3		63 692.5		77 660.5		99 019.2		87 580.3	
Surplus/(Deficit)		(37 434.7)		(34 741.5)		(35 548.7)		(26 351.2)		(35 351.3)		(55 779.9)		(42 038.6)	

Table 40.30 Road Accident Fund statements of historical financial performance, cash flow and financial position

Cash flow statement									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Cash flow from operating activities	(257.6)	(362.1)	71.4	(19.1)	233.2	(584.6)	114.5	802.6	-101.1%
Receipts									
Non-tax receipts	91.1	113.6	81.3	91.4	95.0	100.3	98.9	75.2	103.9%
Other tax receipts	91.1	113.6	81.3	91.4	95.0	100.3	98.9	75.2	103.9%
Transfers received	35 198.8	33 544.9	35 608.6	36 048.1	41 383.3	41 890.2	44 740.6	44 425.5	99.3%
Total receipts	35 289.9	33 658.5	35 689.9	36 139.6	41 478.3	41 990.5	44 839.5	44 500.7	99.4%
Payment									
Current payments	2 314.2	2 065.7	2 628.1	2 109.3	2 863.4	2 782.1	3 220.1	3 314.2	93.2%
Compensation of employees	1 349.0	1 261.6	1 362.5	1 605.1	1 800.3	1 655.0	2 070.4	1 790.8	95.9%
Goods and services	765.0	594.7	1 029.0	280.5	795.8	836.0	847.6	1 200.9	84.7%
Interest and rent on land	200.3	209.4	236.6	223.7	267.4	291.1	302.1	322.5	104.0%
Transfers and subsidies	33 233.3	31 955.0	32 990.4	34 049.4	38 381.7	39 793.1	41 504.9	40 383.9	100.0%
Total payments	35 547.5	34 020.6	35 618.5	36 158.7	41 245.1	42 575.2	44 725.0	43 698.1	99.6%
Net cash flow from investing activities	(95.6)	(29.8)	(100.3)	(66.1)	(105.4)	(74.6)	(110.6)	(110.6)	68.2%
Acquisition of property, plant, equipment and intangible assets	(82.8)	(8.4)	(24.9)	(39.4)	(26.2)	(37.0)	(27.5)	(40.6)	77.7%
Acquisition of software and other intangible assets	(12.7)	(24.5)	(75.4)	(26.7)	(79.2)	(37.5)	(83.1)	(70.0)	63.4%
Proceeds from the sale of property, plant, equipment and intangible assets	—	3.2	—	—	—	—	—	—	—
Net increase/(decrease) in cash and cash equivalents	(353.2)	(391.9)	(28.9)	(85.2)	127.8	(659.2)	3.8	692.0	
Statement of financial position									
Carrying value of assets	270.4	215.8	266.9	243.1	297.9	272.4	352.6	318.5	88.4%
Acquisition of assets	(82.8)	(8.4)	(24.9)	(39.4)	(26.2)	(37.0)	(27.5)	(40.6)	77.7%
Inventory	6.1	5.7	6.0	5.3	5.7	5.9	6.0	6.2	97.2%
Loans	156.0	160.9	170.6	160.1	146.8	175.7	155.6	186.2	108.6%
Accrued investment interest	10.1	—	7.6	—	—	—	—	—	—
Receivables and prepayments	7 361.8	7 163.7	7 447.5	7 830.6	8 661.9	9 857.8	9 364.5	9 298.4	104.0%
Cash and cash equivalents	1 691.1	1 652.4	1 681.3	1 567.2	1 695.0	908.0	1 698.9	1 675.2	85.8%
Total assets	9 495.5	9 198.5	9 580.0	9 806.3	10 807.4	11 219.8	11 577.6	11 484.5	100.6%
Accumulated surplus/(deficit)	(183 074.9)	(180 077.0)	(215 218.0)	(206 428.2)	(241 835.3)	(262 208.1)	(283 917.6)	(329 673.6)	105.9%
Capital and reserves	83.4	84.1	84.1	87.6	87.6	93.3	87.6	93.3	104.6%
Trade and other payables	256.9	237.3	281.2	256.9	264.9	212.7	280.8	282.2	91.3%
Provisions	192 230.1	188 913.3	224 432.7	215 682.0	252 069.6	273 069.8	294 893.1	340 727.4	105.7%
Derivatives financial instruments	—	40.8	—	208.0	220.5	52.0	233.7	55.1	78.4%
Total equity and liabilities	9 495.5	9 198.5	9 580.0	9 806.3	10 807.4	11 219.8	11 577.6	11 484.5	100.6%

Statements of estimates of financial performance, cash flow and financial position**Table 40.31 Road Accident Fund statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23		
Revenue									
Non-tax revenue	75.2	-12.5%	0.2%	98.3	98.9	99.0	9.6%	0.2%	
Other non-tax revenue	75.2	-12.5%	0.2%	98.3	98.9	99.0	9.6%	0.2%	
Transfers received	43 865.7	9.7%	99.8%	45 035.9	45 201.9	45 427.9	1.2%	99.8%	
Total revenue	43 941.0	9.6%	100.0%	45 134.1	45 300.9	45 526.9	1.2%	100.0%	
Current expenses	3 303.6	15.8%	3.1%	3 677.4	3 972.9	4 216.0	8.5%	3.0%	
Compensation of employees	1 790.8	12.4%	1.9%	1 937.9	2 097.1	2 269.4	8.2%	1.6%	
Goods and services	1 125.7	22.3%	0.8%	1 303.7	1 402.2	1 429.8	8.3%	1.0%	
Depreciation	64.6	14.6%	0.1%	78.6	77.9	78.3	6.6%	0.1%	
Interest, dividends and rent on land	322.5	15.5%	0.3%	357.3	395.8	438.4	10.8%	0.3%	
Transfers and subsidies	108 272.8	18.0%	96.9%	113 270.0	128 447.6	145 593.7	10.4%	97.0%	
Total expenses	111 576.4	17.9%	100.0%	116 947.4	132 420.5	149 809.6	10.3%	100.0%	
Surplus/(Deficit)	(67 635.5)			(71 813.3)	(87 119.6)	(104 282.7)			

Table 40.31 Road Accident Fund statements of estimates of financial performance, cash flow and financial position

Cash flow statement		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	Revised estimate	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
R million	2019/20							
Cash flow from operating activities	802.6	-230.4%	0.2%	40.9	23.7	29.1	9.6%	0.2%
Receipts								
Non-tax receipts	75.2	-12.8%	0.2%	98.3	98.9	99.0	9.6%	0.2%
Other tax receipts	75.2	-12.8%	0.2%	98.3	98.9	99.0	9.6%	0.2%
Transfers received	44 425.5	9.8%	99.8%	44 930.3	45 154.9	45 380.7	0.7%	99.8%
Total receipts	44 500.7	9.8%	100.0%	45 028.5	45 253.9	45 479.7	0.7%	100.0%
Current payments	3 314.2	17.1%	3.0%	3 697.1	3 994.0	4 236.6	8.5%	8.5%
Compensation of employees	1 790.8	12.4%	1.9%	1 937.9	2 097.1	2 269.4	8.2%	4.5%
Goods and services	1 200.9	26.4%	0.8%	1 402.0	1 501.1	1 528.8	8.4%	3.1%
Interest and rent on land	322.5	15.5%	0.3%	357.3	395.8	438.4	10.8%	0.8%
Transfers and subsidies	40 383.9	8.1%	44.2%	41 290.5	41 236.2	41 213.9	0.7%	91.5%
Total payment	43 698.1	8.7%	100.0%	44 987.6	45 230.2	45 450.6	1.3%	100.0%
Net cash flow from investing activities	(110.6)	54.9%	100.0%	(116.2)	(122.0)	(128.1)	5.0%	100.0%
Acquisition of property, plant, equipment and intangible assets	(40.6)	69.0%	43.6%	(42.6)	(44.7)	(47.0)	5.0%	36.7%
Acquisition of software and other intangible assets	(70.0)	41.8%	59.1%	(73.5)	(77.2)	(81.1)	5.0%	63.3%
Net increase/(decrease) in cash and cash equivalents	692.0	-220.9%	100.0%	(75.2)	(98.3)	(98.9)	-152.3%	100.0%
Statement of financial position								
Carrying value of assets	318.5	13.9%	2.5%	356.0	400.1	449.8	12.2%	3.3%
Acquisition of assets	(40.6)	69.0%	-0.3%	(42.6)	(44.7)	(47.0)	5.0%	-0.4%
Inventory	6.2	3.1%	0.1%	6.6	7.0	7.4	6.0%	0.1%
Loans	186.2	5.0%	1.6%	197.4	209.2	221.8	6.0%	1.7%
Receivables and prepayments	9 298.4	9.1%	81.6%	9 404.4	9 451.8	9 499.5	0.7%	80.5%
Cash and cash equivalents	1 675.2	0.5%	14.2%	1 698.3	1 698.9	1 699.0	0.5%	14.5%
Total assets	11 484.5	7.7%	100.0%	11 662.6	11 767.1	11 877.5	1.1%	100.0%
Accumulated surplus/(deficit)	(329 673.6)	22.3%	-2 317.6%	(401 550.6)	(488 737.7)	(593 092.0)	21.6%	-3 865.1%
Capital and reserves	93.3	3.5%	0.9%	93.3	93.3	93.3	-	0.8%
Trade and other payables	282.2	6.0%	2.4%	299.2	317.1	336.2	6.0%	2.6%
Provisions	340 727.4	21.7%	2 413.5%	412 762.3	500 032.4	604 474.4	21.1%	3 961.2%
Derivatives financial instruments	55.1	10.5%	0.9%	58.4	61.9	65.6	6.0%	0.5%
Total equity and liabilities	11 484.5	7.7%	100.0%	11 662.6	11 767.1	11 877.5	1.1%	100.0%

Personnel information**Table 40.32 Road Accident Fund personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number		
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Road Accident Fund			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	3 194	3 194	3 164	1 655.0	0.5	3 194	1 790.8	0.6	3 194	1 937.9	0.6	3 194	2 097.1	0.7	3 194	2 269.4	0.7	8.2%	100.0%
1 – 6	710	710	710	113.2	0.2	710	122.5	0.2	710	132.6	0.2	710	143.4	0.2	710	155.2	0.2	8.2%	22.2%
7 – 10	1 944	1 944	1 939	947.9	0.5	1 944	1 025.6	0.5	1 944	1 109.8	0.6	1 944	1 200.9	0.6	1 944	1 299.5	0.7	8.2%	60.9%
11 – 12	394	394	369	367.0	1.0	394	397.1	1.0	394	429.7	1.1	394	465.0	1.2	394	503.2	1.3	8.2%	12.3%
13 – 16	142	142	142	210.7	1.5	142	228.1	1.6	142	246.8	1.7	142	267.1	1.9	142	289.1	2.0	8.2%	4.4%
17 – 22	4	4	4	16.1	4.0	4	17.5	4.4	4	19.0	4.7	4	20.6	5.1	4	22.4	5.6	8.6%	0.1%

1. Rand million.

South African National Roads Agency

Selected performance indicators

Table 40.33 South African National Roads Agency performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Smooth travel exposure: Percentage of travel undertaken each year on national roads with roughness less than 4.2m/km	Road asset infrastructure management	Priority 1: Economic transformation and job creation	97%	97%	96%	95%	95%	95%	95%
Low-rut exposure: Percentage of travel undertaken each year on national roads with rut depth less than 20mm	Road asset infrastructure management		99%	99%	99%	95%	95%	95%	95%
High-texture exposure: Percentage of travel undertaken each year on national roads with macro-texture higher than 0.4mm	Road asset infrastructure management		99%	99%	99%	95%	95%	95%	95%
Bridge condition exposure index: Percentage of travel over or under bridges on national roads with overall condition index higher than 70	Road asset infrastructure management		94%	93%	93%	90%	90%	90%	90%
Length of national road network with active routine road maintenance contracts (km)	Road asset infrastructure management		22 197	22 213	22 214	22 214	22 214	22 214	22 214
Length of national road network with active resurfacing contracts (km)	Road asset infrastructure management		1 891	1 631	1 200	800	1 600	1 600	1 600
Length of national road network with active strengthening, improvement or development contracts (km)	Road asset infrastructure management		575	848	430	400	600	800	800

Entity overview

The South African National Roads Agency was established in terms of the South African National Roads Agency Limited and the National Roads Act (1998) and is registered in terms of the Companies Act (2008). The agency is mandated to finance, develop, improve, maintain and manage South Africa's national road network for both toll and non-toll roads. The focus of the agency over the medium term will be on the maintenance, improvement, development and overall preservation of roads.

Total expenditure is expected to decrease at an average annual rate of 6.8 per cent over the MTEF period, from R24.1 billion in 2019/20 to R19.5 billion in 2022/23. This is mainly driven by an overall decrease in spending on road maintenance of 3.6 per cent, from R10.2 billion in 2019/20, increasing to R14 billion in 2021/22 and decreasing to R9.2 billion in 2022/23. As the spending for maintenance decreases, capital investment is set to increase at an average annual rate of 3.8 per cent, from R10.8 billion in 2019/20 to R12.1 billion in 2022/23.

The agency expects its headcount to increase from 442 in 2019/20 to 490 in 2022/23 as it fills vacancies to better align its organisational structure with its operations. As a result, spending on compensation of employees is expected to increase at an average annual rate of 15.4 per cent, from R523.1 million in 2019/20 to R803.2 million in 2022/23.

The agency's total revenue over the MTEF period is expected to be R62.1 billion. Of this amount, it is set to derive R42.7 billion through departmental transfers and R14.7 billion through toll road fees. Despite Cabinet's approved reductions of R1.4 billion on transfers to the agency, total revenue is expected to increase from R19.1 billion in 2019/20 to R21.8 billion in 2022/23 at an average annual rate of 4.4 per cent.

Programmes/Objectives/Activities**Table 40.34 South African National Roads Agency 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	6 244.8	4 711.1	2 726.9	6 095.2	-0.8%	23.9%	2 868.0	3 069.8	3 215.1	-19.2%	16.7%
Roads asset infrastructure management	15 685.7	14 149.6	13 337.4	18 026.2	4.7%	76.1%	20 032.6	21 017.4	16 324.5	-3.3%	83.3%
Total	21 930.5	18 860.6	16 064.3	24 121.4	3.2%	100.0%	22 900.6	24 087.2	19 539.7	-6.8%	100.0%

Statements of historical financial performance, cash flow and financial position**Table 40.35 South African National Roads Agency statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Revenue									
Non-tax revenue	6 357.1	7 924.2	6 974.6	7 351.2	6 993.4	6 067.7	7 218.5	6 085.1	99.6%
Sale of goods and services other than capital assets	5 839.2	5 480.6	5 446.3	5 705.0	5 656.6	4 547.6	5 785.9	5 026.8	91.3%
<i>of which:</i>									
<i>Sales by market establishment</i>	<i>5 369.7</i>	<i>5 017.2</i>	<i>4 959.8</i>	<i>5 389.0</i>	<i>5 309.7</i>	<i>4 438.3</i>	<i>5 404.3</i>	<i>4 645.1</i>	<i>92.6%</i>
<i>Toll Income</i>	<i>5 295.4</i>	<i>4 910.5</i>	<i>4 911.4</i>	<i>5 194.0</i>	<i>5 260.3</i>	<i>4 243.5</i>	<i>5 354.3</i>	<i>4 644.1</i>	<i>91.2%</i>
<i>Concession income</i>	—	59.3	—	146.3	—	144.6	—	—	—
<i>Rental income on leased properties</i>	<i>74.3</i>	<i>47.4</i>	<i>48.4</i>	<i>48.7</i>	<i>49.4</i>	<i>50.2</i>	<i>50.0</i>	<i>1.0</i>	<i>66.4%</i>
<i>Other sales</i>	<i>469.6</i>	<i>463.3</i>	<i>486.5</i>	<i>316.1</i>	<i>347.0</i>	<i>109.4</i>	<i>381.7</i>	<i>381.7</i>	<i>75.4%</i>
Other non-tax revenue	517.8	2 443.6	1 528.2	1 646.2	1 336.7	1 520.0	1 432.6	1 058.3	138.5%
Transfers received	13 915.6	9 044.1	15 944.8	11 091.0	18 624.2	12 417.8	21 177.2	13 011.3	65.4%
Total revenue	20 272.7	16 968.3	22 919.4	18 442.2	25 617.5	18 485.5	28 395.8	19 096.4	75.1%
Expenses									
Current expenses	26 295.5	21 930.5	34 703.6	18 860.6	33 222.5	16 064.3	34 886.4	24 121.4	62.7%
Compensation of employees	275.2	268.4	312.0	312.3	403.4	353.7	546.8	523.1	94.8%
Goods and services	19 546.3	13 960.2	26 298.3	10 891.8	24 618.8	7 920.3	25 777.3	15 035.9	49.7%
Depreciation	2 866.2	3 133.3	3 296.2	3 299.7	3 625.8	3 553.8	3 759.0	3 759.0	101.5%
Interest, dividends and rent on land	3 607.7	4 568.6	4 797.0	4 356.7	4 574.6	4 236.5	4 803.3	4 803.3	101.0%
Total expenses	26 295.5	21 930.5	34 703.6	18 860.6	33 222.5	16 064.3	34 886.4	24 121.4	62.7%
Surplus/(Deficit)	(6 022.8)	(4 962.2)	(11 784.2)	(418.5)	(7 605.0)	2 421.2	(6 490.7)	(5 025.0)	
Cash flow statement									
Cash flow from operating activities	(7 529.2)	(1 935.5)	(58.0)	1 269.4	1 210.2	3 886.2	5 840.2	6 186.2	-1 752.8%
Receipts									
Non-tax receipts	5 391.7	4 682.3	5 078.3	4 494.0	5 512.5	4 083.6	5 988.7	6 311.0	89.1%
Sales of goods and services other than capital assets	5 391.7	3 780.0	4 158.0	3 642.8	4 573.8	3 343.0	5 031.2	5 353.5	84.2%
<i>Sales by market establishment</i>	<i>5 391.7</i>	<i>3 209.9</i>	<i>4 158.0</i>	<i>3 131.8</i>	<i>4 573.8</i>	<i>3 033.1</i>	<i>5 031.2</i>	<i>5 031.2</i>	<i>75.2%</i>
<i>Other sales</i>	—	570.1	—	511.0	—	309.9	—	322.3	—
Other tax receipts	—	902.3	920.3	851.1	938.8	740.5	957.5	957.5	122.5%
Transfers received	—	8 222.5	9 044.8	9 583.9	9 949.3	12 878.7	15 030.9	15 030.9	134.4%
Total receipts	5 391.7	12 904.8	14 123.1	14 077.9	15 461.8	16 962.3	21 019.6	21 341.9	116.6%
Payment									
Current payments	12 920.9	14 840.3	14 181.1	12 808.5	14 251.6	13 076.1	15 179.3	15 155.6	98.8%
Compensation of employees	269.0	268.4	296.0	312.3	403.4	353.7	546.8	523.1	96.2%
Goods and services	9 180.9	9 935.3	10 512.6	8 407.6	10 701.0	8 851.9	11 170.6	11 170.6	92.3%
Interest and rent on land	3 471.0	4 636.6	3 372.5	4 088.6	3 147.2	3 870.5	3 461.9	3 461.9	119.4%
Total payments	12 920.9	14 840.3	14 181.1	12 808.5	14 251.6	13 076.1	15 179.3	15 155.6	98.8%

Table 40.35 South African National Roads Agency statements of historical financial performance, cash flow and financial position

Cash flow statement									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Net cash flow from investing activities	(9 978.6)	(7 398.7)	(7 874.3)	(8 703.9)	(9 621.7)	(5 564.7)	(10 603.5)	(10 603.5)	84.7%
Acquisition of property, plant, equipment and intangible assets	(10 618.0)	(7 652.2)	(8 034.8)	(8 919.8)	(9 817.0)	(5 489.3)	(10 798.7)	(10 798.7)	83.7%
Acquisition of software and other intangible assets	(32.9)	(5.8)	(39.5)	(5.6)	(4.7)	(9.8)	(4.8)	(4.8)	31.7%
Proceeds from the sale of property, plant, equipment and intangible assets	—	43.2	—	33.1	—	27.9	—	—	—
Other flows from investing activities	672.3	216.0	200.0	188.3	200.0	(93.5)	200.0	200.0	40.1%
Net cash flow from financing activities	2 551.0	6 414.1	17 400.1	8 511.0	16 361.4	2 772.1	14 256.5	6 013.1	46.9%
Deferred income	7 458.9	5 693.1	6 900.0	6 360.9	8 674.9	5 745.5	6 146.3	6 146.3	82.1%
Borrowing activities	241.5	721.1	4 971.7	2 150.1	788.0	(2 973.4)	866.8	(133.2)	-3.4%
Other flows from financing activities	(5 149.4)	—	5 528.4	—	6 898.5	—	7 243.4	—	—
Net increase/(decrease) in cash and cash equivalents	(14 956.8)	(2 920.1)	9 467.9	1 076.6	7 949.9	1 093.5	9 493.3	1 595.9	
Statement of financial position									
Carrying value of assets	322 546.5	345 545.1	354 266.0	374 937.2	402 919.4	402 457.9	433 083.5	433 083.5	102.9%
Acquisition of assets	(10 618.0)	(7 652.2)	(8 034.8)	(8 919.8)	(9 817.0)	(5 489.3)	(10 798.7)	(10 798.7)	83.7%
Investments	294.3	646.9	695.1	445.4	456.9	538.9	502.6	502.6	109.5%
Receivables and prepayments	3 956.9	5 331.4	5 903.5	4 800.7	5 346.6	1 149.8	5 881.3	5 881.3	81.4%
Cash and cash equivalents	4 433.7	6 570.0	7 949.7	7 646.6	8 411.2	8 740.1	9 252.4	9 252.4	107.2%
Non-current assets held for sale	146.6	74.2	75.0	30.9	31.3	34.5	34.4	34.4	60.6%
Total assets	331 377.9	358 167.7	368 889.3	387 860.8	417 165.5	412 921.2	448 754.2	448 754.2	102.7%
Accumulated surplus/(deficit)	(3 939.0)	(14 290.0)	(6 910.9)	(14 697.2)	(14 500.0)	(16 125.7)	(14 600.0)	(14 600.0)	149.5%
Capital and reserves	239 681.1	263 393.5	269 951.0	286 209.8	309 169.8	309 936.9	334 176.1	334 176.1	103.5%
Capital reserve fund	37 219.3	—	—	—	—	—	—	—	—
Borrowings	39 749.3	48 754.7	51 192.4	50 109.2	52 614.6	47 451.7	55 465.9	55 465.9	101.4%
Finance lease	—	—	—	—	0.1	—	0.2	—	—
Accrued interest	—	864.1	—	1 087.2	—	995.4	—	1 015.4	—
Deferred income	7 949.1	46 647.5	48 404.7	51 152.9	53 710.5	56 485.1	56 396.0	56 396.0	126.6%
Trade and other payables	3 777.9	3 939.6	4 923.6	1 176.1	6 385.3	1 077.7	7 023.8	2 731.9	40.4%
Taxation	—	—	—	3 364.6	—	3 212.5	—	3 276.7	—
Provisions	50.6	385.8	403.8	374.6	405.8	373.1	443.9	446.7	121.2%
Managed funds (e.g. poverty alleviation fund)	800.0	365.7	—	281.6	—	263.1	—	—	113.8%
Derivatives financial instruments	6 089.5	8 106.8	924.7	8 802.0	9 379.3	9 251.4	9 848.3	9 845.5	137.2%
Total equity and liabilities	331 377.9	358 167.7	368 889.3	387 860.8	417 165.5	412 921.2	448 754.2	448 754.2	102.7%

Statements of estimates of financial performance, cash flow and financial position**Table 40.36 South African National Roads Agency statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23		
Revenue									
Non-tax revenue	6 085.1	-8.4%	37.8%	6 063.5	6 443.0	6 893.9	4.2%	31.4%	
Sale of goods and services other than capital assets	5 026.8	-2.8%	28.5%	5 005.2	5 384.7	5 835.6	5.1%	26.2%	
Sales by market establishment	4 645.1	-2.5%	26.8%	4 585.4	4 922.9	5 359.9	4.9%	24.0%	
Toll Income	4 644.1	-1.8%	26.1%	4 535.4	4 871.8	5 308.8	4.6%	23.8%	
Rental income on leased properties	1.0	-72.4%	0.2%	50.0	51.1	51.1	271.1%	0.2%	
Other sales	381.7	-6.3%	1.8%	419.8	461.8	475.7	7.6%	2.1%	
Other non-tax revenue	1 058.3	-24.3%	9.3%	1 058.3	1 058.3	1 058.3	—	5.2%	
Transfers received	13 011.3	12.9%	62.2%	13 633.4	14 178.7	14 856.9	4.5%	68.6%	
Total revenue	19 096.4	4.0%	100.0%	19 696.9	20 621.7	21 750.7	4.4%	100.0%	
Current expenses	24 121.4	3.2%	100.0%	22 900.6	24 087.2	19 539.7	-6.8%	100.0%	
Compensation of employees	523.1	24.9%	1.8%	627.2	733.8	803.2	15.4%	3.0%	
Goods and services	15 035.9	2.5%	58.3%	14 847.4	15 602.7	10 709.5	-10.7%	61.7%	
Depreciation	3 759.0	6.3%	17.4%	4 059.7	4 384.5	4 559.9	6.6%	18.7%	
Interest, dividends and rent on land	4 803.3	1.7%	22.6%	3 366.2	3 366.2	3 467.2	-10.3%	16.6%	
Total expenses	24 121.4	3.2%	100.0%	22 900.6	24 087.2	19 539.7	-6.8%	100.0%	
Surplus/(Deficit)	(5 025.0)			(3 203.6)	(3 465.5)	2 211.1			

Table 40.36 South African National Roads Agency statements of estimates of financial performance, cash flow and financial position

Cash flow statement		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	Revised estimate	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
R million	2019/20							
Cash flow from operating activities	6 186.2	-247.3%	80.4%	4 646.0	4 143.8	6 035.0	10.0%	83.0%
Receipts								
Non-tax receipts	6 311.0	10.5%	30.5%	5 870.6	6 220.4	6 674.8	1.9%	30.9%
Sales of goods and services other than capital assets	5 353.5	12.3%	25.0%	4 870.6	5 220.4	5 674.8	2.0%	26.1%
<i>Sales by market establishment</i>	<i>5 031.2</i>	<i>16.2%</i>	<i>22.1%</i>	<i>4 535.4</i>	<i>4 871.8</i>	<i>5 308.8</i>	<i>1.8%</i>	<i>24.4%</i>
<i>Other sales</i>	<i>322.3</i>	<i>-17.3%</i>	<i>2.8%</i>	<i>335.2</i>	<i>348.6</i>	<i>366.0</i>	<i>4.3%</i>	<i>1.7%</i>
Other tax receipts	957.5	2.0%	5.5%	1 000.0	1 000.0	1 000.0	1.5%	4.9%
Transfers received	15 030.9	22.3%	69.5%	14 016.3	13 613.1	13 370.8	-3.8%	69.1%
Total receipts	21 341.9	18.3%	100.0%	19 886.9	19 833.5	20 045.6	-2.1%	100.0%
Current payments	15 155.6	0.7%	70.0%	15 240.9	15 689.7	14 010.6	-2.6%	100.0%
Compensation of employees	523.1	24.9%	1.8%	627.2	733.8	803.2	15.4%	4.5%
Goods and services	11 170.6	4.0%	47.8%	11 247.5	11 589.7	9 841.3	-4.1%	72.9%
Interest and rent on land	3 461.9	-9.3%	20.3%	3 366.2	3 366.2	3 366.2	-0.9%	22.6%
Total payment	15 155.6	0.7%	100.0%	15 240.9	15 689.7	14 010.6	-2.6%	100.0%
Net cash flow from investing activities	(10 603.5)	12.7%	100.0%	(10 765.5)	(11 313.6)	(11 879.2)	3.9%	100.0%
Acquisition of property, plant, equipment and intangible assets	(10 798.7)	12.2%	101.6%	(10 960.6)	(11 508.7)	(12 084.1)	3.8%	101.8%
Acquisition of software and other intangible assets	(4.8)	-6.2%	0.1%	(4.9)	(4.9)	(5.1)	2.3%	0.0%
Other flows from investing activities	200.0	-2.5%	-1.3%	200.0	200.0	210.0	1.6%	-1.8%
Net cash flow from financing activities	6 013.1	-2.1%	100.0%	7 688.2	8 634.7	7 163.7	6.0%	100.0%
Deferred Income	6 146.3	2.6%	118.2%	7 734.7	7 985.9	7 908.2	8.8%	101.4%
Borrowing Activities	(133.2)	-157.0%	-18.2%	(46.6)	648.8	(744.6)	77.5%	-1.4%
Net increase/(decrease) in cash and cash equivalents	1 595.9	-181.8%	100.0%	1 568.6	1 464.9	1 319.4	-6.1%	100.0%
Statement of financial position								
Carrying value of assets	433 083.5	7.8%	96.8%	465 507.2	488 719.5	503 381.1	5.1%	96.4%
<i>Acquisition of assets</i>	<i>(10 798.7)</i>	<i>12.2%</i>	<i>-2.0%</i>	<i>(10 960.6)</i>	<i>(11 508.7)</i>	<i>(12 084.1)</i>	<i>3.8%</i>	<i>-2.3%</i>
Investments	502.6	-8.1%	0.1%	552.8	608.1	626.4	7.6%	0.1%
Receivables and prepayments	5 881.3	3.3%	1.1%	6 469.4	7 116.4	7 329.8	7.6%	1.4%
Cash and cash equivalents	9 252.4	12.1%	2.0%	10 177.6	11 195.4	11 531.2	7.6%	2.1%
Non-current assets held for sale	34.4	-22.6%	0.0%	37.9	41.7	42.9	7.6%	0.0%
Total assets	448 754.2	7.8%	100.0%	482 745.0	507 681.0	522 911.4	5.2%	100.0%
Accumulated surplus/(deficit)	(14 600.0)	0.7%	-3.7%	(14 700.0)	(14 700.0)	(15 141.0)	1.2%	-3.0%
Capital and reserves	334 176.1	8.3%	74.2%	361 194.6	378 643.4	390 002.7	5.3%	74.6%
Borrowings	55 465.9	4.4%	12.6%	58 481.8	61 672.8	63 523.0	4.6%	12.2%
Accrued interest	1 015.4	5.5%	0.2%	1 035.7	1 056.4	1 056.4	1.3%	0.2%
Deferred income	56 396.0	6.5%	13.1%	59 215.8	62 176.6	64 041.9	4.3%	12.3%
Trade and other payables	2 731.9	-11.5%	0.6%	3 348.4	4 033.6	4 288.5	16.2%	0.7%
Taxation	3 276.7	-	0.6%	3 342.3	3 409.1	3 409.1	1.3%	0.7%
Provisions	446.7	5.0%	0.1%	488.5	534.4	550.4	7.2%	0.1%
Derivatives financial instruments	9 845.5	6.7%	2.2%	10 337.8	10 854.8	11 180.4	4.3%	2.2%
Total equity and liabilities	448 754.2	7.8%	100.0%	482 745.0	507 681.0	522 911.4	5.2%	100.0%

Personnel information**Table 40.37 South African National Roads Agency personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number	
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/Total (%)
		2018/19			2019/20			2020/21			2021/22			2022/23			2019/20 - 2022/23	
South African National Roads Agency		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	453				446	353.7	0.8	442	523.1	1.2	490	627.2	1.3	490	733.8	1.5	15.4%	100.0%
1 – 6	9				9	1.6	0.2	9	2.3	0.3	10	3.2	0.3	10	4.1	0.4	21.4%	2.0%
7 – 10	220				147	57.6	0.4	187	98.0	0.5	229	165.0	0.7	229	208.7	0.9	28.7%	45.6%
11 – 12	86				161	105.2	0.7	106	120.9	1.1	106	133.6	1.3	106	157.2	1.5	13.1%	22.2%
13 – 16	132				117	154.8	1.3	134	279.5	2.1	139	300.5	2.2	139	349.5	2.5	11.1%	28.9%
17 – 22	6				12	34.5	2.9	6	22.5	3.7	6	24.8	4.1	6	32.1	5.3	12.6%	1.3%

1. Rand million.

Other entities

- The **Cross-Border Road Transport Agency** is a schedule 3A public entity established in terms of the Cross-Border Road Transport Act (1998). The agency's legislative mandate requires it to advise the Minister of Transport on cross-border road transport policy, regulate access to the market by the road transport freight and passenger industry in respect of cross-border road transport by issuing permits, undertake road transport law enforcement, and play a facilitative role in contributing to the economic prosperity of the region. The agency's total budget for 2020/21 is R275.7 million.
- The **driving licence card account** manufactures credit card-format driving licences based on orders received from driving licence testing centres, and generates its own revenue through the sale of licence cards. The entity's total budget for 2020/21 is R230.2 million.
- The **Ports Regulator of South Africa** performs functions that relate mainly to the regulation of pricing and other aspects of economic regulation, the promotion of equal access to ports facilities and services, the monitoring of the industry's compliance with the regulatory framework, and the hearing of any complaints and appeals lodged with it. The regulator's total budget for 2020/21 is R40.4 million.
- The **Railway Safety Regulator** oversees and promotes safe railway operations through appropriate support, monitoring and enforcement, guided by an enabling regulatory framework, including regulations for all rail operators in South Africa and those of neighbouring countries whose rail operations enter South Africa. The regulator's total budget for 2020/21 is R248.9 million.
- The **Road Traffic Infringement Agency** promotes road traffic quality by providing for a scheme to discourage road traffic infringements to support the prosecution of offences in terms of national and provincial laws relating to road traffic, and implements a points demerit system. The agency's total budget for 2020/21 is R286.4 million.
- The **Road Traffic Management Corporation** pools national and provincial government resources for the provision of road traffic management. This includes cooperative and coordinated road traffic strategic planning, regulation, facilitation and law enforcement. The corporation's total budget for 2020/21 is R1.5 billion.
- The **South African Civil Aviation Authority** promotes, regulates and enforces civil aviation safety and security standards across the aviation industry. The authority's total budget for 2020/21 is R842.3 million.
- The **South African Maritime Safety Authority** promotes South Africa's maritime interests, ensures the safety of life and property at sea, and prevents and combats the pollution of the marine environment by ships. Functions of the authority are also defined as per international maritime conventions to which South Africa is a signatory. The authority's total budget for 2020/21 is R531.2 million.

Vote 41

Water and Sanitation

Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	1 976.5	1 856.9	28.9	90.8	2 114.9	2 192.8
Water Planning and Information Management	1 026.4	961.5	2.3	62.6	1 088.1	1 129.9
Water Infrastructure Development	13 795.8	412.1	8 942.1	4 441.5	13 643.0	14 160.0
Water Sector Regulation	417.5	405.2	0.8	11.4	424.4	442.3
Total expenditure estimates	17 216.2	3 635.7	8 974.1	4 606.4	17 270.4	17 924.9
Executive authority	Minister of Human Settlements, Water and Sanitation					
Accounting officer	Director-General of Water and Sanitation					
Website	www.dwa.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available at www.treasury.gov.za. These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

Ensure the availability of water resources to facilitate equitable and sustainable socioeconomic development, and ensure universal access to water and sanitation services.

Mandate

The mandate of the Department of Water and Sanitation is set out in the National Water Act (1998) and the Water Services Act (1997). The department's legislative mandate is to ensure that the country's water resources are protected, managed, used, developed, conserved and controlled by regulating and supporting the delivery of effective water supply and sanitation. This is done in accordance with the requirements of water-related policies and legislation that are critical in delivering on people's right to have sufficient food and water, growing the economy, and eradicating poverty.

Selected performance indicators

Table 41.1 Vote performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of reports on progress analysed against the approved annual international relations implementation plan per year	Administration	Departmental mandate	4	4	1	1	1	1	1
Number of river systems with water resources classes and determined resource quality objectives per year	Water Planning and Information Management	Priority 4: Spatial integration, human settlements and local government	2	1	4	3	0	0	1

Table 41.1 Vote performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of mega regional bulk infrastructure project phases completed per year	Water Infrastructure Development	Priority 4: Spatial integration, human settlements and local government	0	0	1	2	0	1	1
Number of large regional bulk infrastructure project phases completed per year	Water Infrastructure Development		2	5	5	12	10	8	8
Number of small regional bulk infrastructure project phases completed per year	Water Infrastructure Development		31	6	9	13	4	5	3
Number of small projects completed through the water services infrastructure grant per year	Water Infrastructure Development		316	47	0	131	83	90	95
Number of existing bucket sanitation backlog systems in formal settlements replaced with adequate sanitation services per year	Water Infrastructure Development		6 978	8 313	7 031	12 221	10 798	— ¹	— ¹
Number of wastewater systems assessed for compliance with green drop regulatory standards per year	Water Sector Regulation		0	0	0	0	963	0	963
Number of water supply systems assessed for compliance with blue drop regulatory standards per year	Water Sector Regulation	Priority 1: Economic transformation and job creation	763	788	0	0	0	1 010	0
Percentage of water use authorisation applications finalised within 120 working days of application	Water Sector Regulation		68% (275/404)	96% (447/467)	81% (476/588)	80%	80%	80%	80%

1. Indicator discontinued.

Expenditure analysis

Chapter 4 of the National Development Plan envisages a South Africa that recognises the importance of secure and equitable access to water and sanitation as catalysts for socioeconomic development. This is given expression by priority 1 (economic transformation and job creation) and priority 4 (spatial integration, human settlements and local government) of government's 2019-24 medium-term strategic framework, with which the work of the Department of Water and Sanitation is aligned. Accordingly, the department will continue to focus on integrated water resources management, infrastructure planning and development; and regulating water services.

Expenditure is expected to increase at an average annual rate of 2.9 per cent, from R16.5 billion in 2019/20 to R17.9 billion in 2022/23. Transfers and subsidies, and payments for capital assets account for 78.2 per cent (R40.9 billion) of the department's total expenditure over the MTEF period. The bulk of the department's remaining expenditure over the same period is on compensation of employees, which amounts to R6.3 billion; and goods and services, which amounts to R5.2 billion.

Spending in the *Water Infrastructure Development* programme accounts for 79.7 per cent (R41.6 billion) of the department's total expenditure over the medium term. This is despite Cabinet having approved reductions amounting to R2.2 billion over the same period on the *regional bulk infrastructure grant* and the *water services*

infrastructure grant, which are funded through the programme. As a result of these reductions, direct transfers to municipalities are expected to increase at an average annual rate of 1.4 per cent, from R5.7 billion in 2019/20 to R6 billion in 2022/23.

Water resources management, infrastructure planning and development

The water and sanitation master plan details the requirements for appropriate investment into water resources and services, and sets targets for adequate water conservation and demand management. To support the implementation of the master plan, the *Water Infrastructure Development* programme is expected to receive allocations amounting to R41.6 billion over the MTEF period. These allocations will provide funding to the *regional bulk infrastructure grant*, the *water services infrastructure grant* and transfers to the Water Trading Entity for the development of key water infrastructure. Funding in the *regional bulk infrastructure grant* and the *water services infrastructure grant* for new and existing projects amount to R33.2 billion over the medium term. Funding from these grants will be used to implement 2 mega projects and 26 large regional bulk infrastructure projects. Over the medium term, 280 small regional bulk and water services infrastructure projects will be implemented.

To address water infrastructure backlogs and improve operational sustainability, over the medium term, the department will continue to plan and maintain infrastructure. Related activities will be carried out in the *Water Planning and Information Management* programme, spending in which is expected to increase at an average annual rate of 7.6 per cent, from R907.9 million in 2019/20 to R1.1 billion in 2022/23. To continue funding short-term and long-term interventions in new and existing projects, the Water Trading Entity will receive transfers amounting to R7.2 billion over the medium term. Projects include acid mine drainage operations in Gauteng, phase 2D of the Olifants River water resources development project, the Mokolo-Crocodile River water augmentation project, the raising of Tzaneen Dam, the Umdloti River development project, and the raising of the Hazelmere Dam.

Regulating water services

Over the period ahead, the department plans to reintroduce regulatory quality valuations on the provision of water services. These valuations are intended to measure the level of compliance with the green drop and blue drop standards. Accordingly, the department plans to assess 963 wastewater in 2020/21 and 1 010 water supply systems in 2021/22. To improve equitable access to water resources, the department plans to process 80 per cent of the water use licence applications it receives within 120 days. In addition, the department plans to assess and determine the resource quality of the uThukela River system. These activities will be carried out in the *Water Sector Regulation* programme, which is expected to receive allocations amounting to R1.3 billion over the medium term.

Expenditure trends and estimates

Table 41.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Water Planning and Information Management											
3. Water Infrastructure Development											
4. Water Sector Regulation											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Programme 1	1 557.9	1 998.7	1 634.0	1 836.2	5.6%	11.0%	1 976.5	2 114.9	2 192.8	6.1%	11.8%
Programme 2	815.4	653.3	689.7	907.9	3.6%	4.8%	1 026.4	1 088.1	1 129.9	7.6%	6.0%
Programme 3	12 953.9	12 146.2	14 013.1	13 287.0	0.8%	82.1%	13 795.8	13 643.0	14 160.0	2.1%	79.7%
Programme 4	308.2	308.1	282.6	436.3	12.3%	2.1%	417.5	424.4	442.3	0.5%	2.5%
Total	15 635.4	15 106.3	16 619.4	16 467.3	1.7%	100.0%	17 216.2	17 270.4	17 924.9	2.9%	100.0%
Change to 2019				26.9			(165.2)	(1 281.7)	(1 597.3)		
Budget estimate											

Table 41.2 Vote expenditure trends and estimates by programme 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Current payments	3 139.9	3 546.9	3 625.3	3 486.1	3.5%	21.6%	3 635.7	3 845.9	4 003.8	4.7%	29.5%
Compensation of employees	1 439.9	1 535.6	1 604.0	1 821.3	8.1%	10.0%	1 988.3	2 116.8	2 208.5	6.6%	11.8%
Goods and services ¹	1 699.9	1 999.7	2 021.2	1 664.8	-0.7%	11.6%	1 647.5	1 729.0	1 795.4	2.5%	9.9%
of which:											
Computer services	148.7	97.9	133.8	148.9	0.0%	0.8%	172.7	184.4	184.9	7.5%	1.0%
Consultants: Business and advisory services	154.8	182.2	57.8	227.6	13.7%	1.0%	156.3	135.8	141.6	-14.6%	1.0%
Infrastructure and planning services	145.4	304.7	109.9	232.0	16.9%	1.2%	215.3	234.9	243.7	1.6%	1.3%
Operating leases	304.9	311.0	414.5	418.2	11.1%	2.3%	452.7	486.0	503.6	6.4%	2.7%
Property payments	90.2	102.5	111.5	123.8	11.1%	0.7%	126.9	131.6	138.7	3.9%	0.8%
Travel and subsistence	235.4	202.9	121.8	168.3	-10.6%	1.1%	167.6	175.1	183.4	2.9%	1.0%
Interest and rent on land	0.1	11.5	0.0	—	-100%	0.0%	—	—	—	0.0%	0.0%
Transfers and subsidies¹	7 482.2	8 185.7	9 933.9	9 149.5	6.9%	54.4%	8 974.1	9 226.2	9 493.0	1.2%	53.5%
Provinces and municipalities	4 681.3	5 134.8	6 741.0	5 736.5	7.0%	34.9%	5 451.4	5 777.0	5 982.5	1.4%	33.3%
Departmental agencies and accounts	1 725.9	1 885.6	2 269.8	2 370.0	11.2%	12.9%	2 450.5	2 380.7	2 423.5	0.7%	14.0%
Foreign governments and international organisations	188.3	112.1	209.3	227.0	6.4%	1.2%	236.4	247.2	256.3	4.1%	1.4%
Public corporations and private enterprises	844.8	1 022.3	694.7	782.9	-2.5%	5.2%	809.3	793.8	802.5	0.8%	4.6%
Non-profit institutions	3.3	0.8	1.2	2.9	-4.6%	0.0%	1.6	1.4	1.5	-20.6%	0.0%
Households	38.6	30.1	17.9	30.2	-7.9%	0.2%	24.9	26.0	26.7	-4.1%	0.2%
Payments for capital assets	5 013.3	3 373.7	3 060.3	3 830.9	-8.6%	23.9%	4 606.4	4 198.3	4 428.1	4.9%	24.7%
Buildings and other fixed structures	4 927.4	3 301.1	2 977.4	3 698.6	-9.1%	23.4%	4 467.6	4 037.6	4 261.2	4.8%	23.9%
Machinery and equipment	62.0	45.1	51.6	98.9	16.8%	0.4%	99.3	112.3	119.3	6.4%	0.6%
Software and other intangible assets	24.0	27.4	31.3	33.4	11.8%	0.2%	39.4	48.4	47.6	12.5%	0.2%
Payments for financial assets	0.0	—	—	0.7	526.6%	0.0%	—	—	—	-100.0%	0.0%
Total	15 635.4	15 106.3	16 619.4	16 467.3	1.7%	100.0%	17 216.2	17 270.4	17 924.9	2.9%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 41.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R thousand	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	181 408	175 678	185 865	196 270	2.7%	2.1%	207 002	218 387	230 474	5.5%	2.3%
Energy and Water Sector Education and Training Authority	2 202	2 676	2 829	2 986	10.7%	—	3 087	3 257	3 437	4.8%	—
Water information management	12 206	2	2	—	-100.0%	—	—	—	—	—	—
Water Trading Entity	165 000	173 000	183 034	193 284	5.4%	2.1%	203 915	215 130	227 037	5.5%	2.3%
Water Research Commission	2 000	—	—	—	-100.0%	—	—	—	—	—	—
Capital	1 544 461	1 709 881	2 083 894	2 173 752	12.1%	21.6%	2 243 474	2 162 329	2 193 062	0.3%	23.8%
Water Trading Entity	1 544 461	1 709 881	2 083 894	2 173 752	12.1%	21.6%	2 243 474	2 162 329	2 193 062	0.3%	23.8%
Households											
Social benefits											
Current	10 450	8 759	9 858	10 724	0.9%	0.1%	4 401	4 298	4 188	-26.9%	0.1%
Employee social benefits	10 450	8 759	9 858	10 503	0.2%	0.1%	4 401	4 298	4 188	-26.4%	0.1%
Social Benefit	—	—	—	221	—	—	—	—	—	-100.0%	—

Table 41.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
R thousand											
Provinces and municipalities											
Municipal bank accounts											
Current	546	553	762	819	14.5%	—	664	697	721	-4.2%	—
Vehicle licences	546	553	762	819	14.5%	—	664	697	721	-4.2%	—
Capital	4 680 773	5 134 239	6 740 267	5 735 679	7.0%	64.1%	5 450 770	5 776 352	5 981 791	1.4%	62.3%
Regional bulk infrastructure grant	1 849 791	1 829 002	1 963 000	2 066 360	3.8%	22.2%	2 005 605	2 156 025	2 280 772	3.3%	23.1%
Water services infrastructure grant	2 830 982	3 305 237	4 777 267	3 669 319	9.0%	42.0%	3 445 165	3 620 327	3 701 019	0.3%	39.2%
Households											
Other transfers to households											
Current	28 159	21 304	8 021	19 462	-11.6%	0.2%	20 507	21 666	22 472	4.9%	0.2%
Employee social benefits	12 624	4 470	2 624	202	-74.8%	0.1%	183	225	234	5.0%	—
Bursaries for non-employees	15 535	16 834	5 397	19 260	7.4%	0.2%	20 324	21 441	22 238	4.9%	0.2%
Public corporations and private enterprises											
Other transfers to public corporations											
Capital	844 773	1 022 349	694 715	782 891	-2.5%	9.6%	809 312	793 824	802 489	0.8%	8.7%
Amatola water board: Regional bulk infrastructure	—	88 554	92 386	185 000	—	1.1%	—	—	—	-100.0%	0.5%
Magalies water board: Regional bulk infrastructure	142 769	52 231	36 000	—	-100.0%	0.7%	98 000	103 390	109 284	—	0.8%
Umgeni water board: Regional bulk infrastructure	423 004	518 405	132 329	320 000	-8.9%	4.0%	579 012	550 858	545 673	19.5%	5.4%
Sedibeng water board: Regional bulk infrastructure	279 000	363 159	434 000	277 891	-0.1%	3.9%	132 300	139 576	147 532	-19.0%	1.9%
Non-profit institutions											
Current	3 337	779	1 194	2 899	-4.6%	—	1 630	1 420	1 452	-20.6%	—
Employee social benefits	—	55	—	—	—	—	—	—	—	—	—
Strategic Water Partners Network	—	—	—	1 000	—	—	500	500	500	-20.6%	—
Women in Water Awards	700	—	—	—	-100.0%	—	—	—	—	—	—
South African Youth Water Prize	24	21	22	27	4.0%	—	17	19	19	-11.1%	—
Non profit institution	—	—	—	270	—	—	—	—	—	-100.0%	—
Various institutions: 2020 vision for water education programme	1 813	703	172	1 602	-4.0%	—	1 113	901	933	-16.5%	—
Water Institute of Southern Africa	800	—	1 000	—	-100.0%	—	—	—	—	—	—
Foreign governments and international organisations											
Current	188 250	112 132	209 269	227 020	6.4%	2.1%	236 379	247 222	256 310	4.1%	2.6%
Orange-Senqu River Commission	611	800	732	6 202	116.5%	—	2 955	1 072	1 101	-43.8%	—
African Ministers Council on Water	102	135	112	118	5.0%	—	124	131	135	4.6%	—
Limpopo Watercourse Commission	87	628	186	800	109.5%	—	207	218	226	-34.4%	—
Komati Basin Water Authority	187 450	110 569	208 239	219 900	5.5%	2.1%	233 093	245 801	254 848	5.0%	2.6%
Total	7 482 157	8 185 674	9 933 845	9 149 516	6.9%	100.0%	8 974 139	9 226 195	9 492 959	1.2%	100.0%

Personnel information

Table 41.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																						
1. Administration																						
2. Water Planning and Information Management																						
3. Water Infrastructure Development																						
4. Water Sector Regulation																						
Number of posts estimated for 31 March 2020			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 (%)						
			2018/19			2019/20			2020/21			2021/22					2022/23					
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost			
Water and Sanitation			3 800	161		3 195	1 604.0	0.5	3 324	1 821.2	0.5	3 400	1 988.3	0.6	3 393	2 116.8	0.6	3 332	2 208.5	0.7	0.1%	100.0%
Salary level	3 800	161	3 195	1 604.0	0.5	3 324	1 821.2	0.5	3 400	1 988.3	0.6	3 393	2 116.8	0.6	3 332	2 208.5	0.7	0.1%	100.0%			
1 – 6	1 453	62	1 124	281.0	0.3	1 159	264.5	0.2	1 174	288.4	0.2	1 169	308.2	0.3	1 153	324.0	0.3	-0.2%	34.6%			
7 – 10	1 490	44	1 359	672.5	0.5	1 437	681.2	0.5	1 487	755.5	0.5	1 488	808.6	0.5	1 467	851.7	0.6	0.7%	43.7%			
11 – 12	645	55	561	468.2	0.8	568	631.1	1.1	578	682.8	1.2	575	721.9	1.3	547	730.1	1.3	-1.2%	16.9%			
13 – 16	209	–	151	182.3	1.2	160	244.4	1.5	161	261.5	1.6	161	278.1	1.7	165	302.6	1.8	1.0%	4.8%			
Other	3	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–			
Programme	3 800	161	3 195	1 604.0	0.5	3 324	1 821.2	0.5	3 400	1 988.3	0.6	3 393	2 116.8	0.6	3 332	2 208.5	0.7	0.1%	100.0%			
Programme 1	1 875	91	1 536	736.0	0.5	1 573	803.1	0.5	1 621	890.0	0.5	1 620	947.8	0.6	1 589	983.1	0.6	0.3%	47.6%			
Programme 2	1 024	39	877	429.0	0.5	866	494.5	0.6	875	529.5	0.6	875	564.2	0.6	842	585.1	0.7	-0.9%	25.7%			
Programme 3	481	12	397	211.8	0.5	414	264.5	0.6	430	290.8	0.7	426	309.0	0.7	438	333.5	0.8	1.9%	12.7%			
Programme 4	420	19	385	227.2	0.6	471	259.1	0.6	474	277.9	0.6	472	295.8	0.6	463	306.8	0.7	-0.6%	14.0%			

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

2. Rand million.

Departmental receipts

Table 41.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2020/21	2021/22	2022/23		
R thousand												
Departmental receipts	20 964	12 876	66 410	15 285	11 503	-18.1%	100.0%	14 524	16 515	18 024	16.1%	100.0%
Sales of goods and services produced by department	3 164	1 871	2 339	2 070	991	-32.1%	7.5%	2 414	2 603	2 711	39.9%	14.4%
Sales by market establishments	877	699	851	784	396	-23.3%	2.5%	750	836	875	30.2%	4.7%
of which:												
Market establishment: Rental dwelling	567	509	641	572	289	-20.1%	1.8%	550	577	600	27.6%	3.3%
Market establishment: Non-residential building	123	6	17	2	2	-74.7%	0.1%	10	69	75	234.7%	0.3%
Market establishment: Rental parking	187	184	193	210	105	-17.5%	0.6%	190	190	200	24.0%	1.1%
Administrative fees	65	58	63	67	–	-100.0%	0.2%	65	95	74	–	0.4%
of which:												
Services rendered: Transport fees	50	48	52	62	–	-100.0%	0.1%	50	49	50	–	0.2%
Sales: Tender documents	–	–	–	–	–	–	–	–	25	–	–	–
Sales: Maps	10	7	7	3	–	-100.0%	–	10	15	18	–	0.1%
Replacement of security cards	4	3	4	2	–	-100.0%	–	5	5	5	–	–
Sales: Water potable	1	–	–	–	–	-100.0%	–	–	1	1	–	–
Other sales	2 222	1 114	1 425	1 219	595	-35.5%	4.8%	1 599	1 672	1 762	43.6%	9.3%
of which:												
Rental capital assets	70	75	112	192	72	0.9%	0.3%	78	75	86	6.1%	0.5%
Sales: Departmental publications and production	7	3	10	10	7	–	–	2	3	7	–	–
Services rendered:	748	759	782	937	399	-18.9%	2.4%	764	770	800	26.1%	4.5%
Commission on insurance and garnishee												
Sales: Meals and refreshments	989	175	443	10	3	-85.5%	1.4%	505	558	600	484.8%	2.8%
Services rendered: Boarding service	408	98	78	70	68	-45.0%	0.6%	200	216	219	47.7%	1.2%
Sales: Assets less than R5 000	–	4	–	–	44	–	–	50	50	50	4.4%	0.3%
Replacement of lost office property	–	–	–	–	2	–	–	–	–	–	-100.0%	–
Sales of scrap, waste, arms and other used current goods	–	6	15	60	11	–	–	10	12	13	5.7%	0.1%
of which:												
Sales: Scrap	–	6	15	60	11	–	–	10	12	13	5.7%	0.1%
Fines, penalties and forfeits	–	–	400	1 580	1 310	–	1.5%	–	–	–	-100.0%	2.2%
Interest, dividends and rent on land	1 384	2 992	2 921	3 199	1 785	8.9%	8.1%	2 900	2 900	3 000	18.9%	17.5%
Interest	1 384	2 992	2 921	3 199	1 785	8.9%	8.1%	2 900	2 900	3 000	18.9%	17.5%
Sales of capital assets	–	197	–	247	246	–	0.4%	200	200	200	-6.7%	1.4%
Transactions in financial assets and liabilities	16 416	7 810	60 735	8 129	7 160	-24.2%	82.4%	9 000	10 800	12 100	19.1%	64.5%
Total	20 964	12 876	66 410	15 285	11 503	-18.1%	100.0%	14 524	16 515	18 024	16.1%	100.0%

Programme 1: Administration

Programme purpose

Provide strategic leadership, management and support services to the department. Develop and promote international relations on water resources with neighbouring countries.

Objective

- Facilitate cooperation by implementing and evaluating the approved African and global international relations plan annually, in support of the national water and sanitation agenda.

Subprogramme

- Ministry* provides administrative and logistical support to the minister and deputy minister, and their support staff, and makes provision for their salaries.
- Departmental Management* provides policy and strategic direction for water and sanitation management. This

includes enterprise-wide support services comprising administrative support to the director-general, corporate planning, and monitoring and evaluation; and the provision of salaries and operational budgets for the department's regional office heads.

- *Internal Audit* provides independent, objective assurance and advisory services to improve the department's operations.
- *Corporate Services* provides enterprise-wide support comprising human resources, legal services, communications, the learning and development academy, and transformation policy and coordination.
- *Financial Management* ensures the efficient management of daily financial operations, processes and systems.
- *Office Accommodation* makes payments for rental charges on all leased office space occupied by the department; and for municipal services such as electricity, water, and sewage and waste removal.
- *Programme Management Unit* provides for improved coordination and governance in the management of departmental projects.
- *International Water Support* strategically coordinates, promotes and manages international relations on water and sanitation between countries through bilateral and multilateral cooperation instruments and organisations, in line with legislative provisions. This subprogramme also pursues national interests in African and global multilateral organisations and forums.

Expenditure trends and estimates

Table 41.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2019/20 - 2022/23
Ministry	52.3	56.1	57.1	56.4	2.6%	3.2%	55.0	58.3	60.5	2.4%	2.8%
Departmental Management	105.5	61.8	65.7	104.3	-0.4%	4.8%	108.4	115.3	119.8	4.7%	5.5%
Internal Audit	36.3	34.3	32.6	38.5	2.0%	2.0%	48.9	51.8	54.6	12.3%	2.4%
Corporate Services	718.6	1 197.3	671.4	764.2	2.1%	47.7%	849.6	913.4	945.9	7.4%	42.8%
Financial Management	232.0	204.7	254.1	267.1	4.8%	13.6%	282.6	300.6	311.9	5.3%	14.3%
Office Accommodation	346.9	367.5	475.0	481.4	11.5%	23.8%	519.0	555.8	576.0	6.2%	26.3%
Programme Management Unit	28.1	39.3	40.3	65.6	32.7%	2.5%	55.9	59.3	61.5	-2.1%	3.0%
International Water Support	38.2	37.7	37.7	58.7	15.4%	2.5%	57.3	60.4	62.7	2.2%	2.9%
Total	1 557.9	1 998.7	1 634.0	1 836.2	5.6%	100.0%	1 976.5	2 114.9	2 192.8	6.1%	100.0%
Change to 2019				3.8			(17.0)	(11.6)	(13.7)		
Budget estimate											
Economic classification											
Current payments	1 483.9	1 925.1	1 571.6	1 727.5	5.2%	95.5%	1 856.9	1 982.0	2 055.7	6.0%	93.9%
Compensation of employees	670.2	695.0	736.0	803.1	6.2%	41.3%	890.0	947.8	983.1	7.0%	44.6%
Goods and services ¹	813.7	1 230.2	835.6	924.3	4.3%	54.1%	966.9	1 034.2	1 072.7	5.1%	49.2%
of which:											
Audit costs: External	36.2	22.0	40.7	35.2	-0.9%	1.9%	41.4	43.8	45.5	8.9%	2.0%
Communication	24.1	23.8	21.9	18.9	-7.7%	1.3%	27.0	27.3	31.3	18.3%	1.3%
Computer services	58.4	47.1	71.6	85.1	13.4%	3.7%	94.1	101.2	98.6	5.0%	4.7%
Operating leases	302.1	310.8	414.5	417.8	11.4%	20.6%	451.9	485.0	502.5	6.4%	22.9%
Property payments	78.6	86.4	95.4	108.2	11.3%	5.2%	113.3	117.2	123.7	4.5%	5.7%
Travel and subsistence	72.3	67.1	54.6	73.8	0.7%	3.8%	77.8	82.9	85.9	5.2%	3.9%
Interest and rent on land	—	—	0.0	—	—	—	—	—	—	—	—
Transfers and subsidies¹	21.9	23.6	12.6	35.1	17.0%	1.3%	28.9	28.4	29.5	-5.6%	1.5%
Provinces and municipalities	0.0	0.0	0.0	0.1	52.7%	—	0.1	0.1	0.1	15.2%	—
Departmental agencies and accounts	2.2	2.7	2.8	3.0	10.7%	0.2%	3.1	3.3	3.4	4.8%	0.2%
Foreign governments and international organisations	0.8	1.6	1.0	7.1	107.2%	0.1%	3.3	1.4	1.5	-41.0%	0.2%
Non-profit institutions	0.7	—	—	1.0	12.6%	—	0.5	0.5	0.5	-20.6%	—
Households	18.2	19.4	8.7	23.9	9.6%	1.0%	21.9	23.1	24.0	0.1%	1.1%
Payments for capital assets	52.1	49.9	49.8	72.9	11.8%	3.2%	90.8	104.4	107.5	13.8%	4.6%
Buildings and other fixed structures	—	0.0	—	—	—	—	—	—	—	—	—
Machinery and equipment	29.1	22.5	18.5	39.7	10.9%	1.6%	52.0	56.8	60.6	15.2%	2.6%
Software and other intangible assets	23.0	27.4	31.3	33.2	13.0%	1.6%	38.8	47.7	46.9	12.2%	2.1%
Payments for financial assets	0.0	—	—	0.7	521.7%	—	—	—	—	-100.0%	—
Total	1 557.9	1 998.7	1 634.0	1 836.2	5.6%	100.0%	1 976.5	2 114.9	2 192.8	6.1%	100.0%
Proportion of total programme expenditure to vote expenditure	10.0%	13.2%	9.8%	11.2%	—	—	11.5%	12.2%	12.2%	—	—

Table 41.6 Administration expenditure trends and estimates by subprogramme and economic classification

Details of selected transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Households											
Other transfers to households											
Current	15.5	16.8	5.4	19.3	7.4%	0.8%	20.3	21.4	22.2	4.9%	1.0%
Bursaries for non-employees	15.5	16.8	5.4	19.3	7.4%	0.8%	20.3	21.4	22.2	4.9%	1.0%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	2.2	2.7	2.8	3.0	10.7%	0.2%	3.1	3.3	3.4	4.8%	0.2%
Energy and Water Sector	2.2	2.7	2.8	3.0	10.7%	0.2%	3.1	3.3	3.4	4.8%	0.2%
Education and Training Authority											
Non-profit institutions											
Current	–	–	–	1.0	–	–	0.5	0.5	0.5	-20.6%	–
Strategic Water Partners Network	–	–	–	1.0	–	–	0.5	0.5	0.5	-20.6%	–
Foreign governments and international organisations											
Current	0.7	1.4	0.9	7.0	115.7%	0.1%	3.2	1.3	1.3	-42.6%	0.2%
Orange-Senqu River Commission	0.6	0.8	0.7	6.2	116.5%	0.1%	3.0	1.1	1.1	-43.8%	0.1%
Limpopo Watercourse Commission	0.1	0.6	0.2	0.8	109.5%	–	0.2	0.2	0.2	-34.4%	–

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

Programme 2: Water Planning and Information Management

Programme purpose

Ensure that South Africa's water resources are protected, used, developed, conserved, managed and controlled in a sustainable manner for the benefit of all people and the environment by developing a knowledge base and implementing effective policies, procedures and integrated planning strategies for both water resources and water services.

Objectives

- Enhance the efficiency of water use and the management of water quality by assessing 18 large water systems for water losses by March 2023.
- Effectively manage water demand and supply by:
 - reviewing 6 water resource monitoring programmes by March 2023
 - maintaining 6 water information systems on an ongoing basis.
- Effectively manage water and sanitation services by implementing and monitoring progress on the priorities of the water and sanitation master plan on an ongoing basis.

Subprogrammes

- *Water Planning, Information Management and Support* provides strategic leadership and overall management to the programme.
- *Integrated Planning* develops comprehensive plans that guide infrastructure development, systems and services management in the water sector.
- *Water Ecosystems* develops and implements measures to protect water resources. This entails determining measures to manage water resources by classifying water resource systems, determining reserves, conducting resource quality assessments and determining resource-directed measures by developing pollution control guidelines, and rehabilitation measures and protocols.
- *Water Information Management* ensures the development and maintenance of data and information management systems to enable informed decisions on water management.
- *Water Services and Local Water Management* formulates and develops strategies, guidelines and plans for water services and the management of water at the local level.

- *Sanitation Planning and Management* provides a national strategy for the planning of sanitation services and supports municipalities in planning for the provision of sustainable sanitation services.
- *Policy and Strategy* develops, monitors and reviews the implementation of water and sanitation sector policies and strategies.

Expenditure trends and estimates

Table 41.7 Water Planning and Information Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Water Planning, Information Management and Support Integrated Planning	5.0	5.7	6.1	7.1	12.0%	0.8%	7.4	7.9	8.2	5.0%	0.7%
Water Ecosystems	93.0	88.6	68.8	84.2	-3.3%	10.9%	101.9	110.2	114.6	10.9%	9.9%
Water Information Management	50.4	43.2	47.9	40.0	-7.4%	5.9%	60.2	52.9	54.8	11.0%	5.0%
Water Services and Local Water Management	517.7	421.6	434.5	519.4	0.1%	61.7%	575.4	614.0	637.6	7.1%	56.5%
Sanitation Planning and Management	112.6	63.1	108.7	224.0	25.8%	16.6%	239.1	257.9	267.7	6.1%	23.8%
Policy and Strategy	11.6	15.8	11.4	15.1	9.2%	1.8%	20.5	22.0	22.8	14.7%	1.9%
Total	25.1	15.3	12.3	18.2	-10.1%	2.3%	21.9	23.2	24.1	9.8%	2.1%
Change to 2019 Budget estimate	815.4	653.3	689.7	907.9	3.6%	100.0%	1 026.4	1 088.1	1 129.9	7.6%	100.0%
				(62.5)			(8.3)	(8.7)	(9.3)		
Economic classification											
Current payments	758.1	611.3	644.5	836.9	3.4%	93.0%	961.5	1 014.4	1 052.1	7.9%	93.1%
Compensation of employees	390.3	407.8	429.0	494.5	8.2%	56.1%	529.5	564.2	585.1	5.8%	52.3%
Goods and services ¹ of which:	367.7	203.5	215.5	342.3	-2.4%	36.8%	432.0	450.2	467.0	10.9%	40.7%
Communication	6.6	4.6	4.8	5.6	-5.0%	0.7%	9.9	10.7	10.8	24.4%	0.9%
Computer services	78.4	50.7	48.9	49.6	-14.1%	7.4%	67.0	71.0	73.6	14.1%	6.3%
Consultants: Business and advisory services	20.4	5.1	7.1	8.1	-26.4%	1.3%	55.6	47.4	49.2	82.2%	3.9%
Infrastructure and planning services	100.1	59.9	91.9	181.5	21.9%	14.1%	196.6	215.2	223.2	7.1%	19.7%
Fleet services (including government motor transport)	2.3	12.0	14.5	12.0	73.7%	1.3%	10.6	11.2	11.5	-1.4%	1.1%
Travel and subsistence	72.1	46.5	32.4	43.0	-15.9%	6.3%	41.7	41.8	44.5	1.2%	4.1%
Interest and rent on land	—	—	0.0	—	—	—	—	—	—	—	—
Transfers and subsidies ¹	13.9	4.5	3.9	4.6	-30.8%	0.9%	2.3	2.1	2.2	-22.4%	0.3%
Provinces and municipalities	0.5	0.5	0.7	0.7	11.9%	0.1%	0.5	0.6	0.6	-7.1%	0.1%
Departmental agencies and accounts	12.2	0.0	0.0	—	-100.0%	0.4%	—	—	—	—	—
Non-profit institutions	0.0	0.0	0.0	0.0	4.0%	—	0.0	0.0	0.0	-11.1%	—
Households	1.2	3.9	3.1	3.9	49.3%	0.4%	1.8	1.5	1.6	-26.1%	0.2%
Payments for capital assets	43.4	37.5	41.3	66.4	15.3%	6.2%	62.6	71.7	75.6	4.4%	6.7%
Buildings and other fixed structures	26.0	23.7	18.4	26.1	0.1%	3.1%	32.0	33.0	34.8	10.1%	3.0%
Machinery and equipment	16.4	13.7	23.0	40.1	34.6%	3.0%	30.0	38.0	40.0	-0.1%	3.6%
Software and other intangible assets	0.9	0.0	—	0.2	-37.3%	—	0.6	0.7	0.7	46.0%	0.1%
Payments for financial assets	—	—	—	0.0	—	—	—	—	—	-100.0%	—
Total	815.4	653.3	689.7	907.9	3.6%	100.0%	1 026.4	1 088.1	1 129.9	7.6%	100.0%
Proportion of total programme expenditure to vote expenditure	5.2%	4.3%	4.2%	5.5%	—	—	6.0%	6.3%	6.3%	—	—

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

Programme 3: Water Infrastructure Development

Programme purpose

Develop, rehabilitate and refurbish raw water resources and water services infrastructure to meet the socioeconomic and environmental needs of South Africa.

Objectives

- Ensure the effective and sustainable management of water resources by distributing and monitoring funds transferred to the Water Trading Entity for the design, construction, commissioning and rehabilitation of bulk raw water infrastructure, including dam safety rehabilitation, on an ongoing basis.
- Ensure adequate water availability through the development and management of infrastructure for water resources, and enhance the provision of sustainable and reliable water supply and sanitation by:
 - implementing 26 large regional bulk infrastructure projects over the medium term
 - transferring funds and monitoring the performance of municipalities on the *regional bulk infrastructure grant* and *water services infrastructure grant* in terms of the annual Division of Revenue Act.

Subprogrammes

- *Strategic Infrastructure Development and Management* provides for the design, construction, commissioning and management of new and existing water resource infrastructure.
- *Operation of Water Resources* funds expenditure on water resource management activities conducted by the department or catchment management agencies within water management areas.
- *Regional Bulk Infrastructure Grant* provides for the development of new infrastructure, and the refurbishment, upgrading and replacement of ageing infrastructure that services extensive areas across municipal boundaries.
- *Water Services Infrastructure Grant* transfers funds to municipalities to provide for the construction of new and the rehabilitation of existing water and sanitation infrastructure. This subprogramme also implements water services infrastructure schemes on behalf of municipalities and transfers infrastructure to water service institutions once construction is completed. The grant allocation prioritises the poorest district municipalities.
- *Accelerated Community Infrastructure Programme* provides for rapid emergency interventions related to the refurbishment of wastewater treatment infrastructure, water conservation, water demand management and municipal water supply; and provides support to farmers with access to limited resources.

Expenditure trends and estimates

Table 41.8 Water Infrastructure Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2016/17 - 2019/20	Average: Expenditure/Total (%)	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/Total (%)
R million											
Strategic Infrastructure Development and Management	1 731.9	1 820.5	2 292.1	2 393.7	11.4%	15.7%	2 476.6	2 408.1	2 447.9	0.7%	17.7%
Operation of Water Resources	165.0	173.0	183.0	193.3	5.4%	1.4%	203.9	215.1	227.0	5.5%	1.5%
Regional Bulk Infrastructure Grant	6 258.2	5 575.7	5 083.3	6 033.1	-1.2%	43.8%	6 767.9	6 326.2	6 656.3	3.3%	47.0%
Water Services Infrastructure Grant	4 117.7	4 440.2	5 508.1	4 525.1	3.2%	35.5%	4 199.6	4 536.5	4 665.8	1.0%	32.7%
Accelerated Community Infrastructure Programme	681.1	136.9	946.5	141.9	-40.7%	3.6%	147.8	157.1	163.0	4.7%	1.1%
Total	12 953.9	12 146.2	14 013.1	13 287.0	0.8%	100.0%	13 795.8	13 643.0	14 160.0	2.1%	100.0%
Change to 2019 Budget estimate				111.9			(117.5)	(1 232.5)	(1 546.2)		
Economic classification											
Current payments	602.8	707.1	1 133.0	498.3	-6.1%	5.6%	412.1	437.1	466.4	-2.2%	3.3%
Compensation of employees	213.5	199.4	211.8	264.5	7.4%	1.7%	290.8	309.0	333.5	8.0%	2.2%
Goods and services ¹	389.2	496.1	921.1	233.8	-15.6%	3.9%	121.3	128.1	133.0	-17.1%	1.1%
of which:											
Consultants: Business and advisory services	62.3	145.1	22.1	100.3	17.2%	0.6%	27.4	28.8	29.9	-33.2%	0.3%
Infrastructure and planning services	43.3	242.5	17.3	50.5	5.2%	0.7%	18.7	19.7	20.5	-26.0%	0.2%
Consumable supplies	0.9	1.0	0.8	4.2	65.5%	–	5.1	5.3	5.4	9.2%	–
Consumables: Stationery, printing and office supplies	4.2	1.8	0.9	3.9	-2.4%	–	5.2	5.4	5.7	13.7%	–
Property payments	6.4	11.8	13.3	11.4	21.2%	0.1%	9.0	9.5	9.9	-4.6%	0.1%
Travel and subsistence	47.1	59.1	18.5	25.7	-18.3%	0.3%	23.7	25.3	26.0	0.4%	0.2%
Interest and rent on land	0.1	11.5	0.0	–	-100.0%	–	–	–	–	–	–

Table 41.8 Water Infrastructure Development expenditure trends and estimates by subprogramme and economic classification

Economic classification					Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Adjusted appropriation							
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23		
Transfers and subsidies ¹	7 441.1	8 157.3	9 915.7	9 109.1	7.0%	66.1%	8 942.1	9 194.9	9 460.4	1.3%	66.9%
Provinces and municipalities	4 680.8	5 134.2	6 740.3	5 735.7	7.0%	42.5%	5 450.8	5 776.4	5 981.8	1.4%	41.8%
Departmental agencies and accounts	1 709.5	1 882.9	2 266.9	2 367.0	11.5%	15.7%	2 447.4	2 377.5	2 420.1	0.7%	17.5%
Foreign governments and international organisations	187.5	110.6	208.2	219.9	5.5%	1.4%	233.1	245.8	254.8	5.0%	1.7%
Public corporations and private enterprises	844.8	1 022.3	694.7	782.9	-2.5%	6.4%	809.3	793.8	802.5	0.8%	5.8%
Non-profit institutions	1.8	0.7	0.2	1.9	1.1%	–	1.1	0.9	0.9	-20.7%	–
Households	16.9	6.6	5.4	1.7	-53.4%	0.1%	0.5	0.5	0.2	-48.4%	–
Payments for capital assets	4 910.0	3 281.9	2 964.4	3 679.6	-9.2%	28.3%	4 441.5	4 011.0	4 233.1	4.8%	29.8%
Buildings and other fixed structures	4 901.4	3 277.4	2 959.0	3 672.5	-9.2%	28.3%	4 435.6	4 004.6	4 226.4	4.8%	29.8%
Machinery and equipment	8.7	4.5	5.4	7.0	-6.7%	–	5.9	6.3	6.7	-1.5%	–
Software and other intangible assets	–	–	–	0.0	–	–	–	–	–	-100.0%	–
Payments for financial assets	–	–	–	0.0	–	–	–	–	–	-100.0%	–
Total	12 953.9	12 146.2	14 013.1	13 287.0	0.8%	100.0%	13 795.8	13 643.0	14 160.0	2.1%	100.0%
Proportion of total programme expenditure to vote expenditure	82.8%	80.4%	84.3%	80.7%	–	–	80.1%	79.0%	79.0%	–	–
Details of selected transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	165.0	173.0	183.0	193.3	5.4%	1.4%	203.9	215.1	227.0	5.5%	1.5%
Water Trading Entity	165.0	173.0	183.0	193.3	5.4%	1.4%	203.9	215.1	227.0	5.5%	1.5%
Capital	1 544.5	1 709.9	2 083.9	2 173.8	12.1%	14.3%	2 243.5	2 162.3	2 193.1	0.3%	16.0%
Water Trading Entity	1 544.5	1 709.9	2 083.9	2 173.8	12.1%	14.3%	2 243.5	2 162.3	2 193.1	0.3%	16.0%
Non-profit institutions											
Current	1.8	0.7	0.2	1.6	-4.0%	–	1.1	0.9	0.9	-16.5%	–
Various institutions: 2020 vision for water education programme	1.8	0.7	0.2	1.6	-4.0%	–	1.1	0.9	0.9	-16.5%	–
Foreign governments and international organisations											
Current	187.5	110.6	208.2	219.9	5.5%	1.4%	233.1	245.8	254.8	5.0%	1.7%
Komati Basin Water Authority	187.5	110.6	208.2	219.9	5.5%	1.4%	233.1	245.8	254.8	5.0%	1.7%
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Capital	4 680.8	5 134.2	6 740.3	5 735.7	7.0%	42.5%	5 450.8	5 776.4	5 981.8	1.4%	41.8%
Regional bulk infrastructure grant	1 849.8	1 829.0	1 963.0	2 066.4	3.8%	14.7%	2 005.6	2 156.0	2 280.8	3.3%	15.5%
Water services infrastructure grant	2 831.0	3 305.2	4 777.3	3 669.3	9.0%	27.8%	3 445.2	3 620.3	3 701.0	0.3%	26.3%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Capital	844.8	1 022.3	694.7	782.9	-2.5%	6.4%	809.3	793.8	802.5	0.8%	5.8%
Amatola water board: Regional bulk infrastructure	–	88.6	92.4	185.0	–	0.7%	–	–	–	-100.0%	0.3%
Magalies water board: Regional bulk infrastructure	142.8	52.2	36.0	–	-100.0%	0.4%	98.0	103.4	109.3	–	0.6%
Umgeni water board: Regional bulk infrastructure	423.0	518.4	132.3	320.0	-8.9%	2.7%	579.0	550.9	545.7	19.5%	3.6%
Sedibeng water board: Regional bulk infrastructure	279.0	363.2	434.0	277.9	-0.1%	2.6%	132.3	139.6	147.5	-19.0%	1.3%

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

Programme 4: Water Sector Regulation

Programme purpose

Ensure the development, implementation, monitoring and review of regulations across the water supply value chain.

Objectives

- Create an enabling environment for the economic and social regulation of water by establishing an independent economic regulator, implementing pricing regulations for water services, and finalising the gazetted and monitoring of the raw water pricing strategy by March 2023.
- Improve the efficiency and effectiveness of water resource management by establishing 7 catchment management agencies by March 2023.

- Ensure the equitable allocation of water resources for social and economic development by processing 80 per cent of water use authorisation applications within 120 working days of receipt by March 2023.
- Strengthen oversight by implementing monitoring programmes for drinking water, wastewater and mine water quality; and implementing mitigation measures in catchments with the potential for acid mine drainage over the medium term.
- Ensure the protection of water resources by coordinating and monitoring compliance with standards, licence conditions and regulations across all sectors on an ongoing basis.
- Ensure the effective enforcement of compliance with water legislation by monitoring water use, conducting investigations and providing legal support in cases of unlawful water use on an ongoing basis.

Subprogrammes

- *Water Sector Regulation Management and Support* provides strategic leadership and overall management to the programme.
- *Economic and Social Regulation* ensures that pricing is efficient, equitable and cost reflective to protect the interests of consumers and the sector through the provision of sustainable water resources and water services.
- *Water Use Authorisation and Administration* enables efficient and equitable access to water using various regulatory instruments.
- *Water Supply Services and Sanitation Regulation* regulates the provision of drinking water and the management of wastewater.
- *Compliance Monitoring and Enforcement* coordinates and monitors compliance with standards in the value chain of the water sector, licence conditions and regulations; and ensures enforcement against noncompliance. This includes the management of mine water.
- *Institutional Oversight* provides institutional governance and oversight of all water institutions, and facilitates their establishment and development.

Expenditure trends and estimates

Table 41.9 Water Sector Regulation 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 (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Water Sector Regulation Management and Support	37.3	28.3	28.2	39.6	2.0%	10.0%	40.4	42.1	43.9	3.5%	9.7%
Economic and Social Regulation	28.4	16.0	17.4	30.5	2.4%	6.9%	32.5	30.9	32.2	1.8%	7.3%
Water Use Authorisation and Administration	58.5	75.7	58.9	75.2	8.7%	20.1%	75.3	78.8	82.3	3.1%	18.1%
Water Supply Services and Sanitation Regulation	20.3	12.1	10.9	62.5	45.4%	7.9%	21.7	22.8	23.8	-27.5%	7.6%
Compliance Monitoring and Enforcement	86.9	99.2	103.9	128.8	14.0%	31.4%	140.4	145.7	151.6	5.6%	32.9%
Institutional Oversight	76.9	76.7	63.5	99.7	9.1%	23.7%	107.1	104.1	108.6	2.9%	24.4%
Total	308.2	308.1	282.6	436.3	12.3%	100.0%	417.5	424.4	442.3	0.5%	100.0%
Change to 2019 Budget estimate				(26.3)			(22.4)	(28.9)	(28.1)		
Economic classification											
Current payments	295.2	303.4	276.2	423.5	12.8%	97.2%	405.2	412.4	429.5	0.5%	97.1%
Compensation of employees	165.9	233.5	227.2	259.2	16.0%	66.3%	277.9	295.8	306.8	5.8%	66.2%
Goods and services ¹	129.3	70.0	49.0	164.3	8.3%	30.9%	127.3	116.6	122.7	-9.3%	30.9%
of which:											
Computer services	0.2	–	13.2	14.2	296.1%	2.1%	11.6	12.2	12.7	-3.6%	3.0%
Consultants: Business and advisory services	37.3	20.2	5.5	92.1	35.2%	11.6%	51.6	36.9	39.0	-24.9%	12.8%
Laboratory services	1.6	0.8	1.4	4.7	42.2%	0.6%	3.6	5.5	5.8	6.8%	1.1%
Consumables: Stationery, printing and office supplies	3.9	1.9	0.6	3.8	-1.1%	0.8%	4.7	5.2	5.4	12.4%	1.1%
Travel and subsistence	43.9	30.3	16.2	25.8	-16.2%	8.7%	24.4	25.1	26.9	1.4%	5.9%
Training and development	5.9	0.7	0.2	2.3	-27.1%	0.7%	3.4	4.3	4.4	24.8%	0.8%

Table 41.9 Water Sector Regulation expenditure trends and estimates by subprogramme and economic classification

Economic classification					Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Adjusted appropriation							
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20	2022/23	
Transfers and subsidies ¹	5.2	0.2	1.7	0.7	-49.1%	0.6%	0.8	0.8	0.9	8.8%	0.2%
Departmental agencies and accounts	2.0	—	—	—	-100.0%	0.1%	—	—	—	—	—
Non-profit institutions	0.8	0.1	1.0	—	-100.0%	0.1%	—	—	—	—	—
Households	2.4	0.2	0.7	0.7	-34.0%	0.3%	0.8	0.8	0.9	8.8%	0.2%
Payments for capital assets	7.8	4.4	4.8	12.1	15.6%	2.2%	11.4	11.2	11.9	-0.5%	2.7%
Machinery and equipment	7.8	4.4	4.8	12.1	15.6%	2.2%	11.4	11.2	11.9	-0.5%	2.7%
Total	308.2	308.1	282.6	436.3	12.3%	100.0%	417.5	424.4	442.3	0.5%	100.0%
Proportion of total programme expenditure to vote expenditure	2.0%	2.0%	1.7%	2.6%	—	—	2.4%	2.5%	2.5%	—	—

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

Entities

Consolidated water boards

Selected performance indicators

Table 41.10 Consolidated water boards performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Volume ¹ of bulk water sales by Amatola water board per year	Water board activities	Priority 4: Spatial integration, human settlements and local government	33 208	32 208	31 432	32 131	32 701	34 205	39 521
Volume ¹ of bulk water sales by Bloem water board per year	Water board activities		74 922	77 937	81 118	93 246	94 179	95 121	96 072
Volume ¹ of bulk water sales by Lepelle Northern water board per year	Water board activities		89 388	93 813	89 440	93 994	93 994	93 994	93 994
Volume ¹ of bulk water sales by Magalies water board per year	Water board activities		83 221	90 595	92 321	93 503	93 791	94 259	94 731
Volume ¹ of bulk water sales by Mhlathuze water board per year	Water board activities		42 067	43 352	45 106	45 781	45 781	85 136	69 309
Volume ¹ of bulk water sales by Overberg water board per year	Water board activities		4 126	3 445	3 265	3 625	3 622	3 626	3 589
Volume ¹ of bulk water sales by Rand Water per year	Water board activities		1 611 234	1 534 860	1 714 308	1 684 326	1 712 503	1 741 173	770 345
Volume ¹ of bulk water sales by Sedibeng water board per year	Water board activities		115 433	118 299	122 551	126 419	125 782	127 040	128 310
Volume ¹ of bulk water sales by Umgeni Water per year	Water board activities		409 887	434 568	471 801	509 862	526 026	534 689	542 709

1. Measured in megalitres.

Entity overview

Water boards derive their mandates from the Water Services Act (1997) and are listed under schedule 3B in the Public Finance Management Act (1999). There are 9 water boards, which are primarily mandated to provide bulk industrial and potable water services to municipalities and industries within their gazetted areas of operation. The water boards vary in size, activities, customer mix, revenue base and capacity. Rand Water and Umgeni Water, which are discussed separately, operate largely in urban areas while others operate in rural areas. In addition to responding to their core mandate, some water boards provide retail water and sanitation services on behalf of municipalities as secondary activities.

Consolidated expenditure is expected to increase at an average annual rate of 9.9 per cent, from R21.7 billion in 2019/20 to R28.8 billion in 2022/23. This is mainly due to increases in the purchase of raw water, and costs related to energy, pumping and chemicals. Accordingly, spending on bulk water activities is expected to increase at an average annual rate of 11.3 per cent, from R15.7 billion in 2019/20 to R21.7 billion in 2022/23. The water boards' capital expenditure is expected to increase at an average annual rate of 12.5 per cent, from R7.2 billion in 2019/20 to R10.2 billion in 2022/23. Revenue, which is expected to amount to R98.1 billion over the MTEF period, is generated from the sale of bulk water and other sources such as interest, dividends and rent on land.

Programmes/Objectives/Activities

Table 41.11 Consolidated Water Boards 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	3 860.1	5 016.3	5 616.8	5 922.6	15.3%	27.4%	6 140.2	6 630.9	7 104.0	6.3%	25.8%
Bulk activities	12 127.7	12 131.9	13 718.3	15 745.7	9.1%	72.6%	17 603.3	19 544.0	21 683.0	11.3%	74.2%
Total	15 987.9	17 148.3	19 335.2	21 668.3	10.7%	100.0%	23 743.5	26 174.9	28 787.0	9.9%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 41.12 Consolidated Water Boards statements of historical financial performance, cash flow and financial position

Statement of financial performance										Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20	
Revenue										
Non-tax revenue	18 089.1	19 357.3	21 371.3	21 523.4	24 107.5	24 785.5	26 856.4	27 132.1	102.6%	
Sale of goods and services other than capital assets	17 651.7	18 527.7	20 871.5	20 643.1	23 622.0	23 691.0	26 200.7	26 410.4	101.0%	
of which:										
Administrative fees	44.3	148.5	107.7	76.3	153.6	36.4	118.5	66.2	77.2%	
Sales of bulk water	17 566.5	18 379.1	20 726.5	20 566.8	23 468.5	23 654.6	26 082.2	26 344.2	101.3%	
Other sales	40.9	—	37.3	—	—	—	—	—	—	
Other non-tax revenue	437.4	829.6	499.7	880.3	485.4	1 094.4	655.7	721.7	169.7%	
Transfers received	—	—	—	302.3	92.4	514.6	185.0	185.0	361.2%	
Total revenue	18 089.1	19 357.3	21 371.3	21 825.7	24 199.9	25 300.1	27 041.4	27 317.1	103.4%	
Expenses										
Current expenses	1 985.1	15 882.3	2 228.2	17 083.4	19 305.9	19 277.9	21 254.8	21 543.7	164.8%	
Compensation of employees	496.3	3 545.3	550.4	4 216.6	4 069.5	4 528.3	4 330.9	4 375.5	176.4%	
Goods and services	1 237.8	11 053.1	1 335.8	11 427.4	13 702.2	13 160.0	15 120.0	15 662.2	163.4%	
Depreciation	228.9	1 063.0	275.8	1 203.5	1 345.9	1 301.9	1 519.5	1 410.8	147.7%	
Interest, dividends and rent on land	22.0	220.8	66.3	235.8	188.3	287.7	284.4	95.2	149.6%	
Transfers and subsidies	106.8	105.6	117.7	64.9	104.9	57.3	124.6	124.6	77.6%	
Total expenses	2 091.9	15 987.9	2 345.9	17 148.3	19 410.8	19 335.2	21 379.4	21 668.3	163.9%	
Surplus/(Deficit)	15 997.2	3 369.4	19 025.3	4 677.5	4 789.0	5 964.9	5 662.0	5 648.8		
Cash flow statement										
Cash flow from operating activities	3 595.1	3 269.3	5 450.4	4 988.8	6 082.5	6 390.1	7 069.1	6 303.4	94.4%	
Receipts										
Non-tax receipts	18 805.1	18 265.0	20 620.5	20 627.7	23 085.4	23 873.6	26 047.1	25 910.9	100.1%	
Sales of goods and services other than capital assets	18 346.6	17 790.9	20 123.9	20 061.2	22 512.3	23 011.4	25 324.8	25 326.8	99.9%	
Administrative fees	44.3	8.1	46.0	52.4	33.0	36.4	34.3	35.1	83.7%	
Sales of bulk water	18 068.5	17 331.0	19 676.4	19 634.1	22 190.5	22 646.4	24 962.1	24 975.0	99.6%	
Other sales	233.8	451.7	401.6	374.6	288.7	328.6	328.3	316.7	117.5%	
Other tax receipts	458.4	474.1	496.6	566.6	573.1	862.3	722.3	584.1	110.5%	
Transfers received	459.9	51.9	521.7	183.9	434.0	622.4	212.5	462.9	81.1%	
Total receipts	19 265.0	18 316.9	21 142.2	20 811.7	23 519.4	24 496.1	26 259.6	26 373.8	99.8%	
Payment										
Current payments	15 669.9	15 047.6	15 691.8	15 822.9	17 436.9	18 106.0	19 190.5	20 070.3	101.6%	
Compensation of employees	3 490.8	3 297.7	3 681.6	3 621.1	4 004.3	4 376.8	4 251.3	4 360.6	101.5%	
Goods and services	11 630.4	11 307.6	11 472.8	11 891.2	13 223.3	13 194.4	14 140.9	15 158.7	102.1%	
Interest and rent on land	548.7	442.3	537.4	310.7	209.3	534.8	798.2	551.0	87.8%	
Total payments	15 669.9	15 047.6	15 691.8	15 822.9	17 436.9	18 106.0	19 190.5	20 070.3	101.6%	

Table 41.12 Consolidated Water Boards statements of historical financial performance, cash flow and financial position

Statement of financial performance								Average: Outcome/Budget (%)	
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	2016/17 - 2019/20
R million	2016/17		2017/18		2018/19		2019/20		
Net cash flow from advancing activities (Financial Institutions only)	22.6	–	56.7	–	–	–	–	–	–
Other	22.6	–	56.7	–	–	–	–	–	–
Net cash flow from investing activities	(5 033.7)	(4 672.1)	(6 815.9)	(3 983.7)	(8 102.6)	(4 314.7)	(11 560.4)	(7 121.1)	63.8%
Acquisition of property, plant, equipment and intangible assets	(6 105.5)	(4 735.8)	(6 470.6)	(3 305.3)	(7 942.9)	(3 397.5)	(10 527.4)	(7 157.8)	59.9%
Acquisition of software and other intangible assets	(3.9)	(54.8)	(2.4)	(22.2)	(7.5)	(51.9)	(3.9)	(3.3)	743.6%
Proceeds from the sale of property, plant, equipment and intangible assets	(1)	5	–	3	–	6	–	–	-1 196.5%
Other flows from investing activities	1 077.0	113.1	(343.0)	(659.5)	(152.2)	(871.3)	(1 029.1)	39.9	308.1%
Net cash flow from financing activities	995.5	412.9	1 521.7	195.3	1 239.4	(746.6)	4 032.2	201.5	0.8%
Deferred income	561.0	568.4	758.6	454.7	351.4	151.6	585.6	320.0	66.2%
Borrowing activities	445.1	(151.4)	743.5	(173.3)	1 007.4	(843.3)	3 658.4	(20.1)	-20.3%
Repayment of finance leases	–	(4)	–	(8)	–	(7)	–	–	–
Other flows from financing activities	(10.5)	–	19.7	(78.4)	(119.4)	(48.2)	(211.8)	(98.4)	69.9%
Net increase/(decrease) in cash and cash equivalents	(420.4)	(989.9)	212.8	1 200.4	(780.7)	1 328.7	(459.1)	(616.2)	
Statement of financial position									
Carrying value of assets	37 954.5	38 225.3	42 567.1	40 909.0	47 630.8	43 110.3	56 749.8	52 445.7	94.5%
Acquisition of assets	(6 105.5)	(4 735.8)	(6 470.6)	(3 305.3)	(7 942.9)	(3 397.5)	(10 527.4)	(7 157.8)	59.9%
Investments	1 729.9	2 718.1	2 518.5	3 557.6	2 840.3	4 264.1	3 972.6	2 927.3	121.7%
Inventory	216.8	525.0	234.3	632.8	586.0	660.7	614.5	681.7	151.4%
Loans	85.1	4.6	5.1	4.1	4.5	3.8	4.5	4.0	16.7%
Accrued investment interest	28.4	35.6	28.4	44.0	38.0	79.4	38.0	44.0	152.9%
Receivables and prepayments	4 673.7	7 367.8	5 123.0	8 214.7	7 581.8	8 888.7	7 381.4	7 782.1	130.3%
Cash and cash equivalents	2 466.7	1 876.7	2 833.3	2 954.1	3 021.6	5 459.4	3 903.7	4 492.3	120.9%
Non-current assets held for sale	–	1	–	2	–	329	–	–	–
Defined benefit plan assets	45.4	58.9	61.9	16.7	45.6	2.2	45.6	31.2	55.0%
Taxation	–	40.1	–	188.7	–	194.5	–	–	–
Total assets	47 200.4	50 852.6	53 371.5	56 524.0	61 748.7	62 991.8	72 710.0	68 408.3	101.6%
Accumulated surplus/(deficit)	25 397.7	29 016.9	29 848.8	34 670.7	37 420.7	40 445.0	42 780.0	44 281.7	109.6%
Capital and reserves	4 039.8	3 456.8	4 535.9	3 420.7	4 124.5	3 430.9	4 124.6	3 693.6	83.2%
Capital reserve fund	70.2	116.6	70.2	492.4	919.4	165.1	1 183.9	1 191.7	87.6%
Borrowings	7 771.8	6 793.3	7 565.8	6 610.2	7 623.6	6 454.8	11 699.1	7 004.0	77.5%
Finance lease	1.3	20.6	–	12.9	–	8.3	–	–	3 347.4%
Accrued interest	58.2	57.5	56.8	56.0	76.0	53.7	77.0	55.3	83.0%
Deferred income	2 126	2 606	2 563	1 769	1 435	2 068	1 422	1 129	100.3%
Trade and other payables	6 683.9	7 698.7	7 377.3	8 215.3	7 299.4	8 721.3	7 705.2	7 333.9	110.0%
Benefits payable	1.5	–	1.6	–	–	–	–	–	–
Taxation	7.1	–	6.5	102.3	8.4	79.8	9.2	12.4	624.1%
Provisions	967.4	973.5	1 139.4	938.3	2 648.5	956.9	3 511.2	3 434.7	76.3%
Managed funds (e.g. poverty alleviation fund)	5	–	–	–	–	–	–	–	–
Derivatives financial instruments	71	112	106	236	193	608	198	272	216.3%
Total equity and liabilities	47 200.4	50 852.6	53 271.5	56 524.0	61 748.7	62 991.8	72 710.0	68 408.3	101.6%

Statements of estimates of financial performance, cash flow and financial position

Table 41.13 Consolidated Water Boards statements of estimates of financial performance, cash flow and financial position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate							
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Revenue								
Non-tax revenue	27 132.1	11.9%	99.0%	29 479.9	32 573.0	36 042.6	9.9%	99.8%
Sale of goods and services other than capital assets	26 410.4	12.5%	95.2%	28 852.8	31 939.4	35 400.5	10.3%	97.7%
Administrative fees	66.2	-23.6%	0.4%	70.7	75.5	80.6	6.8%	0.2%
Sales of bulk water	26 344.2	12.8%	94.8%	28 782.1	31 863.9	35 319.9	10.3%	97.5%
Other non-tax revenue	721.7	-4.5%	3.8%	627.0	633.6	642.2	-3.8%	2.1%
Transfers received	185.0	-	1.0%	-	-	-	-100.0%	0.2%
Total revenue	27 317.1	12.2%	100.0%	29 479.9	32 573.0	36 042.6	9.7%	100.0%
Current expenses	21 543.7	10.7%	99.5%	23 607.8	26 027.1	28 626.0	9.9%	99.4%
Compensation of employees	4 375.5	7.3%	22.6%	4 653.5	5 019.4	5 412.7	7.3%	19.4%
Goods and services	15 662.2	12.3%	69.0%	17 249.1	19 095.9	21 127.3	10.5%	72.8%
Depreciation	1 410.8	9.9%	6.7%	1 559.0	1 756.1	1 931.2	11.0%	6.6%
Interest, dividends and rent on land	95.2	-24.5%	1.2%	146.2	155.7	154.9	17.6%	0.5%
Transfers and subsidies	124.6	5.7%	0.5%	135.7	147.8	161.0	8.9%	0.6%
Total expenses	21 668.3	10.7%	100.0%	23 743.5	26 174.9	28 787.0	9.9%	100.0%
Surplus/(Deficit)	5 648.8			5 736.4	6 398.1	7 255.6		
Cash flow statement								
Cash flow from operating activities	6 303.4	24.5%	290.4%	6 794.9	7 430.5	9 460.7	63.0%	295.4%
Receipts								
Non-tax receipts	25 910.9	12.4%	98.6%	28 575.6	31 562.9	34 900.5	10.4%	99.6%
Sales of goods and services other than capital assets	25 326.8	12.5%	95.9%	28 126.2	31 064.9	34 449.2	10.8%	97.9%
Administrative fees	35.1	63.0%	0.1%	37.4	45.4	39.5	4.0%	0.1%
Sales of bulk water	24 975.0	13.0%	94.0%	27 568.7	30 404.7	33 758.5	10.6%	96.1%
Other sales	316.7	-11.2%	1.7%	520.0	614.8	651.1	27.2%	1.7%
Other tax receipts	584.1	7.2%	2.8%	449.4	498.0	451.4	-8.2%	1.7%
Transfers received	462.9	107.3%	1.4%	-	-	-	-100.0%	0.4%
Total receipts	26 373.8	12.9%	100.0%	28 575.6	31 562.9	34 900.5	9.8%	100.0%
Current payments	20 070.3	10.1%	93.2%	21 780.6	24 132.5	25 439.8	8.2%	100.0%
Compensation of employees	4 360.6	9.8%	21.1%	4 542.3	4 933.4	5 327.1	6.9%	21.0%
Goods and services	15 158.7	10.3%	69.6%	16 549.7	18 432.9	19 178.8	8.2%	75.8%
Interest and rent on land	551.0	7.6%	2.5%	688.6	766.1	933.9	19.2%	3.2%
Total payment	20 070.3	10.1%	100.0%	21 780.6	24 132.5	25 439.8	8.2%	100.0%
Net cash flow from investing activities	(7 121.1)	15.1%	100.0%	(8 890.5)	(10 611.0)	(10 057.1)	12.2%	100.0%
Acquisition of property, plant, equipment and intangible assets	(7 157.8)	14.8%	90.9%	(9 728.1)	(10 865.5)	(10 195.5)	12.5%	103.4%
Acquisition of software and other intangible assets	(3.3)	-60.9%	0.7%	(3.3)	(1.7)	(2.7)	-6.4%	0.0%
Other flows from investing activities	40	-29.3%	8.4%	841	256	141	52.3%	-3.5%
Net cash flow from financing activities	201.5	-21.3%	100.0%	(64.3)	3 082.6	701.9	51.6%	100.0%
Deferred Income	320.0	-17.4%	127.3%	809.3	793.8	802.5	35.9%	-240.1%
Borrowing Activities	(20)	-49.0%	-5.6%	(910)	2 386	16	-193.5%	371.3%
Other flows from financing activities	(98.4)	-	-20.6%	36.0	(97.3)	(117.0)	5.9%	-31.2%
Net increase/(decrease) in cash and cash equivalents	(616.2)	-14.6%	100.0%	(2 159.9)	(98.0)	105.6	-155.5%	100.0%
Statement of financial position								
Carrying value of assets	52 445.7	11.1%	73.2%	61 375.2	69 886.5	78 572.1	14.4%	81.3%
Acquisition of assets	(7 157.8)	14.8%	-7.8%	(9 728.1)	(10 865.5)	(10 195.5)	12.5%	-11.8%
Investments	2 927.3	2.5%	5.7%	1 823.2	1 458.4	1 310.7	-23.5%	2.5%
Inventory	681.7	9.1%	1.0%	710.9	753.7	792.8	5.2%	0.9%
Loans	4.0	-4.4%	0.0%	4.0	4.0	3.9	-0.7%	0.0%
Accrued investment interest	44	7.3%	0.1%	44	44	44	-	0.1%
Receivables and prepayments	7 782.1	1.8%	13.6%	8 205.0	9 764.1	8 741.9	4.0%	10.8%
Cash and cash equivalents	4 492	33.8%	6.0%	2 760	3 011	3 521	-7.8%	4.4%
Defined benefit plan assets	31.2	-19.1%	0.0%	31.2	31.2	31.2	-	0.0%
Total assets	68 408.3	10.4%	100.0%	74 953.8	84 953.0	93 018.0	10.8%	100.0%
Accumulated surplus/(deficit)	44 281.7	15.1%	61.8%	50 104.5	56 433.5	63 814.7	13.0%	66.7%
Capital and reserves	3 693.6	2.2%	5.9%	3 693.7	3 413.5	3 422.6	-2.5%	4.5%
Capital reserve fund	1 191.7	117.0%	0.8%	1 170.2	1 149.0	1 128.0	-1.8%	1.5%
Borrowings	7 004.0	1.0%	11.4%	6 421.6	9 140.3	9 652.5	11.3%	10.0%
Finance lease	-	-100.0%	0.0%	-	6.4	4.1	-	0.0%
Accrued interest	55	-1.3%	0.1%	34	34	34	-15.3%	0.1%
Deferred income	1 129	-24.3%	3.3%	1 097	4 071	4 082	53.5%	3.1%
Trade and other payables	7 333.9	-1.6%	13.6%	7 944.2	9 153.6	9 224.9	7.9%	10.5%
Taxation	12.4	-	0.1%	14.4	13.6	16.9	10.7%	0.0%
Provisions	3 434.7	52.2%	2.5%	4 314.8	1 380.7	1 482.9	-24.4%	3.5%
Derivatives financial instruments	272	34.4%	0.5%	159	158	156	-16.9%	0.2%
Total equity and liabilities	68 408.3	10.4%	100.0%	74 953.8	84 953.1	93 018.0	10.8%	100.0%

Rand Water

Selected performance indicators

Table 41.14 Rand Water performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Avoidable water loss as a percentage of total water produced (non-revenue water) per year	Administration	Priority 4: Spatial integration, human settlements and local government	3.5% (4 562/ 129 645)	4% (5 613/ 139 171)	3% (3 884/ 129 480)	4%	4%	4%	4%
Cost per kilolitre per year	Bulk water activities		R7.56	R8.33	R9.35	R10.09	R10.75	R11.99	R13.07
Volume of water sold (average megalitre per day)	Bulk water activities		1 611 234	1 534 860	1 714 308	1 684 326	1 712 503	1 741 173	1 770 345

Entity overview

Rand Water was established in terms of the Water Services Act (1997) and is categorised as a national government business enterprise in terms of schedule 3B of the Public Finance Management Act (1999). The water board serves approximately 19 million people, with the Vaal River system supplying 98 per cent of its bulk water. Rand Water stores, treats and delivers potable water to municipalities, mines and industries in and around Gauteng.

Over the medium term, the water board will continue to focus on its primary bulk water activities at an estimated cost of R39.7 billion, accounting for 79.5 per cent of its total expenditure. Spending on bulk water activities is expected to increase at an average annual rate of 12.9 per cent, from R10.3 billion in 2019/20 to R14.8 billion in 2022/23. Accordingly, spending on goods and services is expected to increase at an average annual rate of 11.3 per cent, from R10.7 billion in 2019/20 to R14.7 billion in 2022/23; and spending on compensation of employees is expected to increase at an average annual rate of 7.9 per cent, from R2 billion in 2019/20 to R2.6 billion in 2022/23. This is in line with the water board's expected increase in personnel by 32 over the period ahead to assist with its planned expansion of service coverage.

Spending on capital assets is expected to increase at an annual average rate of 20.1 per cent, from R3.7 billion in 2019/20 to R6.3 billion in 2022/23, mainly driven by spending on Zuikerbosch pumping station 5. Over the same period, the water board will also implement the Sedibeng regional sewer scheme, which includes upgrading the Leeuwkuil and Meyerton wastewater treatment plants, at an estimated cost of R5.5 billion.

Bulk water sales constitute 98.3 per cent (R61.7 billion) of total revenue over the medium term, increasing at an average annual rate of 10.4 per cent, from R16.9 billion in 2019/20 to R22.7 billion in 2022/23. The increase in revenue is driven by the volume of water sold, which is expected to increase to 1 770 345 megalitres by 2022/23, with tariffs expected to increase to R13.07 per kilolitre by 2022/23.

Programmes/Objectives/Activities

Table 41.15 Rand Water expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/Total (%) 2016/17 - 2019/20	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	1 790.2	2 846.7	3 212.9	2 951.2	18.1%	23.3%	2 937.3	3 146.6	3 367.4	4.5%	19.9%
Bulk water	7 916.1	7 640.6	8 772.8	10 280.9	9.1%	75.3%	11 713.3	13 174.8	14 799.3	12.9%	79.5%
Secondary activities	150.6	186.0	235.4	57.7	-27.4%	1.4%	77.1	100.8	106.0	22.5%	0.5%
Total	9 857.0	10 673.3	12 221.1	13 289.8	10.5%	100.0%	14 727.7	16 422.1	18 272.7	11.2%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 41.16 Rand Water statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Revenue									
Non-tax revenue	10 909.3	12 231.8	13 613.7	13 692.8	15 288.0	15 765.3	17 086.9	17 198.1	103.5%
Sale of goods and services other than capital assets	10 712.0	11 856.8	13 366.1	13 328.8	15 103.0	15 269.2	16 845.9	16 910.2	102.4%
of which:									
Sales of bulk water	10 712.0	11 856.8	13 366.1	13 328.8	15 103.0	15 269.2	16 845.9	16 910.2	102.4%
Other non-tax revenue	197.3	374.9	247.6	364.0	185.0	496.2	241.0	287.9	174.9%
Total revenue	10 909.3	12 231.8	13 613.7	13 692.8	15 288.0	15 765.3	17 086.9	17 198.1	103.5%
Expenses									
Current expenses	8 982.1	9 857.0	10 573.3	10 673.3	11 857.4	12 221.1	13 120.2	13 289.8	103.4%
Compensation of employees	1 813.1	1 837.3	1 920.3	2 365.3	1 988.2	2 443.3	2 150.1	2 042.8	110.4%
Goods and services	6 703.9	7 400.2	8 146.2	7 648.1	9 211.5	9 088.7	10 290.0	10 670.9	101.3%
Depreciation	433.0	438.5	463.1	482.2	551.9	479.2	680.1	576.1	92.9%
Interest, dividends and rent on land	32.2	181.0	43.8	177.7	105.8	209.9	—	—	312.9%
Total expenses	8 982.1	9 857.0	10 573.3	10 673.3	11 857.4	12 221.1	13 120.2	13 289.8	103.4%
Surplus/(Deficit)	1 927.2	2 374.8	3 040.3	3 019.5	3 430.6	3 544.3	3 966.7	3 908.2	
Cash flow statement									
Cash flow from operating activities	1 842.6	1 541.9	3 321.5	2 451.5	3 958.4	3 567.0	4 540.9	4 128.4	85.5%
Receipts									
Non-tax receipts	11 867.7	12 231.8	13 368.5	13 692.8	15 288.0	15 946.3	17 086.9	17 198.1	102.5%
Sales of goods and services other than capital assets	11 794.8	12 037.6	13 278.5	13 475.5	15 182.2	15 618.7	16 929.3	16 999.8	101.7%
Sales of bulk water	11 794.8	11 856.8	13 120.9	13 328.8	15 103.0	15 473.5	16 845.9	16 910.2	101.2%
Other sales	—	180.8	157.7	146.7	79.2	145.2	83.5	89.6	175.5%
Other tax receipts	72.8	194.2	89.9	217.3	105.8	327.6	157.5	198.3	220.0%
Total receipts	11 867.7	12 231.8	13 368.5	13 692.8	15 288.0	15 946.3	17 086.9	17 198.1	102.5%
Payment									
Current payments	10 025.0	10 689.9	10 046.9	11 241.3	11 329.6	12 379.4	12 545.9	13 069.7	107.8%
Compensation of employees	1 903.1	1 837.3	1 920.3	1 964.7	1 988.2	2 547.7	2 150.1	2 042.8	105.4%
Goods and services	7 659.4	8 671.5	7 688.9	9 026.5	9 235.6	9 377.0	9 890.0	10 590.3	109.3%
Interest and rent on land	462.6	181.0	437.7	250.2	105.8	454.7	505.9	436.5	87.5%
Total payments	10 025.0	10 689.9	10 046.9	11 241.3	11 329.6	12 379.4	12 545.9	13 069.7	107.8%
Net cash flow from investing activities	(2 650.4)	(2 204.5)	(3 346.1)	(1 444.3)	(4 186.1)	(2 007.5)	(6 181.0)	(3 651.1)	56.9%
Acquisition of property, plant, equipment and intangible assets	(2 722.7)	(2 205.8)	(3 331.3)	(1 443.2)	(4 186.1)	(1 111.3)	(6 181.0)	(3 651.2)	51.2%
Acquisition of software and other intangible assets	—	(1.8)	—	(1.6)	—	(1.6)	—	—	—
Proceeds from the sale of property, plant, equipment and intangible assets	0.4	2.5	—	0.0	—	5.1	—	—	1 833.3%
Other flows from investing activities	71.9	0.6	(14.8)	0.5	0.0	(899.8)	0.0	0.0	-1 573.4%
Net cash flow from financing activities	382.7	—	5.4	(17.3)	584.5	(691.9)	2 354.3	(8.9)	-21.6%
Borrowing activities	403.8	—	5.4	(17.3)	592.3	(691.9)	2 354.3	—	-21.1%
Other flows from financing activities	(21.0)	—	—	—	(7.8)	—	—	(8.9)	30.8%
Net increase/(decrease) in cash and cash equivalents	(425.1)	(662.5)	(19.2)	989.9	356.8	867.6	714.3	468.4	
Statement of financial position									
Carrying value of assets	20 727.4	20 117.6	23 708.0	21 319.0	26 008.2	22 131.0	32 108.8	27 722.6	89.0%
Acquisition of assets	(2 722.7)	(2 205.8)	(3 331.3)	(1 443.2)	(4 186.1)	(1 111.3)	(6 181.0)	(3 651.2)	51.2%
Investments	389.8	466.0	354.9	463.9	402.3	1 163.9	449.0	457.4	159.9%
Inventory	137.3	409.7	144.1	485.4	453.8	493.7	478.3	538.6	158.8%
Loans	5.1	4.6	5.1	4.1	4.5	3.8	4.5	4.0	85.7%
Receivables and prepayments	1 825.0	2 244.5	2 036.8	2 482.0	2 754.1	2 222.7	2 864.0	3 275.3	107.9%
Cash and cash equivalents	1 045.0	780.2	1 473.5	1 770.1	1 842.9	3 535.8	2 510.3	3 232.8	135.6%
Non-current assets held for sale	—	0.5	—	2.4	—	328.7	—	—	—
Defined benefit plan assets	21.4	10.4	37.9	15.6	45.6	2.2	45.6	30.2	38.9%
Total assets	24 151.0	24 033.5	27 760.3	26 542.5	31 511.3	29 881.9	38 460.5	35 260.9	94.9%
Accumulated surplus/(deficit)	15 272.3	15 688.8	18 664.6	18 452.1	22 189.1	21 769.6	26 155.8	26 651.1	100.3%
Borrowings	4 815.6	4 414.7	4 431.5	4 393.4	4 997.9	4 389.4	7 347.6	4 384.3	81.4%
Deferred income	503.6	401.0	528.5	392.8	444.2	106.3	468.2	445.5	69.2%
Trade and other payables	3 458.2	3 459.8	4 012.8	3 230.1	3 763.1	3 232.2	4 365.6	3 677.2	87.2%
Provisions	30.7	—	46.8	—	35.1	—	35.1	14.5	9.8%
Derivatives financial instruments	70.6	69.2	76.0	74.1	81.9	384.4	88.2	88.2	194.4%
Total equity and liabilities	24 151.0	24 033.5	27 760.3	26 542.5	31 511.3	29 881.9	38 460.5	35 260.9	94.9%

Statements of estimates of financial performance, cash flow and financial position

Table 41.17 Rand Water statements of estimates of financial performance, cash flow and financial position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate							
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Revenue								
Non-tax revenue	17 198.1	12.0%	100.0%	18 756.7	20 891.4	23 164.4	10.4%	100.0%
Sale of goods and services other than capital assets	16 910.2	12.6%	97.4%	18 491.1	20 504.8	22 737.9	10.4%	98.3%
<i>Sales of bulk water</i>	<i>16 910.2</i>	<i>12.6%</i>	<i>97.4%</i>	<i>18 491.1</i>	<i>20 504.8</i>	<i>22 737.9</i>	<i>10.4%</i>	<i>98.3%</i>
Other non-tax revenue	287.9	-8.4%	2.6%	265.6	386.6	426.6	14.0%	1.7%
Total revenue	17 198.1	12.0%	100.0%	18 756.7	20 891.4	23 164.4	10.4%	100.0%
Current expenses	13 289.8	10.5%	100.0%	14 727.7	16 422.1	18 272.7	11.2%	100.0%
Compensation of employees	2 042.8	3.6%	19.0%	2 197.8	2 373.4	2 568.5	7.9%	14.7%
Goods and services	10 670.9	13.0%	75.3%	11 843.1	13 207.9	14 726.8	11.3%	80.4%
Depreciation	576.1	9.5%	4.3%	686.7	840.8	977.4	19.3%	4.9%
Total expenses	13 289.8	10.5%	100.0%	14 727.7	16 422.1	18 272.7	11.2%	100.0%
Surplus/(Deficit)	3 908.2			4 029.0	4 469.2	4 891.8		
Cash flow statement								
Cash flow from operating activities	4 128.4	38.9%	296.8%	4 442.6	4 730.3	6 326.5	78.1%	298.6%
Receipts								
Non-tax receipts	17 198.1	12.0%	100.0%	18 756.7	20 891.4	23 164.4	10.4%	100.0%
Sales of goods and services other than capital assets	16 999.8	12.2%	98.4%	18 668.3	20 772.8	23 020.2	10.6%	99.3%
<i>Sales of bulk water</i>	<i>16 910.2</i>	<i>12.6%</i>	<i>97.4%</i>	<i>18 491.1</i>	<i>20 504.8</i>	<i>22 737.9</i>	<i>10.4%</i>	<i>98.3%</i>
<i>Other sales</i>	<i>89.6</i>	<i>-20.9%</i>	<i>1.0%</i>	<i>177.2</i>	<i>268.0</i>	<i>282.4</i>	<i>46.6%</i>	<i>1.0%</i>
Other tax receipts	198.3	0.7%	1.6%	88.5	118.6	144.2	-10.1%	0.7%
Total receipts	17 198.1	12.0%	100.0%	18 756.7	20 891.4	23 164.4	10.4%	100.0%
Current payments	13 069.7	6.9%	103.4%	14 314.1	16 161.0	16 837.9	8.8%	100.0%
Compensation of employees	2 042.8	3.6%	18.3%	2 197.8	2 373.4	2 568.5	7.9%	15.2%
Goods and services	10 590.3	6.9%	82.2%	11 587.5	13 191.2	13 504.4	8.4%	81.0%
Interest and rent on land	436.5	34.1%	2.8%	528.8	596.4	765.0	20.6%	3.8%
Total payment	13 069.7	6.9%	100.0%	14 314.1	16 161.0	16 837.9	8.8%	100.0%
Net cash flow from investing activities	(3 651.1)	18.3%	100.0%	(6 101.1)	(6 995.6)	(6 329.6)	20.1%	100.0%
Acquisition of property, plant, equipment and intangible assets	(3 651.2)	18.3%	88.8%	(6 108.5)	(6 995.7)	(6 329.6)	20.1%	100.0%
Other flows from investing activities	0.0	-64.6%	11.2%	7.4	0.0	0.0	2.6%	-0.0%
Net cash flow from financing activities	(8.9)	-	-	(40.1)	2 761.5	389.9	-453.0%	100.0%
Borrowing Activities	-	-	-	48.2	2 761.5	389.9	-	20.0%
Other flows from financing activities	(8.9)	-	-	(88.2)	-	-	-100.0%	80.0%
Net increase/(decrease) in cash and cash equivalents	468.4	-189.1%	100.0%	(1 698.6)	496.2	386.9	-6.2%	100.0%
Statement of financial position								
Carrying value of assets	27 722.6	11.3%	79.2%	33 668.5	40 419.4	46 536.2	18.8%	83.8%
Acquisition of assets	(3 651.2)	18.3%	-7.2%	(6 108.5)	(6 995.7)	(6 329.6)	20.1%	-13.1%
Investments	457.4	-0.6%	2.2%	450.0	450.0	450.0	-0.5%	1.1%
Inventory	538.6	9.6%	1.7%	566.1	594.4	624.7	5.1%	1.3%
Loans	4.0	-4.4%	0.0%	4.0	4.0	3.9	-0.7%	0.0%
Receivables and prepayments	3 275.3	13.4%	8.9%	3 736.7	4 177.9	3 084.8	-2.0%	8.3%
Cash and cash equivalents	3 232.8	60.6%	7.7%	1 534.2	2 030.4	2 417.3	-9.2%	5.5%
Defined benefit plan assets	30.2	42.6%	0.0%	30.2	30.2	30.2	-	0.1%
Total assets	35 260.9	13.6%	100.0%	39 989.7	47 706.2	53 147.1	14.7%	100.0%
Accumulated surplus/(deficit)	26 651.1	19.3%	70.8%	30 680.2	35 149.4	40 041.2	14.5%	75.3%
Borrowings	4 384.3	-0.2%	15.5%	4 427.8	7 188.9	7 578.4	20.0%	13.2%
Deferred income	445.5	3.6%	1.2%	468.2	491.6	516.7	5.1%	1.1%
Trade and other payables	3 677.2	2.1%	12.0%	4 399.0	4 861.8	4 996.3	10.8%	10.3%
Provisions	14.5	-	0.0%	14.5	14.5	14.5	-	0.0%
Derivatives financial instruments	88.2	8.4%	0.5%	-	-	-	-100.0%	0.1%
Total equity and liabilities	35 260.9	13.6%	100.0%	39 989.7	47 706.2	53 147.1	14.7%	100.0%

Personnel information

Table 41.18 Rand Water personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number		
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Rand Water			3 482	2 443.3	0.7	3 486	2 042.8	0.6	3 502	2 197.8	0.6	3 512	2 373.4	0.7	3 518	2 568.5	0.7	7.9%	100.0%
Salary level	3 482	3 482	3 468	182.7	0.3	3 486	168.0	0.2	3 502	181.5	0.3	3 512	196.0	0.3	3 518	211.7	0.3	8.0%	19.7%
1 – 6	691	691	681	182.7	0.3	691	168.0	0.2	691	181.5	0.3	691	196.0	0.3	690	211.7	0.3	8.0%	19.7%
7 – 10	1 882	1 882	1 882	1 168.7	0.6	1 882	859.9	0.5	1 902	934.0	0.5	1 912	1 008.4	0.5	1 912	1 084.3	0.6	8.0%	54.3%
11 – 12	500	500	500	464.2	0.9	500	426.9	0.9	500	461.0	0.9	500	497.9	1.0	500	537.7	1.1	8.0%	14.3%
13 – 16	396	396	391	585.3	1.5	400	550.9	1.4	396	581.3	1.5	396	627.8	1.6	403	688.1	1.7	7.7%	11.4%
17 – 22	13	13	14	42.3	3.0	13	37.1	2.9	13	40.1	3.1	13	43.3	3.3	13	46.8	3.6	8.0%	0.4%

1. Rand million.

Trans-Caledon Tunnel Authority

Selected performance indicators

Table 41.19 Trans-Caledon Tunnel Authority performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage completion of 160km pipeline per year	Mokolo-Crocodile River water augmentation project	Priority 1: Economic transformation and job creation	— ¹	— ¹	— ¹	— ¹	— ¹	20%	40%
Average volume of acid mine water pumped from the western basin (megalitres per day)	Acid mine drainage		— ¹	— ¹	— ¹	30-33	30-33	24-27	24-27
Environmental critical level of acid mine water within mine voids in the central basin	Acid mine drainage		— ¹	— ¹	— ¹	≥8 metres	6-10 metres	6-10 metres	6-10 metres
Environmental critical level of acid mine water within mine voids in the eastern basin	Acid mine drainage		— ¹	— ¹	— ¹	10-15 metres	10-15 metres	10-15 metres	10-15 metres

1. No historical data available.

Entity overview

The Trans-Caledon Tunnel Authority was established in 1986 as a specialised liability management entity, deriving its mandate from the National Water Act (1998). It is responsible for financing and implementing the development of bulk raw water infrastructure, and providing treasury management services to the Department of Water and Sanitation. The authority plays an important role in providing: financial advisory services such as structuring and raising project finance, managing debt and setting tariffs; project implementation services; and other technical support to the department and water boards. As such, the authority will continue with the planning and implementation of the Vaal River system through phase 2 of the Lesotho Highlands water project, providing a short-term solution to acid mine drainage in Gauteng, and phase 2A of the Mokolo-Crocodile River water augmentation project.

The authority's main cost driver is the Mokolo-Crocodile river water augmentation project, spending on which is expected to increase at an average annual rate of 102.7 per cent, from R396.3 million in 2019/20 to R3.3 billion in 2022/23, due to the escalation of construction activities. The project comprises the construction of a 160km pipeline and pump station transferring water from the existing Mokolo Dam to supply water to the Lephalale municipality, Exxaro's Grootegeeluk coal mine, and Eskom's Matimba and Medupi power stations, all in Limpopo.

The authority's overall debt is expected to increase at an average annual rate of 11.4 per cent, from R28.1 billion in 2019/20 to R38.9 billion in 2023/23. Revenue is generated by tariffs received from completed projects, as well as the subsequent management of debt incurred for the implementation of these. The authority's total revenue is expected to be R13.6 billion over the MTEF period.

Programmes/Objectives/Activities

Table 41.20 Trans-Caledon Tunnel Authority expenditure trends and estimates by programme/objective/activity

					Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome				Revised estimate			Medium-term expenditure estimate				
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Administration	3 631.8	4 124.6	3 814.5	9 273.8	36.7%	75.0%	1 835.9	1 628.6	1 719.4	-43.0%	46.8%
Berg water project	90.8	63.5	57.0	61.7	-12.1%	1.1%	51.3	50.2	39.2	-14.0%	0.8%
Vaal River eastern subsystem augmentation project	383.5	385.4	377.0	364.8	-1.6%	6.2%	338.0	320.6	305.8	-5.7%	5.6%
Mooi-Mgeni transfer scheme	333.4	192.0	190.0	187.3	-17.5%	3.8%	203.0	190.0	199.5	2.1%	3.4%
Olifants River water resource development project	140.2	134.4	60.0	37.5	-35.6%	1.6%	155.7	2.7	2.5	-59.3%	1.2%
Komati water scheme augmentation project	129.9	134.0	128.0	131.8	0.5%	2.1%	122.7	119.8	114.3	-4.7%	2.1%
Mokolo Crocodile water augmentation project	252.1	230.0	157.0	396.3	16.3%	3.9%	459.1	2 782.4	3 302.7	102.7%	28.6%
Acid mine drainage	390.7	353.8	276.5	521.5	10.1%	5.9%	511.7	529.2	556.1	2.2%	9.0%
Kriel	3.3	8.2	1.0	25.0	97.3%	0.1%	0.0	0.0	—	-100.0%	0.1%
Berg River Voelvlei Augmentation Project	—	—	7.1	69.3	—	0.2%	49.1	218.3	272.7	57.9%	2.5%
Total	5 355.7	5 626.0	5 068.1	11 069.1	27.4%	100.0%	3 726.5	5 841.7	6 512.3	-16.2%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 41.21 Trans-Caledon Tunnel Authority statements of historical financial performance, cash flow and financial position

Statement of financial performance										Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
R million	2016/17	2017/18	2017/18	2018/19	2018/19	2019/20	2019/20	2019/20	2016/17 - 2019/20	
Revenue										
Non-tax revenue	7 241.4	7 659.9	16 922.2	4 951.0	6 778.6	5 266.1	8 789.5	8 789.5	67.1%	
Sale of goods and services other than capital assets	4 490.1	2 071.1	5 571.8	2 016.0	3 719.5	2 163.1	4 922.6	4 922.6	59.7%	
of which:										
Construction revenue	4 490.1	2 071.1	5 571.8	2 016.0	3 719.5	2 163.1	4 922.6	4 922.6	59.7%	
Other non-tax revenue	2 751.2	5 588.8	11 350.4	2 935.0	3 059.1	3 103.0	3 866.8	3 866.8	73.7%	
Total revenue	7 241.4	7 659.9	16 922.2	4 951.0	6 778.6	5 266.1	8 789.5	8 789.5	67.1%	
Expenses										
Current expenses	9 959.2	5 355.7	10 078.5	5 626.0	8 731.7	5 068.1	11 069.1	11 069.1	68.1%	
Compensation of employees	241.7	170.7	208.2	168.0	238.1	178.5	277.2	277.2	82.3%	
Goods and services	4 224.7	1 894.7	5 321.2	2 056.9	4 140.8	1 973.0	4 639.5	4 639.5	57.6%	
Depreciation	23.7	5.7	7.9	9.8	15.1	10.8	5.9	5.9	61.3%	
Interest, dividends and rent on land	5 469.1	3 284.6	4 541.2	3 391.3	4 337.8	2 905.8	6 146.5	6 146.5	76.7%	
Total expenses	9 959.2	5 355.7	10 078.5	5 626.0	8 731.7	5 068.1	11 069.1	11 069.1	68.1%	
Surplus/(Deficit)	(2 717.8)	2 304.1	6 843.7	(675.0)	(1 953.1)	198.0	(2 279.7)	(2 279.7)		
Cash flow statement										
Cash flow from operating activities	(660.2)	1 051.8	2 095.3	1 061.0	218.0	4 337.0	384.8	384.8	335.4%	
Receipts										
Non-tax receipts	6 186.3	5 625.8	8 392.7	6 218.0	6 916.8	9 877.0	7 632.4	7 632.4	100.8%	
Sales of goods and services other than capital assets	6 186.3	5 625.8	8 002.2	6 218.0	6 916.8	9 877.0	7 632.4	7 632.4	102.1%	
Construction revenue	6 186.3	5 625.8	8 002.2	6 218.0	6 916.8	9 877.0	7 632.4	7 632.4	102.1%	
Other tax receipts	—	—	390.6	—	—	—	—	—	—	
Total receipts	6 186.3	5 625.8	8 392.7	6 218.0	6 916.8	9 877.0	7 632.4	7 632.4	100.8%	
Payment										
Current payments	6 846.5	4 574.0	6 297.4	5 157.0	6 698.8	5 540.0	7 247.6	7 247.6	83.1%	
Compensation of employees	241.7	170.7	208.2	168.0	220.5	178.5	277.2	277.2	83.8%	
Goods and services	4 047.4	2 056.2	3 380.8	2 787.0	3 955.5	3 156.5	4 665.1	4 665.1	78.9%	
Interest and rent on land	2 557.5	2 347.1	2 708.4	2 202.0	2 522.8	2 205.0	2 305.3	2 305.3	89.7%	
Total payments	6 846.5	4 574.0	6 297.4	5 157.0	6 698.8	5 540.0	7 247.6	7 247.6	83.1%	
Net cash flow from investing activities	(2 887.8)	(1 087.5)	—	2 994.0	427.0	139.0	190.1	191.0	-98.5%	
Acquisition of property, plant, equipment and intangible assets	—	(5.2)	—	(1.0)	(0.5)	(1.0)	(3.8)	(2.9)	238.3%	
Acquisition of software and other intangible assets	—	(16.2)	—	(4.0)	(1.5)	—	(1.3)	(1.3)	760.6%	
Proceeds from the sale of property, plant, equipment and intangible assets	—	9.9	—	1.0	—	—	—	—	—	
Other flows from investing activities	(2 887.8)	(1 076.0)	—	2 998.0	429.0	140.0	195.2	195.2	-99.7%	
Net cash flow from financing activities	3 548.2	(523.1)	2 553.0	(2 765.0)	(4 226.8)	(5 276.0)	4 393.8	4 393.8	-66.5%	
Borrowing activities	3 548.2	(523.1)	2 553.0	(2 765.0)	(4 226.8)	(5 276.0)	4 393.8	4 393.8	-66.5%	
Net increase/(decrease) in cash and cash equivalents	0.3	(558.8)	4 648.3	1 290.0	(3 581.8)	(800.0)	4 968.7	4 969.6		

Table 41.21 Trans-Caledon Tunnel Authority statements of historical financial performance, cash flow and financial position

Statement of financial position									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Carrying value of assets	23.0	26.2	14.1	20.0	6.5	10.0	21.0	21.0	119.2%
Acquisition of assets	—	(5.2)	—	(1.0)	(0.5)	(1.0)	(3.8)	(2.9)	238.3%
Investments	9 346.2	3 052.1	—	371.0	1 055.2	482.0	—	—	37.5%
Receivables and prepayments	29 489.5	27 389.4	35 598.8	25 030.0	25 072.5	21 591.0	22 365.4	22 365.4	85.6%
Cash and cash equivalents	—	2 558.9	8 012.4	3 849.0	4 256.5	3 048.0	6 200.9	6 200.9	84.8%
Taxation	—	2.1	—	—	—	—	—	—	—
Total assets	38 858.7	33 028.7	43 625.4	29 270.0	30 390.7	25 131.0	28 587.3	28 587.3	82.0%
Accumulated surplus/(deficit)	(2 596.3)	2 667.4	7 944.0	640.0	1 526.1	836.0	(15.8)	(15.8)	60.2%
Capital and reserves	—	—	34.5	—	—	—	—	—	—
Capital reserve fund	—	—	—	—	1 219.1	—	—	—	—
Borrowings	40 849.5	28 741.0	33 184.7	27 149.0	26 706.6	22 554.0	28 077.3	28 077.3	82.7%
Trade and other payables	605.5	1 164.5	2 462.2	1 044.0	938.9	1 142.0	525.8	525.8	85.5%
Taxation	—	116.2	—	75.0	—	187.0	—	—	—
Provisions	—	339.6	—	362.0	—	412.0	—	—	—
Derivatives financial instruments	—	(0.0)	—	—	—	—	—	—	—
Total equity and liabilities	38 858.7	33 028.7	43 625.4	29 270.0	30 390.7	25 131.0	28 587.3	28 587.3	82.0%

Statements of estimates of financial performance, cash flow and financial position**Table 41.22 Trans-Caledon Tunnel Authority statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Revenue								
Non-tax revenue	8 789.5	4.7%	100.0%	3 621.0	4 768.1	5 219.7	-15.9%	100.0%
Sale of goods and services other than capital assets	4 922.6	33.5%	41.2%	1 363.0	3 610.4	4 021.4	-6.5%	61.6%
Construction revenue	4 922.6	33.5%	41.2%	1 363.0	3 610.4	4 021.4	-6.5%	61.6%
Other non-tax revenue	3 866.8	-11.6%	58.8%	2 258.0	1 157.7	1 198.3	-32.3%	38.4%
Total revenue	8 789.5	4.7%	100.0%	3 621.0	4 768.1	5 219.7	-15.9%	100.0%
Current expenses	11 069.1	27.4%	100.0%	3 726.5	5 841.7	6 512.3	-16.2%	100.0%
Compensation of employees	277.2	17.5%	3.0%	299.9	322.3	338.8	6.9%	5.3%
Goods and services	4 639.5	34.8%	38.2%	1 050.2	3 273.9	3 672.2	-7.5%	45.6%
Depreciation	5.9	1.5%	0.1%	13.0	14.1	10.4	20.6%	0.2%
Interest, dividends and rent on land	6 146.5	23.2%	58.6%	2 363.5	2 231.3	2 490.9	-26.0%	48.8%
Total expenses	11 069.1	27.4%	100.0%	3 726.5	5 841.7	6 512.3	-16.2%	100.0%
Surplus/(Deficit)	(2 279.7)			(105.5)	(1 073.6)	(1 292.6)		
Cash flow statement								
Cash flow from operating activities	384.8	-28.5%	300.0%	(327.6)	(1 664.5)	(12 429.1)	25.0%	300.0%
Receipts								
Non-tax receipts	7 632.4	10.7%	100.0%	9 112.1	9 806.3	9 703.9	8.3%	100.0%
Sales of goods and services other than capital assets	7 632.4	10.7%	100.0%	9 112.1	9 806.3	9 703.9	8.3%	100.0%
Construction revenue	7 632.4	10.7%	100.0%	9 112.1	9 806.3	9 703.9	8.3%	100.0%
Total receipts	7 632.4	10.7%	100.0%	9 112.1	9 806.3	9 703.9	8.3%	100.0%
Current payments	7 247.6	16.6%	88.0%	9 439.7	11 470.7	22 133.0	45.1%	100.0%
Compensation of employees	277.2	17.5%	3.0%	299.9	322.3	338.8	6.9%	2.8%
Goods and services	4 665.1	31.4%	48.1%	6 833.1	9 085.7	19 802.8	61.9%	76.4%
Interest and rent on land	2 305.3	-0.6%	36.8%	2 306.8	2 062.7	1 991.4	-4.8%	20.8%
Total payment	7 247.6	16.6%	100.0%	9 439.7	11 470.7	22 133.0	45.1%	100.0%
Net cash flow from investing activities	191.0	-156.0%	100.0%	442.3	289.0	155.4	-6.6%	100.0%
Acquisition of property, plant, equipment and intangible assets	(2.9)	-17.3%	-0.5%	(3.2)	(2.0)	(5.6)	24.3%	-1.6%
Acquisition of software and other intangible assets	(1.3)	-56.5%	0.2%	(13.5)	(3.0)	(3.0)	31.1%	-1.7%
Net cash flow from financing activities	4 393.8	-303.3%	100.0%	9 545.0	(7 311.0)	12 563.0	41.9%	100.0%
Borrowing Activities	4 393.8	-303.3%	100.0%	9 545.0	(7 311.0)	12 563.0	41.9%	100.0%
Net increase/(decrease) in cash and cash equivalents	4 969.6	-307.2%	100.0%	9 659.8	(8 686.5)	289.3	-61.2%	100.0%
Statement of financial position								
Carrying value of assets	21.0	-7.0%	0.1%	16.7	7.6	5.9	-34.6%	0.0%
Acquisition of assets	(2.9)	-17.3%	-0.0%	(3.2)	(2.0)	(5.6)	24.3%	-0.0%
Receivables and prepayments	22 365.4	-6.5%	83.1%	21 488.6	22 421.5	34 559.7	15.6%	78.4%
Cash and cash equivalents	6 200.9	34.3%	13.7%	12 875.6	4 131.7	4 420.9	-10.7%	21.5%
Total assets	28 587.3	-4.7%	100.0%	34 381.0	26 560.9	38 986.5	10.9%	100.0%
Accumulated surplus/(deficit)	(15.8)	-118.1%	3.4%	972.9	(86.6)	(1 339.8)	339.1%	-0.2%
Borrowings	28 077.3	-0.8%	91.9%	32 145.5	25 435.0	38 855.8	11.4%	96.8%
Trade and other payables	525.8	-23.3%	3.4%	887.5	837.4	1 095.4	27.7%	2.6%
Provisions	—	-100.0%	1.0%	375.1	375.1	375.1	—	0.9%
Total equity and liabilities	28 587.3	-4.7%	100.0%	34 381.0	26 560.9	38 986.5	10.9%	100.0%

Personnel information

Table 41.23 Trans-Caledon Tunnel Authority personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Trans-Caledon Tunnel Authority			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	200	200	146	178.5	1.2	200	277.2	1.4	200	299.9	1.5	200	322.3	1.6	200	338.8	1.7	6.9%	100.0%
1 – 6	5	5	1	0.1	0.1	5	1.8	0.4	5	1.9	0.4	5	2.1	0.4	5	2.2	0.4	6.9%	2.5%
7 – 10	70	70	47	25.5	0.5	70	46.6	0.7	70	49.9	0.7	70	54.2	0.8	70	57.0	0.8	6.9%	35.0%
11 – 12	26	26	20	20.3	1.0	26	27.7	1.1	26	29.6	1.1	26	32.2	1.2	26	33.8	1.3	6.9%	13.0%
13 – 16	88	88	68	95.9	1.4	88	159.4	1.8	88	173.8	2.0	88	185.3	2.1	88	194.8	2.2	6.9%	44.0%
17 – 22	11	11	10	36.7	3.7	11	41.7	3.8	11	44.7	4.1	11	48.5	4.4	11	51.0	4.6	6.9%	5.5%

1. Rand million.

Umgeni Water

Selected performance indicators

Table 41.24 Umgeni Water performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current		Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	
Cost per kilolitre per year	Bulk water activities	Priority 4: Spatial integration, human settlements and local government	R3.66	R3.53	R4.12	R5.32	R5.76	R6.31	R6.76	
Weighted average cost of capital per year	Bulk water activities		10.59%	10.63%	10.64%	10.71%	10.86%	10.92%	10.99%	
Volume of water sold (megalitres) per year	Bulk water activities		409 887	434 568	471 801	509 862	526 026	534 689	542 709	

Entity overview

Umgeni Water was established in terms of the Water Services Act (1997) to provide water and sanitation services in its service area, which comprises mostly rural areas in KwaZulu-Natal and the eThekweni metropolitan area. The water board supplies water to approximately 6 million consumers. Its ongoing objective is to support socioeconomic development through water infrastructure investment in its area of operation. Accordingly, over the medium term, the water board will construct: phase 1 of the Greater Mpofana regional water scheme, the Impendle bulk water supply scheme, and phase 3 of the Maphumulo bulk water supply scheme, targeting largely indigent municipal areas. In addition, to ensure water security, the water board will target augmentation, upgrades and the rehabilitation of projects such as the Lower Umkhomazi bulk water supply scheme and phase 1 of the Umkhomazi water project. As a result, capital expenditure is expected to increase at an average annual rate of 17.4 per cent, from R1.5 billion in 2019/20 to R2.4 billion in 2022/23.

Total expenditure is expected to increase at an average annual rate of 8.5 per cent, from R3.1 billion in 2019/20 to R4 billion in 2022/23. Spending on bulk water activities amounts to R5.8 billion over the medium term, largely driven by goods and services for the purification and transportation of bulk water. Revenue from the sale of bulk water is expected to increase at an average annual rate of 11.3 per cent, from R4.2 billion in 2019/20 to R5.8 billion in 2022/23. The water board's revenue is mainly generated by the sale of bulk water to customers.

Programmes/Objectives/Activities

Table 41.25 Umgeni Water 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 (%)
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	771.5	743.2	1 059.8	1 300.8	19.0%	41.1%	1 440.1	1 582.2	1 688.1	9.1%	42.6%
Bulk activities	937.0	1 051.4	1 198.2	1 635.0	20.4%	51.3%	1 772.3	1 903.4	2 074.5	8.3%	52.4%
Waste water	88.2	96.5	103.8	132.5	14.5%	4.5%	142.2	151.5	163.8	7.3%	4.2%
Other activities	153.7	43.7	26.7	30.1	-41.9%	3.1%	25.6	27.2	28.8	-1.5%	0.8%
Total	1 950.4	1 934.7	2 388.4	3 098.4	16.7%	100.0%	3 380.2	3 664.2	3 955.1	8.5%	100.0%

Statements of historical financial performance, cash flow and financial position**Table 41.26 Umgeni Water statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Revenue									
Non-tax revenue	2 686.7	2 696.5	3 090.0	3 100.7	3 527.4	3 800.8	4 154.7	4 334.2	103.5%
Sale of goods and services other than capital assets	2 599.9	2 509.5	3 001.8	2 903.7	3 397.6	3 538.5	3 952.6	4 190.9	101.5%
of which:									
Sales of bulk water	2 599.9	2 509.5	3 001.8	2 903.7	3 397.6	3 538.5	3 952.6	4 190.9	101.5%
Other non-tax revenue	86.7	187.0	88.1	196.9	129.9	262.4	202.1	143.4	155.8%
Total revenue	2 686.7	2 696.5	3 090.0	3 100.7	3 527.4	3 800.8	4 154.7	4 334.2	103.5%
Expenses									
Current expenses	1 985.1	1 844.8	2 228.2	1 869.8	2 491.6	2 331.1	2 855.3	2 973.8	94.3%
Compensation of employees	496.3	560.2	550.4	592.4	609.2	674.3	649.9	798.2	113.8%
Goods and services	1 237.8	1 112.7	1 335.8	982.5	1 547.7	1 307.0	1 696.6	1 773.6	89.0%
Depreciation	228.9	170.6	275.8	293.2	293.2	335.8	311.8	382.6	106.5%
Interest, dividends and rent on land	22.0	1.4	66.3	1.7	41.5	14.0	197.1	19.3	11.1%
Transfers and subsidies	106.8	105.6	117.7	64.9	104.9	57.3	124.6	124.6	77.6%
Total expenses	2 091.9	1 950.4	2 345.9	1 934.7	2 596.5	2 388.4	2 980.0	3 098.4	93.6%
Surplus/(Deficit)	594.8	746.1	744.0	1 166.0	930.9	1 412.4	1 174.8	1 235.9	
Cash flow statement									
Cash flow from operating activities	625.1	702.5	1 146.7	1 334.1	1 356.7	1 568.7	1 707.1	1 496.8	105.5%
Receipts									
Non-tax receipts	2 678.2	2 527.6	3 090.0	3 100.7	3 527.4	3 800.8	4 154.7	4 334.2	102.3%
Sales of goods and services other than capital assets	2 599.9	2 423.6	3 001.8	2 903.7	3 397.6	3 538.5	3 952.6	4 190.9	100.8%
Sales of bulk water	2 599.9	2 423.6	3 001.8	2 903.7	3 397.6	3 538.5	3 952.6	4 190.9	100.8%
Other tax receipts	78.3	104.0	88.1	196.9	129.9	262.4	202.1	143.4	141.8%
Transfers received	—	51.9	—	—	—	—	—	—	—
Total receipts	2 678.2	2 579.5	3 090.0	3 100.7	3 527.4	3 800.8	4 154.7	4 334.2	102.7%
Payment									
Current payments	2 053.1	1 877.0	1 943.3	1 766.5	2 170.7	2 232.2	2 447.6	2 837.5	101.1%
Compensation of employees	496.3	560.2	550.4	592.4	609.2	674.3	649.9	798.2	113.8%
Goods and services	1 534.7	1 103.2	1 326.7	1 172.4	1 520.1	1 543.9	1 600.6	2 020.0	97.6%
Interest and rent on land	22.0	213.7	66.3	1.7	41.5	14.0	197.1	19.3	76.1%
Total payments	2 053.1	1 877.0	1 943.3	1 766.5	2 170.7	2 232.2	2 447.6	2 837.5	101.1%
Net cash flow from investing activities	(749.9)	(1 013.9)	(1 632.4)	(1 630.5)	(1 734.5)	(1 530.8)	(3 865.3)	(1 365.9)	69.4%
Acquisition of property, plant, equipment and intangible assets	(1 977.9)	(1 126.0)	(1 503.4)	(972.3)	(1 652.3)	(1 161.7)	(2 847.9)	(1 510.7)	59.8%
Acquisition of software and other intangible assets	—	(46.2)	—	(17.3)	—	(42.2)	(0.2)	(0.2)	61 952.6%
Proceeds from the sale of property, plant, equipment and intangible assets	—	2.1	—	0.4	—	—	—	—	—
Other flows from investing activities	1 228.0	156.3	(129.0)	(641.3)	(82.2)	(326.9)	(1 017.2)	145.0	149 866.7%
Net cash flow from financing activities	344.4	292.4	888.8	297.6	(64.1)	22.8	1 564.7	187.1	29.3%
Deferred income	423.0	371.1	518.4	454.7	132.3	151.6	320.0	320.0	93.1%
Borrowing activities	(78.6)	(78.6)	370.4	(78.8)	(80.6)	(79.0)	1 469.3	(30.5)	-15.9%
Other flows from financing activities	—	—	—	(78.4)	(115.9)	(49.8)	(224.6)	(102.4)	67.7%
Net increase/(decrease) in cash and cash equivalents	219.7	(19.0)	403.1	1.2	(441.9)	60.7	(593.5)	317.9	
Statement of financial position									
Carrying value of assets	8 892.7	8 029.3	9 404.7	8 544.8	9 572.3	9 403.9	11 151.6	11 096.4	95.0%
Acquisition of assets	(1 977.9)	(1 126.0)	(1 503.4)	(972.3)	(1 652.3)	(1 161.7)	(2 847.9)	(1 510.7)	59.8%
Investments	729.3	1 807.7	1 362.7	2 486.5	1 939.0	2 865.4	3 007.9	1 966.7	129.7%
Inventory	17.5	15.7	20.5	19.0	17.9	19.0	19.1	25.9	106.0%
Accrued investment interest	28.4	35.6	28.4	44.0	38.0	79.4	38.0	44.0	152.9%
Receivables and prepayments	411.2	427.9	476.1	514.3	535.7	739.9	589.2	617.8	114.3%
Cash and cash equivalents	13.2	24.9	16.8	26.1	9.8	86.8	9.3	16.0	313.9%
Total assets	10 092.4	10 341.1	11 309.2	11 634.6	12 112.7	13 194.5	14 815.0	13 766.7	101.3%
Accumulated surplus/(deficit)	6 100.2	6 374.9	6 901.1	7 617.9	8 286.0	9 080.3	9 460.4	9 868.3	107.1%
Capital and reserves	442.8	442.8	442.8	442.9	442.8	442.8	442.8	442.8	100.0%
Borrowings	1 950.6	1 950.7	2 320.9	1 871.9	1 791.9	1 792.9	3 262.7	1 762.7	79.1%
Accrued interest	58.2	57.5	56.8	56.0	76.0	53.7	77.0	55.3	83.0%
Trade and other payables	769.6	781.8	713.9	871.9	604.2	966.8	589.3	680.7	123.3%
Provisions	770.8	690.2	843.3	678.1	868.6	698.7	939.8	861.1	85.6%
Derivatives financial instruments	—	43.1	30.3	95.9	43.1	159.1	43.1	95.9	338.1%
Total equity and liabilities	10 092.4	10 341.1	11 309.2	11 634.6	12 112.7	13 194.5	14 815.0	13 766.7	101.3%

Statements of estimates of financial performance, cash flow and financial position

Table 41.27 Umgeni Water statements of estimates of financial performance, cash flow and financial position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate							
R million	2019/20	2016/17 - 2019/20	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23
Revenue								
Non-tax revenue	4 334.2	17.1%	100.0%	4 804.8	5 250.3	5 779.3	10.1%	100.0%
Sale of goods and services other than capital assets	4 190.9	18.6%	94.1%	4 703.7	5 219.8	5 770.5	11.3%	98.5%
<i>Sales of bulk water</i>	4 190.9	18.6%	94.1%	4 703.7	5 219.8	5 770.5	11.3%	98.5%
Other non-tax revenue	143.4	-8.5%	5.9%	101.2	30.5	8.8	-60.5%	1.5%
Total revenue	4 334.2	17.1%	100.0%	4 804.8	5 250.3	5 779.3	10.1%	100.0%
Current expenses	2 973.8	17.3%	96.2%	3 244.5	3 516.4	3 794.2	8.5%	96.0%
Compensation of employees	798.2	12.5%	28.3%	799.1	852.6	912.0	4.5%	23.9%
Goods and services	1 773.6	16.8%	54.9%	2 029.7	2 239.5	2 439.1	11.2%	60.0%
Depreciation	382.6	30.9%	12.6%	398.8	412.0	430.9	4.0%	11.6%
Interest, dividends and rent on land	19.3	139.9%	0.3%	16.9	12.3	12.1	-14.4%	0.4%
Transfers and subsidies	124.6	5.7%	3.8%	135.7	147.8	161.0	8.9%	4.0%
Total expenses	3 098.4	16.7%	100.0%	3 380.2	3 664.2	3 955.1	8.5%	100.0%
Surplus/(Deficit)	1 235.9			1 424.6	1 586.1	1 824.2		
Cash flow statement								
Cash flow from operating activities	1 496.8	28.7%	288.2%	1 758.1	2 065.9	2 384.2	32.6%	296.9%
Receipts								
Non-tax receipts	4 334.2	19.7%	99.5%	4 804.8	5 250.3	5 779.3	10.1%	100.0%
Sales of goods and services other than capital assets	4 190.9	20.0%	94.3%	4 703.7	5 219.8	5 770.5	11.3%	98.5%
<i>Sales of bulk water</i>	4 190.9	20.0%	94.3%	4 703.7	5 219.8	5 770.5	11.3%	98.5%
Other tax receipts	143.4	11.3%	5.1%	101.2	30.5	8.8	-60.5%	1.5%
Total receipts	4 334.2	18.9%	100.0%	4 804.8	5 250.3	5 779.3	10.1%	100.0%
Current payments	2 837.5	14.8%	93.1%	3 046.7	3 184.4	3 395.1	6.2%	100.0%
Compensation of employees	798.2	12.5%	28.3%	799.1	852.6	912.0	4.5%	27.0%
Goods and services	2 020.0	22.3%	61.7%	2 230.7	2 319.5	2 471.0	6.9%	72.5%
Interest and rent on land	19.3	-55.1%	3.1%	16.9	12.3	12.1	-14.4%	0.5%
Total payment	2 837.5	14.8%	100.0%	3 046.7	3 184.4	3 395.1	6.2%	100.0%
Net cash flow from investing activities	(1 365.9)	10.4%	100.0%	(1 250.8)	(1 941.3)	(2 235.8)	17.9%	100.0%
Acquisition of property, plant, equipment and intangible assets	(1 510.7)	10.3%	89.3%	(2 145.4)	(2 263.1)	(2 446.2)	17.4%	127.0%
Acquisition of software and other intangible assets	(0.2)	-83.7%	2.1%	(0.2)	(0.2)	(0.2)	-	0.0%
Other flows from investing activities	145.0	-2.5%	8.7%	894.9	322.0	210.6	13.2%	-27.0%
Net cash flow from financing activities	187.1	-13.8%	100.0%	72.3	427.2	402.3	29.1%	100.0%
Deferred income	320.0	-4.8%	278.7%	579.0	550.9	545.7	19.5%	309.2%
Borrowing Activities	(30.5)	-27.0%	-104.0%	(631.0)	(26.4)	(26.4)	-4.7%	-225.5%
Other flows from financing activities	(102.4)	-	-74.8%	124.3	(97.3)	(117.0)	4.5%	16.3%
Net increase/(decrease) in cash and cash equivalents	317.9	-355.9%	100.0%	579.6	551.8	550.7	20.1%	100.0%
Statement of financial position								
Carrying value of assets	11 096.4	11.4%	75.7%	12 975.3	14 853.3	16 869.6	15.0%	88.4%
<i>Acquisition of assets</i>	<i>(1 510.7)</i>	<i>10.3%</i>	<i>-9.8%</i>	<i>(2 145.4)</i>	<i>(2 263.1)</i>	<i>(2 446.2)</i>	<i>17.4%</i>	<i>-13.3%</i>
Investments	1 966.7	2.9%	18.7%	855.7	535.3	367.5	-42.8%	6.4%
Inventory	25.9	18.1%	0.2%	29.7	33.6	37.7	13.4%	0.2%
Accrued investment interest	44.0	7.3%	0.4%	44.0	44.0	44.0	-	0.3%
Receivables and prepayments	617.8	13.0%	4.7%	689.5	759.9	823.5	10.1%	4.6%
Cash and cash equivalents	16.0	-13.7%	0.3%	16.7	17.6	22.6	12.2%	0.1%
Total assets	13 766.7	10.0%	100.0%	14 610.8	16 243.6	18 164.9	9.7%	100.0%
Accumulated surplus/(deficit)	9 868.3	15.7%	66.9%	11 293.0	12 879.2	14 703.5	14.2%	77.3%
Capital and reserves	442.8	0.0%	3.7%	442.8	442.8	442.8	-0.0%	2.9%
Borrowings	1 762.7	-3.3%	15.3%	1 133.2	1 108.4	1 124.5	-13.9%	8.4%
Accrued interest	55.3	-1.3%	0.5%	33.8	33.7	33.6	-15.3%	0.3%
Trade and other payables	680.7	-4.5%	6.8%	665.9	645.2	626.2	-2.7%	4.2%
Provisions	861.1	7.7%	6.0%	946.2	1 038.5	1 138.4	9.8%	6.3%
Derivatives financial instruments	95.9	30.5%	0.8%	95.9	95.9	95.9	-	0.6%
Total equity and liabilities	13 766.7	10.0%	100.0%	14 610.8	16 243.6	18 164.9	9.7%	100.0%

Personnel information

Table 41.28 Umgeni Water personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number		
Number of funded posts		Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2018/19			2019/20			2020/21		2021/22		2022/23				2019/20 - 2022/23		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Umgeni Water			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	1 376	1 376	1 288	674.3	0.5	1 376	798.2	0.6	1 376	799.1	0.6	1 378	852.6	0.6	1 378	912.0	0.7	4.5%	100.0%
1 – 6	329	329	276	89.3	0.3	329	110.0	0.3	329	110.5	0.3	331	117.3	0.4	331	124.6	0.4	4.2%	24.0%
7 – 10	792	792	757	336.3	0.4	792	390.7	0.5	792	390.7	0.5	792	417.2	0.5	792	446.7	0.6	4.6%	57.5%
11 – 12	167	167	167	140.6	0.8	167	166.6	1.0	167	166.6	1.0	167	177.9	1.1	167	190.5	1.1	4.6%	12.1%
13 – 16	87	87	87	104.7	1.2	87	127.3	1.5	87	127.4	1.5	87	136.1	1.6	87	145.8	1.7	4.6%	6.3%
17 – 22	1	1	1	3.4	3.4	1	3.6	3.6	1	3.8	3.8	1	4.1	4.1	1	4.4	4.4	7.0%	0.1%

1. Rand million.

Water Trading Entity

Selected performance indicators

Table 41.29 Water Trading Entity performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Reduction in the number of days for the collection of outstanding debt per year	Administration	Priority 1: Economic transformation and job creation	120	100	100	100	100	100	100
Percentage of total maintenance budget spent on asset refurbishment and betterment against budget per year	Administration		86% (343 796/ 400 000)	85% (270 488/ 316 613)	46% (130 792/ 284 000)	100%	100%	100%	100%
Number of raw water projects completed per year	Operations, maintenance and refurbishment of national water resources schemes		0	1	0	1	2	1	0
Percentage of water users validated within catchment area per year	Implementation of water resources management activities		— ¹	— ¹	— ¹	— ¹	100%	100%	100%
Number of rivers where the monitoring programme has been implemented per year	Implementation of water resources management activities		66	92	71	71	71	71	71
Percentage of planned maintenance projects completed per year as per the approved asset management plan	Operations, maintenance and refurbishment of national water resources schemes		60% (152/255)	36% (140/390)	46% (267/579)	90%	80%	90%	90%
Percentage of unscheduled maintenance projects completed per year as a proportion of planned maintenance projects	Operations, maintenance and refurbishment of national water resources schemes		— ²	≤20%	≤10%	≤10%	≤10%	≤10%	≤10%
Number of dam safety rehabilitation projects completed per year	Implementation of dam safety projects		0	0	3	3	3	3	3

1. New indicator

2. No historical data available

Entity overview

The Water Trading Entity was established in 1983 for the management of water infrastructure and resources, and the sale of raw water. It was converted into a trading entity in terms of the Public Finance Management Act (1999) in 2008. Over the medium term, the entity will continue to focus on maintaining existing water resource infrastructure, supporting the long-term sustainability of water resources, and supplying bulk water to strategic users such as large industrial companies to stimulate and support economic development. Accordingly, over the period ahead, the entity anticipates the completion of 3 raw water projects (Tzaneen Dam, Clanwilliam Dam and Hazelmere Dam). Spending on these projects is expected to increase at an average annual rate of 8.7 per cent,

from R12.8 billion in 2019/20 to R16.4 billion in 2022/23. Capital expenditure is expected to increase at an average annual rate of 10.5 per cent, from R1.6 billion in 2019/20 to R2.2 billion in 2022/23.

Revenue is expected to increase at an average annual rate of 9.6 per cent, from R14.7 billion in 2019/20 to R19.3 billion in 2022/23. Revenue from the sale of raw water is expected to increase at an average annual rate of 10.7 per cent, from R11.9 billion in 2019/20 to R16.1 billion in 2022/23. Revenue derived from transfers from the department amounts to R7.2 billion over the medium term. These funds will be used to finance the Trans-Caledon Tunnel Authority's construction of raw water infrastructure.

Programmes/Objectives/Activities

Table 41.30 Water Trading Entity expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
R million	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Administration	2 727.5	698.1	815.8	902.3	-30.8%	9.3%	997.9	1 103.7	1 161.6	8.8%	7.1%
Implementation of water resources management activities	528.7	528.6	805.1	890.4	19.0%	5.4%	984.8	1 089.2	1 146.3	8.8%	7.0%
Operations, maintenance and refurbishment of national water resources schemes	1 780.5	1 399.3	1 581.0	1 748.6	-0.6%	12.5%	1 934.0	2 139.0	2 248.6	8.7%	13.7%
Financing and investment in raw water infrastructure	7 980.8	7 640.6	6 675.3	6 883.1	-4.8%	56.0%	7 612.7	8 419.7	8 843.3	8.7%	53.8%
Bulk water supply to strategic users	2 175.4	1 855.4	2 038.4	2 254.5	1.2%	16.0%	2 493.5	2 757.8	2 898.3	8.7%	17.6%
Implementation of dam safety projects	236.0	29.8	95.7	105.8	-23.5%	0.8%	117.0	129.4	138.5	9.4%	0.8%
Total	15 428.8	12 151.8	12 011.3	12 784.7	-6.1%	100.0%	14 139.9	15 638.7	16 436.6	8.7%	100.0%

Statements of historical financial performance, cash flow and financial position

Table 41.31 Water Trading Entity statements of historical financial performance, cash flow and financial position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average Outcome/ Budget (%)
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
Revenue									
Non-tax revenue	8 667.9	10 164.4	9 761.1	10 626.1	11 352.1	12 002.4	12 565.7	12 317.8	106.5%
Sale of goods and services other than capital assets of which:	8 606.5	9 458.3	9 646.2	9 785.3	11 252.0	11 032.2	12 455.6	12 207.7	101.2%
Sales by market establishment	8 606.5	9 458.3	9 646.2	9 785.3	11 252.0	11 032.2	12 455.6	12 207.7	101.2%
Sales of water	8 370.8	9 036.8	9 431.1	9 557.8	10 987.9	10 876.8	12 163.6	11 915.7	101.1%
Construction revenue	221.9	409.4	200.0	223.8	247.5	154.2	273.7	273.7	112.5%
Lease revenue earned	13.8	12.2	15.1	3.7	16.6	1.2	18.3	18.3	55.4%
Other non-tax revenue	61.4	706.1	114.9	840.8	100.1	970.2	110.1	110.1	679.8%
Transfers received	1 499.5	1 499.5	1 651.7	1 651.7	2 031.6	2 266.9	2 119.2	2 367.0	106.6%
Total revenue	10 167.5	11 664.0	11 412.7	12 277.7	13 383.7	14 269.3	14 684.8	14 684.8	106.5%
Expenses									
Current expenses	9 194.8	15 428.8	9 908.0	12 151.8	11 559.4	12 011.3	12 784.7	12 784.7	120.6%
Compensation of employees	908.5	924.4	972.1	1 191.1	1 218.4	1 218.4	1 292.8	1 292.8	105.3%
Goods and services	5 763.2	8 043.3	6 256.3	4 382.3	2 996.5	3 448.4	3 699.6	3 699.6	104.6%
Depreciation	2 071.0	1 833.4	2 199.4	1 922.2	2 314.1	2 314.1	2 455.2	2 455.2	94.3%
Interest, dividends and rent on land	452.1	4 627.7	480.1	4 656.2	5 030.3	5 030.3	5 337.1	5 337.1	173.9%
Total expenses	9 194.8	15 428.8	9 908.0	12 151.8	11 559.4	12 011.3	12 784.7	12 784.7	120.6%
Surplus/(Deficit)	972.7	(3 764.8)	1 504.8	125.9	1 824.3	2 258.0	1 900.1	1 900.1	

Table 41.31 Water Trading Entity statements of historical financial performance, cash flow and financial position

Statement of financial performance									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	2016/17 - 2019/20
R million	2016/17		2017/18		2018/19		2019/20		
Cash flow statement									
Cash flow from operating activities	6 411.1	3 456.6	6 366.6	4 187.3	7 472.1	4 859.3	9 003.3	9 003.3	73.5%
Receipts									
Non-tax receipts	8 150.6	8 246.6	8 435.3	9 317.5	8 909.8	11 418.5	9 816.9	9 816.9	109.9%
Sales of goods and services other than capital assets	7 813.7	8 246.6	8 165.8	9 317.5	8 909.8	11 418.5	9 816.9	9 816.9	111.8%
<i>Sales by market establishment</i>	<i>7 532.2</i>	<i>8 069.2</i>	<i>7 870.2</i>	<i>9 003.2</i>	<i>8 631.1</i>	<i>11 139.8</i>	<i>9 593.9</i>	<i>9 593.9</i>	<i>112.4%</i>
<i>Other sales</i>	<i>281.6</i>	<i>177.4</i>	<i>295.6</i>	<i>314.3</i>	<i>278.7</i>	<i>278.7</i>	<i>222.9</i>	<i>222.9</i>	<i>92.1%</i>
Other tax receipts	336.9	—	269.5	—	—	—	—	—	—
Transfers received	1 709.5	1 709.5	1 882.9	1 651.7	2 266.9	1 971.3	2 367.0	2 367.0	93.6%
Total receipts	9 860.1	9 956.1	10 318.2	10 969.2	11 176.7	13 389.8	12 183.9	12 183.9	106.8%
Payment									
Current payments	3 449.0	6 499.5	3 951.6	6 781.9	3 704.7	8 530.5	3 180.6	3 180.6	174.9%
Compensation of employees	908.5	822.6	972.1	1 232.6	1 344.0	1 482.9	1 292.8	1 292.8	106.9%
Goods and services	2 460.3	3 550.6	2 895.2	2 540.4	2 360.7	4 172.9	1 887.9	1 887.9	126.5%
Interest and rent on land	80.2	2 126.3	84.2	3 008.9	—	2 874.7	—	—	4 872.4%
Total payments	3 449.0	6 499.5	3 951.6	6 781.9	3 704.7	8 530.5	3 180.6	3 180.6	174.9%
Net cash flow from investing activities	(1 950.2)	(1 553.4)	(1 899.2)	(500.6)	(1 227.1)	(172.6)	(1 623.5)	(1 623.5)	57.5%
Acquisition of property, plant, equipment and intangible assets	(1 899.2)	(1 313.2)	(1 899.2)	(500.6)	(1 227.1)	(172.6)	(1 623.5)	(1 623.5)	54.3%
Acquisition of software and other intangible assets	(51.0)	(250.2)	—	—	—	—	—	—	490.7%
Proceeds from the sale of property, plant, equipment and intangible assets	—	10.1	—	—	—	—	—	—	—
Net cash flow from financing activities	(4 364.9)	(4 132.5)	(4 583.3)	(2 911.8)	(6 244.9)	(4 726.2)	(6 905.8)	(6 905.8)	84.5%
Borrowing activities	(4 345.6)	(4 085.9)	(4 562.9)	(2 909.2)	(6 223.4)	(4 724.2)	(6 883.1)	(6 883.1)	84.5%
Repayment of finance leases	(19.3)	(46.5)	(20.4)	(2.5)	(21.5)	(2.0)	(22.7)	(22.7)	88.0%
Net increase/(decrease) in cash and cash equivalents	95.9	(2 229.2)	(115.9)	774.9	(0.0)	(39.6)	473.9	473.9	
Statement of financial position									
Carrying value of assets	95 275.7	95 913.9	96 784.4	95 221.1	92 973.3	93 733.1	93 231.0	93 231.0	100.0%
<i>Acquisition of assets</i>	<i>(1 899.2)</i>	<i>(1 313.2)</i>	<i>(1 899.2)</i>	<i>(500.6)</i>	<i>(1 227.1)</i>	<i>(172.6)</i>	<i>(1 623.5)</i>	<i>(1 623.5)</i>	<i>54.3%</i>
Inventory	134.3	158.8	120.8	145.7	108.8	148.2	97.9	97.9	119.3%
Receivables and prepayments	5 083.7	6 002.3	4 159.9	5 381.6	5 468.9	5 205.4	4 949.8	4 949.8	109.5%
Cash and cash equivalents	138.9	0.2	538.9	0.3	—	0.2	—	—	0.1%
Total assets	100 632.6	102 075.3	101 603.9	100 748.7	98 550.9	99 086.9	98 278.7	98 278.7	100.3%
Accumulated surplus/(deficit)	71 294.5	70 508.7	69 686.8	71 145.1	63 727.7	73 349.9	65 619.4	65 619.4	103.8%
Capital and reserves	326.3	279.6	313.0	407.2	407.2	460.4	407.2	407.2	106.9%
Borrowings	27 873.8	29 548.3	30 667.4	25 517.7	29 496.4	22 180.4	28 303.5	28 303.5	90.7%
Finance lease	48.7	4.7	46.8	5.7	6.0	3.9	6.3	6.3	19.1%
Trade and other payables	914.4	1 519.3	701.6	3 558.9	4 643.2	2 911.6	3 643.2	3 643.2	117.5%
Benefits payable	—	—	—	114.1	—	180.6	—	—	—
Provisions	175.0	214.6	188.3	—	270.4	—	299.1	299.1	55.1%
Total equity and liabilities	100 632.6	102 075.3	101 603.9	100 748.7	98 550.9	99 086.9	98 278.7	98 278.7	100.3%

Statements of estimates of financial performance, cash flow and financial position**Table 41.32 Water Trading Entity statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance									Average: Expenditure/ Total (%)
	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)		
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23		
Revenue									
Non-tax revenue	12 317.8	6.6%	85.4%	13 732.3	15 198.3	16 928.6	11.2%	85.7%	
Sale of goods and services other than capital assets	12 207.7	8.9%	80.3%	13 583.1	15 033.3	16 747.1	11.1%	84.8%	
<i>Sales by market establishment</i>	<i>12 207.7</i>	<i>8.9%</i>	<i>80.3%</i>	<i>13 583.1</i>	<i>15 033.3</i>	<i>16 747.1</i>	<i>11.1%</i>	<i>84.8%</i>	
<i>Sales of water</i>	<i>11 915.7</i>	<i>9.7%</i>	<i>78.2%</i>	<i>13 261.1</i>	<i>14 677.2</i>	<i>16 145.0</i>	<i>10.7%</i>	<i>82.5%</i>	
<i>Construction revenue</i>	<i>273.7</i>	<i>-12.6%</i>	<i>2.1%</i>	<i>302.8</i>	<i>334.8</i>	<i>368.3</i>	<i>10.4%</i>	<i>1.9%</i>	
<i>Lease revenue earned</i>	<i>18.3</i>	<i>14.6%</i>	<i>0.1%</i>	<i>19.2</i>	<i>21.3</i>	<i>233.8</i>	<i>133.8%</i>	<i>0.4%</i>	
Other non-tax revenue	110.1	-46.2%	5.1%	149.2	165.0	181.5	18.1%	0.9%	
Transfers received	2 367.0	16.4%	14.6%	2 447.4	2 377.5	2 420.1	0.7%	14.3%	
Total revenue	14 684.8	8.0%	100.0%	16 179.7	17 575.8	19 348.7	9.6%	100.0%	
Current expenses	12 784.7	-6.1%	100.0%	14 139.9	15 638.7	16 436.6	8.7%	100.0%	
Compensation of employees	1 292.8	11.8%	9.0%	1 370.3	1 451.2	1 539.7	6.0%	9.6%	
Goods and services	3 699.6	-22.8%	36.5%	4 509.6	4 771.8	5 010.4	10.6%	30.5%	
Depreciation	2 455.2	10.2%	16.5%	2 602.6	2 756.2	2 894.0	5.6%	18.2%	
Interest, dividends and rent on land	5 337.1	4.9%	38.0%	5 657.4	6 659.6	6 992.5	9.4%	41.7%	
Total expenses	12 784.7	-6.1%	100.0%	14 139.9	15 638.7	16 436.6	8.7%	100.0%	
Surplus/(Deficit)	1 900.1			2 039.8	1 937.1	2 912.1			

Table 41.32 Water Trading Entity statements of estimates of financial performance, cash flow and financial position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate							
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
Cash flow statement								
Cash flow from operating activities	9 003.3	37.6%	250.2%	9 390.0	10 343.5	11 182.7	17.8%	246.8%
Receipts								
Non-tax receipts	9 816.9	6.0%	83.4%	10 573.1	11 710.6	12 881.6	9.5%	82.3%
Sales of goods and services other than capital assets	9 816.9	6.0%	83.4%	10 573.1	11 710.6	12 881.6	9.5%	82.3%
Sales by market establishment	9 593.9	5.9%	81.3%	10 394.7	11 567.9	12 724.7	9.9%	81.0%
Other sales	222.9	7.9%	2.1%	178.4	142.7	157.0	-11.0%	1.3%
Transfers received	2 367.0	11.5%	16.6%	2 447.4	2 377.5	2 420.1	0.7%	17.7%
Total receipts	12 183.9	7.0%	100.0%	13 020.5	14 088.0	15 301.7	7.9%	100.0%
Current payments	3 180.6	-21.2%	48.5%	3 630.5	3 744.5	4 119.0	9.0%	100.0%
Compensation of employees	1 292.8	16.3%	9.5%	1 370.3	1 451.2	1 596.3	7.3%	39.0%
Goods and services	1 887.9	-19.0%	23.4%	2 260.2	2 293.3	2 522.7	10.1%	61.0%
Total payment	3 180.6	-21.2%	100.0%	3 630.5	3 744.5	4 119.0	9.0%	100.0%
Net cash flow from investing activities	(1 623.5)	1.5%	100.0%	(1 612.6)	(1 993.8)	(2 193.2)	10.5%	100.0%
Acquisition of property, plant, equipment and intangible assets	(1 623.5)	7.3%	96.1%	(1 612.6)	(1 993.8)	(2 193.2)	10.5%	100.0%
Net cash flow from financing activities	(6 905.8)	18.7%	100.0%	(7 636.6)	(8 446.1)	(9 290.8)	10.4%	100.0%
Borrowing Activities	(6 883.1)	19.0%	99.6%	(7 612.7)	(8 419.7)	(9 261.6)	10.4%	99.7%
Repayment of finance leases	(22.7)	-21.3%	0.4%	(23.9)	(26.5)	(29.1)	8.6%	0.3%
Net increase/(decrease) in cash and cash equivalents	473.9	-159.7%	100.0%	140.9	(96.5)	(301.2)	-186.0%	100.0%
Statement of financial position								
Carrying value of assets	93 231.0	-0.9%	94.5%	93 646.7	91 487.9	91 487.9	-0.6%	95.5%
Acquisition of assets	(1 623.5)	7.3%	-0.9%	(1 612.6)	(1 993.8)	(2 193.2)	10.5%	-1.9%
Inventory	97.9	-14.9%	0.1%	102.8	101.8	101.8	1.3%	0.1%
Receivables and prepayments	4 949.8	-6.2%	5.4%	4 482.4	3 165.8	3 165.8	-13.8%	4.1%
Cash and cash equivalents	–	-100.0%	0.0%	84.4	663.6	663.6	–	0.4%
Total assets	98 278.7	-1.3%	100.0%	98 316.2	95 419.0	95 419.0	-1.0%	100.0%
Accumulated surplus/(deficit)	65 619.4	-2.4%	70.1%	67 715.3	60 686.2	60 686.2	-2.6%	65.7%
Capital and reserves	407.2	13.4%	0.4%	407.2	407.2	407.2	-0.0%	0.4%
Borrowings	28 303.5	-1.4%	26.4%	27 213.1	32 309.6	32 309.6	4.5%	31.0%
Finance lease	6.3	9.7%	0.0%	6.6	7.0	7.0	3.8%	0.0%
Trade and other payables	3 643.2	33.8%	2.9%	2 643.2	1 643.2	1 643.2	-23.3%	2.5%
Provisions	299.1	11.7%	0.1%	330.8	365.8	365.8	6.9%	0.4%
Total equity and liabilities	98 278.7	-1.3%	100.0%	98 316.2	95 419.0	95 419.0	-1.0%	100.0%

Personnel information

Table 41.33 Water Trading Entity personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Number	
Number of funded posts	Number of posts on approved establishment		Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/Total (%)
			2018/19			2019/20			2020/21			2021/22			2022/23				
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Water Trading Entity			4 208	1 218.4	0.3	3 358	1 292.8	0.4	3 358	1 370.3	0.4	3 358	1 451.2	0.4	3 358	1 539.7	0.5	6.0%	100.0%
Salary level	3 358	3 358	2 543	411.1	0.2	1 993	436.2	0.2	1 993	461.9	0.2	1 993	489.2	0.2	1 993	519.0	0.3	6.0%	59.4%
1 – 6	1 993	1 993	2 543	411.1	0.2	1 993	436.2	0.2	1 993	461.9	0.2	1 993	489.2	0.2	1 993	519.0	0.3	6.0%	59.4%
7 – 10	1 258	1 258	1 544	650.2	0.4	1 258	689.8	0.5	1 258	731.8	0.6	1 258	775.0	0.6	1 258	822.3	0.7	6.0%	37.5%
11 – 12	102	102	116	148.1	1.3	102	157.1	1.5	102	166.4	1.6	102	176.2	1.7	102	187.0	1.8	6.0%	3.0%
13 – 16	5	5	5	9.1	1.8	5	9.6	1.9	5	10.2	2.0	5	10.8	2.2	5	11.4	2.3	6.0%	0.1%

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 **Breede-Gouritz Catchment Management Agency** plays a key role in the use, protection and development of water resources in the Breede-Gouritz water catchment area. The agency's total budget for 2020/21 is R81 million.

- The **Inkomati-Usuthu Catchment Management Agency** plays a key role in the use, protection and development of water resources in the Inkomati-Usuthu water catchment area. The agency's total budget for 2020/21 is R156.8 million.
- The **Water Research Commission** was established in terms of the Water Research Act (1971) and is listed as a schedule 3A public entity. The commission's mandate is to conduct research on water by determining needs and priorities for research, stimulating and funding water research, promoting the effective transfer of information and technology, and enhancing knowledge and capacity building in the water sector. Research is informed by government policies, needs and international trends. The commission's total budget for 2020/21 is R332 million.